

**GOVERNMENT OF INDIA  
LOK SABHA  
STARRED QUESTION NO. 188  
TO BE ANSWERED ON 24<sup>th</sup> DECEMBER, 2018**

**GST ON CRUDE OIL**

**\*188: DR. P.K. BIJU:**

**SHRI MD. BADARUDDOZA KHAN:**

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government has any plan to replace Excise Duty and Value Added Tax (VAT) levied on crude oil with Goods and Services Tax (GST) and if so, the details thereof;
- (b) whether any proposal in this regard has been sent to the Ministry of Finance;
- (c) if so, the details thereof along with the views of the Ministry of Finance in this regard;
- (d) whether the Government has set any timeline for replacing Excise Duty and VAT with GST and if so, the time by which the said proposal is likely to be implemented; and
- (e) the steps taken/being taken by the Government to convince the States to agree to the said proposal?

**ANSWER**

**MINISTER OF MINISTRY OF PETROLEUM AND NATURAL GAS  
(SHRI DHARMENDRA PRADHAN)**

- (a) to (e) A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA  
STARRED QUESTION NO 188 ASKED BY DR. P.K. BIJU & SHRI MD. BADARUDDOZA  
KHAN TO BE ANSWERED ON 24.12.2018, REGARDING 'GST ON CRUDE OIL'**

(a) to (e): Article 279A (5) of the Constitution provides that Goods and Services Tax Council shall recommend the date on which goods and services tax shall be levied on petroleum crude, high speed diesel, motor spirit, natural gas and aviation turbine fuel. Thus while, petroleum products are constitutionally included under GST, the date on which GST shall be levied on such goods, shall be as per the decision of the GST Council. As per the section 9(2) of the CGST Act, inclusion of all excluded petroleum products, including petrol and diesel in GST will require recommendation of the GST Council.

All the States and Union Territories (UT) with Legislature are represented in the GST Council by their Minister-in-charge of Finance or Taxation or any other Minister nominated by the State/UT. Any decision regarding levy of GST on petroleum products has to be decided as per recommendation of the GST Council.

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