

Hoteliers In Fear Of Losing Corporate MICE Business In India After GST

The Indian hoteliers are apprehensive of loss of corporate MICE business, as GST doesn't allow hotels to give IGST credits to corporate companies holding events and conferences in their hotels. Under the present provisions of service, hotels are not entitled to give IGST credits to corporate companies that are not registered in the destination. Since small businesses cannot afford to get registered in all states, hotels cannot issue IGST credits to such clients and companies.

Apparently, according to analytics, it is a misconception that rates have gone up under GST. Rather tax incidence on the industry has come down to 18% from 20%. However, the industry is still asked to raise all possible FAQs within the next one week, which can be directed to the GST Council to get the necessary redressal and clarification at the earliest.