

GST Council not for inclusion of petroleum products: FinMin

Centre turns down States' plea for compensation beyond June 2022

VIKAS DHOOT
LUCKNOW

The Goods and Services Tax (GST) Council has decided to keep petroleum products out of the GST regime, while consumers will have to keep paying the Compensation Cess levied on products like automobiles till March 2026 instead of July 2022 as originally envisaged at the time of rolling out the indirect tax regime.

Union Finance and Corporate Affairs Minister Nirmala Sitharaman, who chaired the first physical meeting of the Council in nearly two years, said a discussion on including petroleum products in the GST regime was held purely at the behest of the Kerala High Court, which had suggested that the Council take it up in response to a writ petition.

"The Council members

What's in store | The 45th GST Council meeting was chaired by Finance Minister Nirmala Sitharaman in Lucknow on Friday. Among the key decisions are:

■ Concessional tax rates on COVID-19 **essential medicines like Tocilizumab** extended till December 31

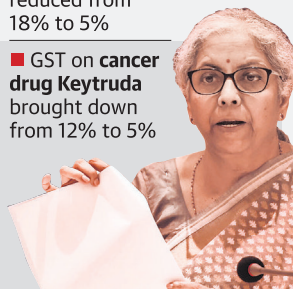
■ **Muscular atrophy drugs** such as Zolgensma and Vilepsa that cost around ₹16 cr. exempted from GST

■ Import of **leased aircraft** exempted from I-GST

■ **Food delivery apps** to collect GST instead of restaurants

■ Tax on **fortified rice kernels** for ICDS scheme reduced from 18% to 5%

■ GST on **cancer drug Keytruda** brought down from 12% to 5%



spoke very clearly that they don't want petroleum products to be included in GST at this time. We shall report the same to the court that the Council has discussed it as per their desire, and the GST Council felt this wasn't the time to bring petroleum products into GST," Ms. Sith-

araman said.

The Minister also indicated that the Union government is not inclined to consider some States' demand to extend the five-year period for which they have been assured a 14% revenue growth for giving up several taxation powers to pave the

way for implementing the GST regime. "Legally, compensation was to be paid for five years till July 2022 with an assured level of revenue for the States," Ms. Sitharaman said.

CONTINUED ON ► PAGE 8