

UPDATE

This Update has been prepared by Rajarshi Dasgupta and Vedika Agarwal.

Key Highlights of the 51st GST Council Meeting

The 51st meeting of the Goods and Services Tax (GST) Council was conducted on 2nd August 2023. The key highlights are as under:

1. No Change for 28% GST on online gaming, casinos, and horse racing.
2. Amendments in Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 regarding online gaming taxes.
3. Council to review GST implementation of online gaming after 6 months of implementation.
4. Approves clear definition of actionable claims.
5. Approves inclusion of online money gaming in the definition of online gaming.
6. Approves definition of online money gaming includes games based on both skill & chance.
7. Approves definition of online gaming as 'offered on internet or e-network including online money gaming'.
8. Approves inserting the definition of 'virtual digital asset' in GST law as defined in the Income Tax Act, 1961.
9. The council approves bringing online money gaming supplied by an entity located outside taxable territory under Integrated Goods and Services Tax ambit.
10. Approval of the proposal to block all online gaming apps/platforms not complying with tax rules.
11. Offshore gaming companies registration is liable to action under the Income Tax Act, 1961 if not complied with provisions.
12. Council to differentiate online gaming and online money gaming.
13. Notifications will be provided on 'Place of supply' if required.
14. Efforts will be made to complete the process of making amendments and bring the amendments into effect from 1st October 2023.

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