



The Institute of Chartered Accountants of India

GST & Indirect Taxes Committee

GOODS & SERVICES TAX UPDATE-193

Recommendations of the 51st GST Council Meeting held on 2nd August, 2023

1. Tax on casinos, horse racing and online gaming

It has been recommended that the actionable claims supplied in casinos, horse racing and online gaming may be taxed at the rate of 28% on full face value, irrespective of whether the activities are game of skill or chance.

2. Amendments in CGST Act, 2017 and IGST Act, 2017 to provide clarity on taxation of supplies in casinos, horse racing and online gaming

The Council recommended to make certain amendments in the CGST Act, 2017 including the Schedule III to provide clarity on the taxation of supplies in casinos, horse racing and online gaming. Further, it recommended to insert a specific provision in the IGST Act, 2017 to provide for the liability to pay GST on supply of online money gaming by a supplier located outside India to a person in India. A simplified registration scheme for the said supplier would be provided and the access to any information generated, transmitted, received or hosted in any computer resource used for supply of online money gaming by such supplier will be blocked by the public in case of failure to comply with provisions of registration and payment of tax.

3. Valuation of supply of online gaming and actionable claims in casinos

It has been recommended that supply of online gaming and actionable claims in casinos may be valued basis the amount paid/payable or deposited to the supplier, by or on behalf of payer (excluding the amount entered into games/ bets out of winnings of previous games/ bets) and not on the total value of each bet placed. Accordingly, CGST Rules, 2017 may be amended to insert a provision for valuation of online gaming and supply of actionable claims. The Council also recommended issuance of certain notifications/ amendment in notification related to the issue.

Efforts will be made to complete the process of making amendments at the earliest and bring the amendments into effect from **1st October 2023**.

[Press Release](#)

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