

## **Int'l Passengers Need Not Pay GST at Duty-free Shops**

International passengers buying goods at airport 'dutyfree' shops will not be subject to GST and the revenue department will soon clarify on this exemption, an official said. Following an order passed in March by the New Delhi bench of the Authority for Advance Ruling (AAR) stating that GST would be leviable on sale of goods from 'duty-free' shops at airports, the revenue department had received a number of representations seeking clarification on the issue. The revenue department will clarify that duty-free shops will have to only collect a copy of the passport from the passenger to whom it sells the goods and later on seek GST refund from the government, the official added. Experts said that the AAR order had put such shops in a fix, since they were exempt from central sales tax and value added tax in the earlier indirect tax regime. In that mechanism, sale from such shops were considered as exports and supplies were taking place beyond the 'customs frontiers' of India.

*(Economic Times)*