

PRESS NOTE

When a customer uses a credit card, debit card, charge card or any other payment card for payment of his purchase of goods or services, the merchant/service establishment is charged certain merchant discount rate (MDR) by credit card or debit card issuing banks. With a view to promote digital transactions and encourage merchant establishments to accept such card payments, Government has waived service tax on such amount charged while making payments through credit card, debit card, charge card or any other payment card. However, this waiver is limited to payments upto two thousand rupees only (Rs.2000) in a single transaction.