

¹[Rule 31A : Value of supply in case of lottery, betting, gambling and horse racing]

(1) Notwithstanding anything contained in the provisions of this Chapter, the value in respect of supplies specified below shall be determined in the manner provided hereinafter.

²[(2) The value of supply of lottery shall be deemed to be 100/³[140] of the face value of ticket or of the price as notified in the Official Gazette by the Organising State, whichever is higher.

Explanation—For the purposes of this sub-rule, the expression “Organising State” has the same meaning as assigned to it in clause (f) of sub-rule (1) of rule 2 of the Lotteries (Regulation) Rules, 2010.]

(3) The value of supply of actionable claim in the form of chance to win in betting, gambling or horse racing in a race club shall be 100% of the face value of the bet or the amount paid into the totalisator.]

1 Rule 31A inserted by Noti. No. 3/2018–Central Tax, dt. 23-01-2018 w.e.f. 23-01-2018.

2 Sub-rule (2) substituted by Noti. No. 08/2020–Central Tax, dt. 02-03-2020 w.e.f. 01-03-2020. Earlier to substitution it read as under:

"(2) (a) The value of supply of lottery run by State Governments shall be deemed to be 100/112 of the face value of ticket or of the price as notified in the Official Gazette by the organising State, whichever is higher.

(b) The value of supply of lottery authorised by State Governments shall be deemed to be 100/128 of the face value of ticket or of the price as notified in the Official Gazette by the organising State, whichever is higher.

Explanation—For the purposes of this sub-rule, the expressions—

(a) “lottery run by State Governments” means a lottery not allowed to be sold in any State other than the organizing State;

(b) “lottery authorised by State Governments” means a lottery which is authorised to be sold in State(s) other than the organising State also; and

(c) “Organising State” has the same meaning as assigned to it in clause (f) of sub-rule (1) of rule 2 of the Lotteries (Regulation) Rules, 2010."

3 Substituted “128” by Noti. No. 13/2025–Central Tax, dt. 17-09-2025 w.e.f. 22-09-2025.