

Drop IGST on import of oxygen concentrators, Delhi HC tells Centre

The Delhi High Court on Wednesday asked the finance ministry to consider exempting oxygen concentrators imported by individuals for personal use from integrated goods and services tax.

At present, such imports are subject to 12% IGST while concentrators imported for charity are exempt from the tax. The court's order came a day after it heard a petition challenging the imposition of IGST on import of oxygen generators and oxygen concentrators as a gift for personal use.

Last week, the finance ministry had reduced IGST on import of oxygen concentrators for personal use to 12% from 28% earlier amid surging Covid-19 cases and said the lower duty would be applicable till June 30.

The court said tax is an exaction by the state is well known and that its levy and collection "ordinarily does not encompass equity is also well known".

"But presently we are living in difficult times and, therefore, perhaps the petitioner has invoked Article 21 of the Constitution," the court said, adding that this writ petition represents one of those "rare writ actions whereby a notification issued in the realm of a tax statute has been, inter alia, assailed under Article 21 of the Constitution". As per Article 21, no person shall be deprived of his life or personal liberty except according to a procedure established by law.

"We are of the view that since the respondent has gone this far, it could move further and extend the exemption to even individuals, to enable them to obtain imported oxygen concentrators by way of a gift, albeit without having to pay IGST," the court said.

The government has fully exempted oxygen and oxygen-related equipment from basic customs duty and health cess for a period of three months.

Source: The Economic Times