GST Council may discuss levying cess on pan masala, bricks at manufacturing stage in next meeting

New Delhi: The GST Council may consider at the next meet levying cess on commodities like pan masala and bricks at the manufacturing stage itself, a move aimed at checking tax evasion and shoring up revenues.

During the 40th GST Council meeting held on Friday, Uttar Pradesh raised the issue of discussion on brick kilns and pan masala related matters.

"They have been asking for rates for these items... The minister from Uttar Pradesh felt strongly about it because he wanted to have revenue for his state and wanted the council to take a quick call on it. So I have assured him in the next regular council meeting we will take it up," Finance Minister Nirmala Sitharaman told reporters here.

Sources said Uttar Pradesh has demanded levying the cess at the manufacturing stage based on production capacity as against the current practice of imposing it on supplies made by the manufacturer.

Currently, GST at the rate of 28 per cent, and a 60 per cent cess, is levied on pan masala.

Pan masala containing gutkha attracts 204 per cent cess.

PTI