



ગુજરાત વેપારી મહામંડળ

Gujarat Chamber of Commerce & Industry

75
Azadi Ka
Amrit Mahotsav

Hemant Shah
President

Pathik Patwari
Sr. Vice President

Sanjeev Chhajjer
Vice President

Sachin Patel
Hon. Secretary

Mahesh Puj
Hon. Secretary (R)

Navroz Tarapore
Hon. Treasurer

31st January, 2022 / 15133

Smt. Nirmala Sitharaman

Chairman

GST Council

5th Floor, Tower II, Jeevan Bharti Building, Janpath Road,

Connaught Place,

New Delhi-110 001

Sub: Request to reduce the GST rate applicable for Health Insurance.

Respected Madam,

Greetings from Gujarat Chamber of Commerce and Industry (GCCI).

Madam, currently GST rate of 18% is applicable on health insurance premium which is similar to the tax rate charged on luxury items. At a time when the Government is making huge efforts to promote health and well-being among the citizens, taxing health insurance at a rate similar to luxury items does not seem rational. Further, health insurance has become a necessity for the citizens in view of unexpected pandemics and illnesses such as the recent Covid-19 pandemic.

In consideration of the above facts, we would request you to provide following GST related relief in the health insurance sector:

1. The GST rate applicable on health insurance premium should be reduced from 18% to 5%.
2. Senior Citizens should exempt from GST on health insurance.
3. Under Section 80-D, the current maximum limit of Rs.25,000 on health insurance should be increased to Rs.1,50,000 and for senior citizen it should be increased to Rs. 2,00,000.
4. Small sized health insurance such as micro insurance should be exempted from GST.

We look forward to your positive consideration of our above requests.

With regards,

Sincerely,

Hemant Shah
President.

Copy to :

Dr. Subhash Chandra Khuntia

Chairman

Insurance Regulatory and Development Authority of India

Sy No. 115/1, Financial District,

Nanakramguda, Gachibowli,

Hyderabad – 500032