

BILL NO. _____ OF 2024

**THE DELHI GOODS AND SERVICES TAX
(THIRD AMENDMENT) BILL, 2024**

(AS INTRODUCED IN VIDHAN SABHA)



**Atishi
Chief Minister**

THE DELHI GOODS AND SERVICES TAX(THIRD AMENDMENT) BILL, 2024

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BILL

Further to amend the Delhi Goods and Services Tax Act 2017(3 of 2017)

BE it enacted by the Legislative Assembly of the National Capital Territory of Delhi in the Seventy-Fifth Year of the Republic of India as follows:-

1. **Short title and commencement:-** (i) This Act may be called the Delhi Goods and Services (Third Amendment) Act, 2024.

(ii) Section 2 to 5 of the Act shall come into force on such date as the State Government may, by notification, in the Official Gazette, appoint and the different date may be appointed for different provisions of this Act.

2. **Amendment of section 2:-** In the Delhi Goods and Services Tax Act, 2017(here in after referred to as Delhi Goods and Services Tax Act), in section 2, —

(a) after clause (80), the following clauses shall be inserted, namely:—

'(80A) "online gaming" means offering of a game on the internet or an electronic network and includes online money gaming;

(80B) "online money gaming" means online gaming in which players pay or deposit money or money's worth, including virtual digital assets, in the expectation of winning money or money's worth, including virtual digital assets, in any event including game, scheme, competition or any other activity or process, whether or not its outcome or performance is based on skill, chance or both and whether the same is permissible or otherwise under any other law for the time being in force;'

(b) after clause (102), the following clause shall be inserted, namely:—

'(102A) "specified actionable claim" means the actionable claim involved in or by way of—

- (i) betting;
- (ii) casinos;
- (iii) gambling;
- (iv) horse racing;
- (v) lottery; or
- (vi) online money gaming;'

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(c) in clause (105), the following proviso shall be inserted at the end, namely:—
"Provided that a person who organises or arranges, directly or indirectly, supply of specified actionable claims, including a person who owns, operates or manages digital or electronic platform for such supply, shall be deemed to be a supplier of such actionable claims, whether such actionable claims are supplied by him or through him and whether consideration in money or money's worth, including virtual digital assets, for supply of such actionable claims is paid or conveyed to him or through him or placed at his disposal in any manner, and all the provisions of this Act shall apply to such supplier of specified actionable claims, as if he is the supplier liable to pay the tax in relation to the supply of such actionable claims;"

(d) after clause (117), the following clause shall be inserted, namely:—

'(117A) "virtual digital asset" shall have the same meaning as assigned to it in clause (47A) of section 2 of the Income-tax Act, 1961;

3. Amendment of section 24:—In the Delhi Goods and Services Tax Act, in Section 24, —

(a) in clause (xi), the word "and" occurring at the end, shall be omitted;

(b) after clause (xi), the following clause shall be inserted, namely:—

"(xia) every person supplying online money gaming from a place outside India to a person in India; and".

4. Amendment of Schedule-III

In Schedule III to the Delhi Goods and Services Tax Act, in paragraph 6, for the words "lottery, betting and gambling" the words "specified actionable claims" shall be substituted.

5. Transitory provision:-

The amendments made under this Act shall be without prejudice to provisions of any other law for the time being in force, providing for prohibiting, restricting or regulating betting, casino, gambling, horse racing, lottery or online gaming.



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STATEMENT OF OBJECTS AND REASONS

1. The Delhi Goods and Services Tax Act, 2017 (the Act) was enacted with a view to make a provision for levy and collection of Tax on Intra-State supply of goods or services or both by the Government of National Capital Territory of Delhi.
2. The GST Council in its 50th and 51st meetings considered representation from various associations on the issues regarding taxability of Casinos, Horse Racing and Online Gaming and recommended to make certain amendments in the Central Goods and Services Tax Act, 2017 (the Act) to provide clarity regarding taxability of Casinos, Horse Racing and Online Gaming. The copy of the Gazette Notification of THE CENTRAL GOODS AND SERVICE TAX (AMENDMENT) ACT, 2023 (NO.30 OF 2023) is annexed as Annexure-I. Through The Central Goods and Service Tax (Amendment) Act, 2023 Central Government has amended the provisions of the Central Goods and Service Tax, 2017 on the basis of the recommendations made in the GST council 50th meeting dated, 11th July, 2023 and 51th meeting dated 2nd August, 2023. In order to ensure uniformity between the CGST Act, 2017 and Delhi Goods and Services Tax, 2017 (3 of 2017), the Delhi Goods and Service Tax (Third Amendment) Act, 2024 is required to be enacted by the State Legislature after making State specific modifications, wherever necessary.
3. The salient features of the proposed Delhi Goods and Services (Third Amendment) Tax Bill, 2024 are stated as under:
 - i. To amend Section 2 of the Delhi Goods and Services Tax Act, 2017 by insertion of new clause (80A), (80B), (102A) and (117A) to define the expressions “online gaming”, “online money gaming” “specified actionable claim” and “virtual digit asset”.

To insert a proviso after clause (105), in the definition of “supplier” to provide clarity regarding “supplier” in case of supply of “specified actionable claim.
 - ii. To amend section 24 of the Delhi Goods and Services Tax, 2017 by insertion of new clause (xia) to provide for mandatory registration of the person for supplying online money gaming, from a place outside India to a person in India and also to omit the word “and” occurring at the end of clause (xi).
 - iii. To amend Schedule-III of the Delhi Goods and Services Tax Act to substitute “specified actionable claim” in paragraph 6 of schedule III of the Act, for the words “lottery, betting and gambling” , so as to provide clarity regarding taxability of actionable claims involved in or by the way of casinos, horse racing and online gaming.



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- iv. Transitory provision to clarify that the amendments made under this Act shall be without prejudice to provisions of any other law for the time being in force, providing for prohibiting, restricting or regulating betting, casino, gambling, horse racing, lottery or online gaming.

4. The Bill seeks to achieve the above objectives.



(ATISHI)
Chief Minister/Minister (Finance)
Government of NCT of Delhi

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FINANCIAL MEMORANDUM

The proposed Delhi Goods and Services Tax (Third Amendment) Bill, 2024 does not involve any recurring or non-recurring expenditure from the Consolidated Fund of Delhi.



(ATISHI)
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MEMORANDUM REGARDING DELEGATED LEGISLATION

The proposed Delhi Goods and Services Act (Third Amendment) Bill, 2024 does not make provision for the delegation of power in favour of any functionaries to make subordinate legislation.



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NOTES ON CLAUSES
[For DGST (Third Amendment) Bill, 2024]

1. Clause 1 of the Bill provides for short title and commencement.
2. Clause 2 of the Bill seeks to insert clause (80A), (80B), (102A) and (117A) in section 2 of the Delhi Goods and Services Tax Act to define the expressions “online gaming”, “online money gaming”, specified actionable claims” and “ virtual digital asset”.

It also seeks to insert a proviso in the definition of ‘supplier” to provide clarity regarding “supplier” in case of supply of “specified actionable claims”.
3. Clause 3 of the Bill seeks to amend section 24 of the Delhi Goods and Services Tax, 2017 by insertion of new clause (*xia*) to provide for mandatory registration of the person for supplying online money gaming, from a place outside India to a person in India and also to omit the word “and” occurring at the end of clause (*xi*).
4. Clause 4 of the Bill seeks to amend Schedule-III of the Delhi Goods and Services Tax Act to substitute “specified actionable claim” in paragraph 6 of schedule III of the Act, for the words “lottery, betting and gambling”, so as to provide clarity regarding taxability of actionable claims involved in or by the way of casinos, horse racing and online gaming.
5. Clause 5 of the Bill seeks to clarify the amendments made under this Act shall be without prejudice to provisions of any other law for the time being in force, providing for prohibiting, restricting or regulating betting, casino, gambling, horse racing, lottery or online gaming.



(ATISHI)

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