

## **Tourism ministry to highlight lower room tariffs to woo foreigners**

The tourism ministry is planning to highlight the recent tax cut on room tariffs in promotional campaigns overseas to lure travellers ahead of the peak winter holiday season. The Convention Promotion Bureau (ICPB), which works closely with the tourism ministry on promoting India as an MICE (meetings, incentives, conferences and exhibitions) destination, said it will also look at raising awareness around the announcement of lower GST (goods and services tax) rates last month.

On September 20, the GST Council tweaked taxes on several products and services, including hospitality. The GST rate for room tariffs of Rs 7,500 and above was reduced to 18% from 28%, while those between Rs 1,000 and Rs 7,500 would have to pay 12% GST. Hotels with tariffs of less than Rs 1,000 do not attract tax as per an earlier decision. Earlier, the slab of Rs 2,500-7,500 attracted 18% tax.

Online travel aggregators said bookings for the coming quarter are looking up as hotels have begun factoring in the tax benefits for bookings done for stay after October 1.