

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6123
ANSWERED ON:03.05.2013
TAXING TAKEAWAY EATING JOINTS
Sugumar Shri K.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has brought/proposes to bring takeaway eating joints and the restaurants rendering home services under the tax net;
- (b) if so, the details thereof;
- (c) whether various associations of restaurants and hotels have requested the Government not to bring the takeaway eating joints and restaurants rendering home services under the tax ambit; and
- (d) if so, the details thereof and action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

Part (a) & (b): Prior to 1/4/2013, service tax was leviable on restaurants satisfying two conditions namely
(i) the facility of air-conditioning or central heating in any part of the establishment, at any point of time during the year, and
(ii) a license to serve alcoholic beverages. With effect from 1/4/13, condition number
(ii) stands deleted. Accordingly service tax is leviable to all restaurants satisfying condition
(i).

Part (c): Yes.

Part (d): The requests of the associations of restaurants and hotels have been examined. In view of reply to part (a) & (b) no further action is required.