

Regarding GST exemption for recognised private educational institutions

SHRI D. M. KATHIR ANAND (VELLORE): Vanakkam! Private educational institutions play a pivotal role in the development of education in the country from pre-school to Ph.D programme.

The share of enrolment in private institutions indicates the scale and capacity of private education within a country. India's GER would have been abysmal without humongous contribution from the private educational institutions. Unfortunately, the people in the private educational institutions are subject to an 18 per cent GST rate from school education to higher education.

An 18 per cent GST is levied on tuition fees and other educational services by the private institutions and coaching centres since vocational training, coaching classes, and private tutorials attract 18 per cent GST.

This includes coaching for competitive exams such as JEE, NEET, UPSC, and other professional courses. Distance education, private online education platforms, and coaching institutes too are subject to 18 per cent GST. Products like uniforms, bags, and certain types of stationery too attract 18 per cent GST. Printed materials like question papers, answer sheets, and printed study materials are under the ambit of GST. Catering Services provided to students within the educational institutions are taxed at 18 per cent GST rate. House-keeping services in the private educational institution are under the ambit of GST. Rental income is taxed at 18 per cent GST. Services provided for the transportation of students are taxed five per cent GST. GST on services by private educational institutions is draconian and could potentially affect the affordability of education, especially for economically weaker sections of society.

The increased cost of education due to GST can hinder access for deserving students who cannot get admission in the Government educational institutions. GST on educational services escalate the fees and discourage students from pursuing higher education or opting for more affordable alternatives. Therefore, I urge the Union Government to exempt all recognised private educational institutions from paying 18 per cent GST.

माननीय सभापति : श्री राम शिरोमणि वर्मा ? उपस्थित नहीं ।

