

## Farmers ask Govt to roll back 5% GST on raw tobacco

Terming the tax rate on tobacco "unrealistic", farmers said it will severely endanger their livelihoods and asked the government to do away with it in the upcoming GST-Review meeting on June 18.

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*Photo for representational purpose*

A farmers' association has asked the government to roll back 5 per cent GST on raw tobacco and exempt it from the tax bracket like any other agricultural crop. Fearing drop in prices of tobacco leaves and raw tobacco post GST, tobacco farmers across Andhra Pradesh have stalled auctions in all platforms, said the Federation of All India Farmer Associations (FAIFA) in a statement.

Terming the tax rate on tobacco "unrealistic", farmers said it will severely endanger their livelihoods and asked the government to do away with it in the upcoming GST-Review meeting on June 18. "Farmers from different auction platforms in the Southern Black Soil (SBS) region decided not to bring our produce to the market to protest 5 per cent GST on tobacco leaves and 28 per cent on unmanufactured tobacco," said FAIFA Vice President Gadde Seshagiri Rao.

According to FAIFA, raw tobacco and unmanufactured tobacco were exempted from the central excise from the time of Charan Singh government considering their difficulties. The association has requested to "maintain status quo" in this regard by treating tobacco "on par with other agricultural crops". FAIFA claims to represent farmers of commercial crops from Andhra Pradesh, Telangana, Karnataka, Gujarat etc.

**Source:** <http://indianexpress.com/article/business/economy/farmers-ask-govt-to-roll-back-5-gst-on-raw-tobacco-4701786/>