

Hotel Industry Voices Concern Over Lack Of Clarity On Indirect Tax Structure

Though the implementation of GST has made customers happy by reducing the multiplicity of taxes, hoteliers are still left in doubt. Hotels have been taxed under different slabs based on room tariffs but there has been some confusion around whether this was applicable on the rack rates or the invoice value.

The matter has already been escalated to the ministry but there has been no reply whatsoever. Hence, the query on whether the taxes are applicable on invoice value still stands. The notification had declared tariff, as the base value but there has been no formal announcement yet. The good part is that, in spite of all the hiccups that the hotel industry is currently facing, the regular booking statistics show no negative changes. The figures are expected to remain constant in the coming months too.