

No plan yet to bring fuel under GST: FM

Says Council to take it up after considering revenue impact

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Amid rising fuel prices, Finance Minister Nirmala Sitharaman on Monday told Parliament that there was no proposal at present to include petrol, diesel, and three other fuels under the goods and services tax (GST).

“At present, there is no proposal to bring crude petroleum, petrol, diesel, ATF, and natural gas under GST,” she said in a written reply in the Lok Sabha.

The finance minister said inclusion of these products in GST would require recommendation of the GST Council.

“So far, the GST Council, in which states are also represented, has not made any recommendation for inclusion of these goods under GST,” she pointed out.

The Council may consider the issue of inclusion of these five petroleum products when it considers appropriate keeping in view all the relevant factors, including revenue implication.

Sitharaman told the lower house that the Constitution provides that GST means any tax on supply of goods or services or both, except taxes on the supply of alcoholic liquor for human consumption. “Thus, supply of above petroleum products is not excluded from the purview of GST,” she said.

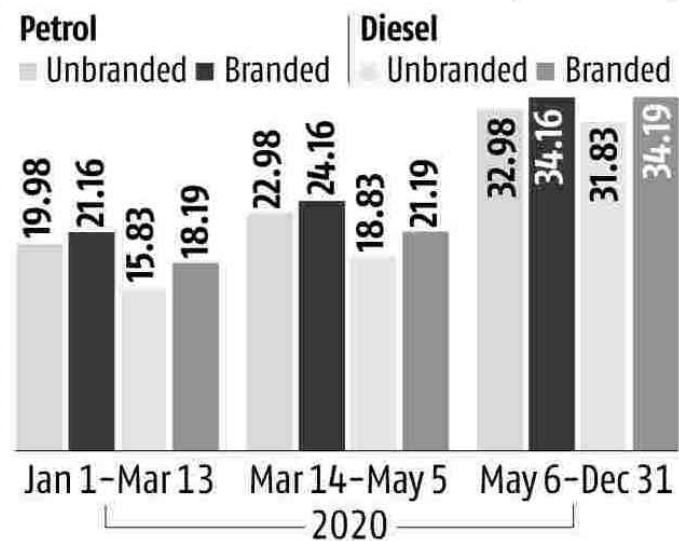
Article 279 A (5) of the Constitution prescribes that the GST Council shall recom-

FUELLING THE TAX DEBATE

Central excise duty, including basic excise duty, cess and surcharge on petrol and diesel (in ₹/litre)



Nirmala Sitharaman,
Finance Minister



Note: Excise duty was further tweaked with the introduction of Agriculture Infrastructure and Development Cess in the Union Budget
Source: Govt's written reply in the Lok Sabha

Sitharaman tables Bill in RS to allow 74% FDI in insurance

Finance Minister Nirmala Sitharaman on Monday introduced a Bill in Rajya Sabha that seek to amend the Insurance Act to pave the way for 74 per cent foreign direct investment (FDI) in the sector.

The Union Cabinet on Wednesday had gave its nod for amendments in the Insurance Amend-

ment Bill 2021. Finance Minister Sitharaman introduced the Bill for amendments in the Insurance Act, 1938.

Currently, the permissible FDI limit in the life and general insurance stands at 49 per cent with ownership and management control with Indian.

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mend the date on which the GST be levied on the five products cited above, she said.

Minister of state for finance, Anurag Thakur, said in response to another query that in 2020, central excise duty, including basic excise duty, cess and surcharge, on branded petrol increased

from ₹21.16 per litre in January 1-March 13 to ₹34.16 a litre in May 6-December 31.

“The excise duty rates have been calibrated to generate resources for infrastructure and other developmental items of expenditure keeping in view the present fiscal position,” Thakur said.