

**Voluntary Report** – Voluntary - Public Distribution

**Date:** May 06,2020

**Report Number:** IN2020-0034

**Report Name:** Delhi Government Imposes New Tax on Alcoholic Beverage Purchases

**Country:** India

**Post:** Mumbai

**Report Category:** Wine, Beverages, Agriculture in the Economy, National Plan, Policy and Program Announcements, Agricultural Situation

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**Approved By:** Lazaro Sandoval

**Report Highlights:**

On May 4, 2020, the Government of National Capital Territory of Delhi (NCTD) issued a notification levying a “Special Corona Fee” of 70 percent of the maximum retail price (MRP) on all types of liquor. The notification is effective immediately.

## **General Overview**

On May 4, 2020, the NCTD Government issued a notification amending Delhi Excise Rules 2010. Under the new Delhi Excise (Amendment) Rules, 2020, a “Special Corona Fee” of 70 percent of the MRP will be levied on all types of liquor sold in the national capital through retail licensees for consumption “off” the premises. Official [reports](#) indicate that during the Indian financial year 2018/19 (Apr/Mar), the NCTD received approximately USD \$690 million (INR 5,200 crore) in state excise revenue, which represented 13.5 percent of the state’s tax revenue. As such, it is assumed by local observers that this fee has been introduced to help the Delhi government reclaim revenue lost during the COVID-19 lockdown of the past six weeks. Other reports have suggested that the fee has been imposed to deter large gatherings at liquor stores to curb the spread of COVID-19.

**Disclaimer:** This summary is based on a cursory review of the subject announcement and therefore should not be viewed under any circumstance, as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests.

## **Details of Notification:**

**Type of Regulation:** Notification

**Public Notice Date:** May 4, 2020

**Proposed Date of Adoption:** Effective May 5, 2020

**Notification Text as published:** The full text of this notification can be accessed on the Department of Excise, Entertainment and Luxury Tax, Government of the National Capital Territory of Delhi (Notification No.F.3(2)/Fin(Rev-I)/2020/DS-VI/150) website.

[Notification - Delhi Excise Amendment in rule 154 \(Special Corona Fee\)](#)

[Order - Levy of Special Corona Fee](#)

**Products Affected:** All categories of liquor

**Region Affected:** NCTD, which is a special Union Territory of India jointly administered by the Union Government and the NCT elected government. It covers only the city of New Delhi.

**Agency in Charge:** Finance Department, Government of the National Capital Territory of Delhi

## Delhi Excise (Amendment) Rules, 2020:

(To be published in the Part IV of the Delhi Gazette, Extraordinary)

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI  
FINANCE (REV-1) DEPARTMENT  
DELHI SECRETARIAT, I.P. ESTATE, NEW DELHI-110002

No. F.3(2)/Fin.(Rev-1)/2020-21/DS-VI/ 50

Dated 04/05/2020

### NOTIFICATION

No.F.3(2)/Fin.(Rev-1)/2020-21/DS-VI :- In exercise of the powers conferred by sub-section (1) of section 81 of the Delhi Excise Act, 2009 (Delhi Act 10 of 2010), the Lt. Governor of the National Capital Territory of Delhi hereby makes the following rules to further amend the Delhi Excise Rules, 2010, namely:-

**2. Short Title and Commencement** :- (1) These rules may be called the Delhi Excise (Amendment) Rules, 2020.

(2) They shall come into force on the date of their publication in the Delhi Gazette.

(ii) **Amendment in rule 154** - In the Delhi Excise Rules, 2010, in rule 154, in sub rule (4), in the table relating to Other Fees(Permit/Pass/Import/ Export), -

(b) after S.No. 16, the following S.No. 17, shall be inserted, namely:-

S.No.	Rule	Form of Permit/ Pass	Description	Fee (in Rs.)
17	154		Special Corona Fee	70% of the maximum retail price on all categories of liquor sold through retail licensees for consumption "off" the premises.

By order and in the name of  
Lieutenant Governor of the National  
Capital Territory of Delhi,  
( Sunil Sehgal )  
Deputy Secretary (Finance)

No F.3(2)/Fin.(Rev-I)/2020-21/DS-VI/150

Dated : 04/05/2020

Copy to :-

1. The Principal Secretary to the Hon'ble Lieutenant Governor, National Capital Territory of Delhi.
2. The Pr. Secretary (GAD), Government of NCT of Delhi with one spare copy for its publication in Delhi Gazette Part-IV (extraordinary) in today's date.
3. The Secretary (Finance), Government of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi.
4. The Commissioner of Excise, Entertainment & Luxury Tax, GNCT of Delhi, L-Block, Vikas Bhawan, I.P. Estate, New Delhi.
5. The Addl. Secretary (L&J), Government of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi.
6. Web site
7. Guard file.

( Sunil Sehgal )  
Deputy Secretary (Finance)

**Attachments:**

No Attachments.