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Title: Need to exempt GST on Life Insurance Premium.

**SHRIMATI VANGA GEETHA VISWANATH (KAKINADA):**

Thank you, hon. Speaker, Sir.

I am requesting for exemption of GST on Life Insurance premiums all over India. The Government of India had rolled out the Goods and Services Tax (GST) from July, 2017. The GST on all essential items like food-grains, pulses, vegetables and milk, have been fixed at zero. After food, clothing and shelter, insurance protection is an important need of the people. As such, encouragement of savings by giving tax incentives on insurance schemes, is highly considerable. This will help in greater insurance penetration in the country.

The insurance not only provides the necessary financial security to the family of the policy holder, in case of untimely death of the policy holder, but also helps the Government in investing the long-term savings of the people in nation-building.

Sir, at present, as on date, the GST on term insurance, GST on health insurance and the GST on insurance products, have been fixed at 18 per cent. The GST on new business premiums, the GST on single premium for life and the GST on pension products have been fixed at 4.5 per cent. A GST of 2.25 per cent is fixed for renewal premiums. Lastly, a GST of 18 per cent is fixed on single premium annuity.

Imposing GST on Life Insurance products and premiums will be burdensome and also a huge disincentive for savings.

Through you, on behalf of a large number of policy holders all over of India, I would like to request the hon. Finance Minister to exempt insurance policies from GST.