

HRAWI's efforts bring about a change! GST rates for AC restaurants likely to go down to 12%

HRAWI's efforts to bring down the GST rates on F&B have paid off finally. Reportedly, GST rates for AC restaurants are likely to go down from 18 percent to 12 percent. However, it remains to be seen if the GST rates for non-AC restaurants are going to dip as well.

A proposal to raise the threshold for the composition scheme has also been put forth where we had asked for threshold to be 3 crores. Under the composition scheme, traders are allowed to pay a fixed rate to avoid GST paperwork. The GST council is likely to increase the threshold for the composition scheme to Rs 1 crore from Rs 75 lakh . The GST Council is meeting to make some 'structural changes' in the national tax regime that was implemented to unify all taxes and bring them under one bracket. A lot yet remains to be rationalized.

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