

# State Budget GST Refund to Hotels and Tour Operators

## 1. Operative Period: -

Description
01.04.2020 to 31-03-2021
01-04-2021 to 30-06-2021
01-01-2022 to 31-03-2022

## 2. Definitions:-

In this order, unless the subject or context otherwise requires.-

"State Tax due and deposited" means the amount of State Tax (SGST) paid through debit in the electronic cash ledger account maintained by the enterprise in terms of sub-section (1) of section 49 of the Rajasthan Goods and Service Tax Act, 2017 (Act No. 9 of 2017) after complete utilization of the available amount of input tax credit of the State tax (SGST) and Integrated tax (IGST).

(2) The words and expressions used in this order shall have same meaning as assigned to them in the Rajasthan Goods and Services Tax Act, 2017 (Act No. 9 of 2017) and rules made thereunder.

### 3. Applicability:-

This order shall be applicable for

1. Registered taxable persons in the category of

**a. Hotels,**

**b. Heritage hotels,**

**c. Resorts**

**d. Tour operators.**

"Tour operator" means any person engaged in the business of planning, scheduling, organizing, arranging tours (which may include arrangement for accommodation, sightseeing or other similar services) by any mode of transport, and includes any person engaged in the business of operating tours."

The above same definition of 'Tour operator' is keep maintained in the Notification No. 11/2017-Central Tax (Rate) dt. 28.06.2017

## Meaning of 'tour operator services' in new era of GST

Clause (i) of serial no. 23 of Notification No. 11/2017-Central Tax (Rate) prescribed rate of tax on 'supply of tour operators services'.

Relevant portion of the notification is reproduced here in below

<i>Sl. No</i>	<i>Chapter, Section or Heading</i>	<i>Description of Service</i>	<i>Rate (per cent)</i>	<i>Condition</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
1	Chapter 99	All Services		
23	Heading 9985 (Support services)	(i) Supply of tour operators services.  <i>Explanation.</i> - "Tour operator" means any person engaged in the business of planning, scheduling, organizing, arranging tours (which may include	2.5	1. Provided that credit of input tax charged on goods and services used in supplying the service <sup>2</sup> [, other than the input tax credit of input service in the same line of business (i.e. tour operator service

arrangements for accommodation, sightseeing or other similar services) by any mode of transport, and includes any person engaged in the business of operating tours.

*procured from another tour operator)] has not been taken*

*[Please refer to Explanation No. (iv)]*

2. The bill issued for supply of this service indicates that it is inclusive of charges of accommodation and transportation required for such a tour and the amount charged in the bill is the gross amount charged for such a tour including the charges of



accommodation and  
transportation required for  
such a tour.

#### 4.1 Meaning of 'Tour operator'

-Definition of 'tour operator' has 2 parts as follows:

- (i) First part define the tour operator means any person engaged in the business of planning, scheduling, organizing, arranging tours (which may include arrangements for accommodation, sightseeing or other similar services) by any mode of transport,
- (ii) Second part define the tour operator means to includes any person engaged in the business of operating tours.

After reading the definition of tour operator it is clear that:-

- (a) *The main ingredient of tour operators services are the "planning, scheduling, organizing, arranging the tours"*
- (b) *Normally supply of transport service or arrangement of transport service is necessary to fall in the category of 'tour operator services'.*
- (c) *Mode of transport is not relevant.*
- (d) *The tour operator can be a one or more vehicle owner or may not be a owner of any vehicle. Further he can be an individual, Huf, Firm, or a well organized company etc. having vast experience in tourism sector. [Reference- definition of Person Sec. 2(84) of the CGST Act]*
- (e) *Though the word tour has not been defined in the GST law but the general meaning of the word "Tour" means a journey from one place to another place.*

- (f) Tour operator beside the service of planning, scheduling, organizing, arranging tours also provide service of arrangements for accommodation, sightseeing or other similar services.*
- (g) Person engaged in the business of operating tours also covered under the definition of 'Tour operator'.*

**Provided that this order shall not applicable for stand-alone restaurants and clubs.**

**Provided that no reimbursement under this order shall be available for SGST leviable and paid on rental or leasing services including own or leased non-residential property (SAC 997212).**

4. Amount of reimbursement of State Tax due and deposited: -

Description	% of Reimbursement
01.04.2020 to 30-09-2020	100% (1 and 2Q)
01-10-2020 to 31-03-2021	50%
01-04-2021 to 30-06-2021	75%
01-01-2022 to 31-03-2022	50%

#### **5. Non-entitlement of reimbursement:-**

If any beneficiary is found guilty of any kind of evasion in the preceding financial year i.e. 2019-20, he shall not be entitled for reimbursement under this order.

#### **6. Wrong availment of reimbursement:-**

If at any time, it is found that a beneficiary has wrongly availed the reimbursement under this order, the same shall be recovered as an arrear of State Tax along with interest @18% p.a and penalty equal to the amount wrongly availed.

## 7. Beneficiary availing benefits under RIPS:-

If entitlement certificate is issued to any beneficiary under RIPS-2003 and/or RIPS-2010 and/or RIPS-2014 and/or RIPS-2019, the reimbursement shall stand reduced to the extent of benefits available under the said scheme

## 8. How to filed the application

- 1) We had to filed all the return before the application
- 2) We had to paid the tax as per normal set off principal sub-section (5) of section 49 Rajasthan Goods and Service Tax Act 2017
- 3) Manual application to Proper officer
- 4) Month wise Application

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