

# From kitchen to agri, all gain from GST cut: CM

## Common Man Gets A Major Relief: Yogi

TIMES NEWS NETWORK

**Lucknow:** Chief Minister Yogi Adityanath addressed a press conference on GST reforms in Lucknow on Thursday.

Speaking on whether the change in GST slab will impact UP's economy, CM Yogi reiterated that the country's economy is going to get a boost of around Rs 2 lakh crore with this step. Earlier, he had said that the new reforms were set to increase the country's GDP by 0.2 to 0.3 pc in the coming time.

The CM highlighted that before the rollout of GST in July 2017, a web of complex taxes — VAT, sales tax, service tax, excise duty, entry tax, and entertainment tax — burdened consumers and businesses alike. He added, "The GST unified these into a 'One Nation, One Tax' system. Now, the biggest reform within GST itself has been implemented. The earlier four-tier structure of 5%, 12%, 18%, and 28% has been simplified to just two slabs — 5% and 18%. While a 40% rate will continue on select luxury items, the removal of the 12% and 28% slabs will bring significant relief to the common man. From kitchens to agriculture, housing construction to highways, and industries,

### WHAT CM SAID ON GST REFORMS

**Tax reforms announced by the PM on Independence Day have shown results in just 20 days**

► Before GST, India's tax collection was just **₹7 lakh crore**. Today, it has surged to **₹22.8 lakh crore**, while the number of taxpayers has risen from **6.5 million to 15.1 million**

► Revenue from VAT and sales tax was only **₹49,000 cr** in UP before **2017** but has now increased to **₹1.15 lakh cr** (excluding the state's central share). These reforms have enabled the expansion of expressways, metro rail, and



airport networks in the state  
► Through the Traders Welfare Board, govt has encouraged tax registrations and provided **₹1 lakh** security insurance cover to tax-paying traders. So far, over **₹152 crore** in insurance claims has been distributed to **1,063 families**

► Tax cut on tractors, tyres, pesticides, and irrigation equipment will not only bring relief to farmers but also give significant push to the rural economy

► Govt has eased burden on vehicle purchases. This will raise the purchasing power of ordinary families and give boost to the automobile industry

► Scrapping of GST on personal life and health insurance will make medical treatment more affordable and provide direct relief to citizens

ry to trade, every sector stands to benefit."

Yogi expressed gratitude to PM Narendra Modi and Union finance minister Nirmala Sitharaman for the landmark decision. He noted that the tax reforms announced by the PM on Independence Day have shown results within just 20 days, with the decisions taken at the 56th GST Council meeting on September 3 now coming into effect. According to him, this is not merely a tax change but part of a broader campaign to boost India's economy.

The CM underlined the government's commitment to improving the ease of doing business. Tax registrations have been made auto-applicable, refunds are being processed faster, and risk-based compliance and labor reforms have been implemented. He noted that before GST, India's tax collection stood at

just Rs 7 lakh crore. Today, it has surged to Rs 22.8 lakh crore, while the number of taxpayers has risen from 6.5 million to 15.1 million.

According to him, this historic increase in tax revenues over the past decade has powered transformative changes across the country's infrastructure and economy. He cited that the number of airports has risen from 74 in 2014 to 160 today, metro rail networks have expanded from 248 km to 1,013 km, and the number of Vande Bharat trains has grown to 144. Similarly, defence production has nearly tripled — from Rs 46,000 crore to Rs 1.27 lakh crore — while defence exports have seen an exponential rise from Rs 686 crore to Rs 23,600 crore.

The CM emphasized that tax reforms have also directly strengthened welfare schemes. The direct benefit transfer (DBT) payments, which

stood at just Rs 7,000 crore in 2014, have now grown to Rs 6.83 lakh crore, reaching millions of the poor. "In all, 25 crore people have been lifted out of poverty, 4 crore families have received houses under the Pradhan Mantri Awas Yojana, and 80 crore citizens are receiving free rations through the Pradhan Mantri Garib Kalyan Anna Yojana."

Turning to UP, the CM said the state, being India's largest consumer market, stands to gain the most from GST reforms. He explained that revenue from VAT and sales tax was only Rs 49,000 crore before 2017 but has now increased to Rs 1.15 lakh crore (excluding the state's central share). These reforms, he said, have enabled the expansion of expressways, metro rail, and airport networks in the state. UP's peppermint, footwear, readymade garments, and One District One Product

(ODOP) industries will particularly benefit. While synthetic menthol has been taxed at 18%, organic menthol — produced largely in UP — will be taxed at only 5%, providing a major boost to both farmers and industries.

He further highlighted the state's progress in infrastructure and traditional industries. "Since 2017, seven expressways have been constructed, with work underway on six more. Since having no metro services before 2017, the state now has metros operating in six cities. Airports, too, have expanded — from just two fully operational and two partially functional in 2017 to 16 fully operational airports today, with India's largest airport in Gautam Budh Nagar set to open by the end of this year. The ODOP scheme has revitalized traditional crafts, with only 5% GST now applicable on products such as Banarasi sarees, Lucknow's Chikankari, Bareilly's Zardozi, Jaunpur's paper industry, and Firozabad's glassware. This will spur demand, expand production, and create large-scale employment," he said.

He spoke about welfare initiatives for traders. Through Traders Welfare Board, govt has encouraged tax registrations and provided a Rs 1 lakh security insurance cover to tax-paying traders. So far, over Rs 152 crore in insurance claims has been distributed to 1,063 families. The state honors honest tax-paying traders every year on June 29.

The CM said household items such as milk, curd, che-

ese, shampoo, toothpaste, soap, bicycles, and baby products would now be taxed at only 5% or exempted altogether. This will ease daily expenses, enhance purchasing power, and stimulate demand in the market, which in turn will boost production.

Calling it historic for farmers and rural India, he said the tax on tractors, tyres, pesticides, and irrigation equipment has been cut to 5%, reducing farming costs and increasing productivity. This, he emphasized, will not only bring relief to farmers but also give a significant push to the rural economy.

The CM announced that significant decisions have also been taken in the healthcare sector. The GST on personal life and health insurance has been completely abolished, while taxes on medicines, oxygen, and testing kits have been reduced. This, he said, will make treatment more affordable and provide direct relief to citizens. He added that the government has also eased the burden on vehicle purchases — reducing GST on cars and bikes from 28% to 18%, a direct cut of 10%. This move will not only enhance the purchasing power of ordinary families but also give a strong boost to the automobile industry, driving up production and creating jobs.

Highlighting support for students, he said GST on notebooks, pencils and other educational material has been fully abolished, a major relief for parents and children alike.