



भारत सरकार  
GOVERNMENT OF INDIA  
जीएसटी के आयुक्त का कार्यालय  
OFFICE OF THE COMMISSIONER OF GST,  
जीएसटी भवन, पाटो, पणजी - गोवा.  
GST BHAVAN, PATTO, PANAJI- GOA.



गोवा सरकार  
GOVERNMENT OF GOA  
वाणिज्य कर विभाग  
DEPARTMENT OF COMMERCIAL TAXES,  
विक्रीकर भवन पणजी - गोवा  
VIKRIKAR BHAVAN, PANAJI - GOA

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फाइलसंख्या / F. No.: 13/01/2017-18/GST/Comp  
गोवा, तारीख/Date: 28.02.2018

## **TRADE CIRCULAR NO. 01/2018-GST**

**Sub :- Clarification regarding levy of GST on Accommodation Services - Reg.**

Attention of the Trade & Industry is invited to the Ministry's Circular No. 27/01/2018 issued in F. No. 354/107/2017-TRU dated 04.01.2018, on the above subject.

2. Instances have come to light, that some of the Hotels located in the jurisdiction of Goa are not following proper methodology for charging the correct GST from their ultimate Customers, even though "Declared Tariff" is more than Rs. 7500/day, which cause loss of revenue to the Government Exchequer.

3. In this context, the taxpayers are advised to follow the clarification issued vide the above said Circular scrupulously. For the Sake of easy reference, the relevant portion of the circular is reproduced below:

S. No.	Questions/ Clarifications sought	Clarifications
1	<p>1. Will GST be charged on actual tariff or declared tariff for accommodation services?</p> <p>2. What will be GST rate if cost goes up (more than declared tariff) owing to additional bed.</p> <p>3. Where will the declared tariff be published?</p>	<p>1. Declared or published tariff is relevant only for determination of the tax rate slab. GST will be payable on the actual amount charged (transaction value).</p> <p>2. GST rate would be determined according to declared tariff for the room, and GST at the rate so determined would be levied on the entire amount charged from the customer. For example, if the declared tariff is Rs. 7000 per unit per day but the amount charged from the customer on account of extra bed is Rs. 8000, GST shall be charged at 18% on Rs. 8000.</p> <p>3. Tariff declared anywhere, say on the websites through which business is being procured or printed on tariff card or displayed at the reception will be the declared tariff. In case different tariff is declared at different places, highest of such declared tariffs shall be</p>

	<p>4. Same room may have different tariff at different times depending on season or flow of tourists as per dynamic pricing. Which rate to be used then?</p> <p>5. If tariff changes between booking and actual usage, which rate will be used?</p> <p>6. GST at what rate would be levied if</p>	<p>the declared tariff for the purpose of levy of GST.</p> <p>4. In case different tariff is declared for different seasons or periods of the year, the tariff declared for the season in which the service of accommodation is provided shall apply.</p> <p>5. Declared tariff at the time of supply would apply.</p> <p>6. If declared tariff of the accommodation provided by way of upgrade is Rs 10000, but amount charged is Rs 7000, then GST would be levied @ 28% on Rs. 7000/-</p>
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4. It is further clarified that customer booking accommodation in Hotel directly or through online portals, the rate of tax payable is same i.e. 28% when the "Declared tariff" is more than Rs. 7500/- day. It is the responsibility of the hotel concerned to ensure that appropriate tax @ 28% is charged and paid to the Government exchequer, even though the booking is done through online portals. For any short payments of GST in this regard, the supplier of the said Service namely Hotels concerned is liable for payment of the short levy.

5. Difficulty, if any, in the implementation of the GST should be brought to the notice of the undersigned.

6. All Trade Associations are requested to bring the contents of this Trade Circular to the notice of their member supplier of services (erstwhile service providers) and trade in general.



(K. ANPAZHAKAN)

Commissioner of Central Tax, Goa



(DIPAK M. BANDEKAR)

Commissioner of State Tax, Goa

To,

- 1) Tourism and Travel Association of Goa, 609, Dempo Towers, Patta Plaza, Panaji, Goa 403001.
- 2) Goa Chamber of Commerce and Industry, 2<sup>nd</sup> Floor, Goa Chamber Building, Opposite Azad Maidan, Panaji, Goa 403001
- 3) Under Secretary (Finance R & C), Govt. of Goa, Secretariat, Porvorim, Goa.....for information.