

GIB/HR/LOYALTY SOLUTIONS/11-04.18/AAR-114

Advance Ruling Category : Taxability

State : Haryana

Order No.: GIB/HR/LOYALTY SOLUTIONS/11-04.18/AAR-114

Name of Entry :

Loyalty Solutions and Research Private Limited

Date : 11-04-2018

Product/ Service Involve :

Reward Points

Breif Issue :

In case the customer does not or is not able to redeem the rewards points, within their validity period of 36 months from the date of issue, the reward points are forfeited by the applicant. Whether this amount of issuance fee retained/forfeited by LSRPL, would amount to consideration for actionable claims and subject to GST.

Decision of Advance Ruling Authority :

The value of points forfeited of the applicant on which money has been paid by issuer of points on account of failure of the end customer to redeem the payback point within their validity period is to be treated as supply of service and chargeable to GST.