

GIB/RJ/GEETSTAR/26-11-2019/AAR-295

Advance Ruling Category : Input Tax Credit

State : Rajasthan

Order No.: GIB/RJ/GEETSTAR/26-11-2019/AAR-295

Name of Entry :

Geetastar Resorts Pvt LTd

Date : 26-11-2019

Breif Issue :

Facts & Issue Of The Case :

The applicant is a private Limited Company engaged in hotel industry and is registered with the GST Department in Rajasthan. The application has been sought on the following issue:

- Whether input tax credit on goods and services used in construction of hotel will be available to the applicant engaged in providing taxable services of hotel accommodation and related services ?

The applicant will have to pay GST on procurement of goods like cement, steel, plywood ,steel and services like architects, engineers, designer, labour contractors from suppliers registered under GST. Hotel will providing services including hotel accommodation ,restaurant services, renting of hotel spaces including conference halls/outdoor area for events etc. which are all taxable supplies under GST and hence the applicant will have to pay GST at applicable rates on these outward supply of services.

With reference to the Section 17(5)(d) of GST Act,2017 , input tax credit of input and input services used in construction of hotel for which output supply is taxable will not be available.

Decision of Advance Ruling Authority :

Decision :

The applicant has requested for withdrawal of the advance ruling application vide their letter dated 22.11.2019 . Accordingly no advance ruling is given.