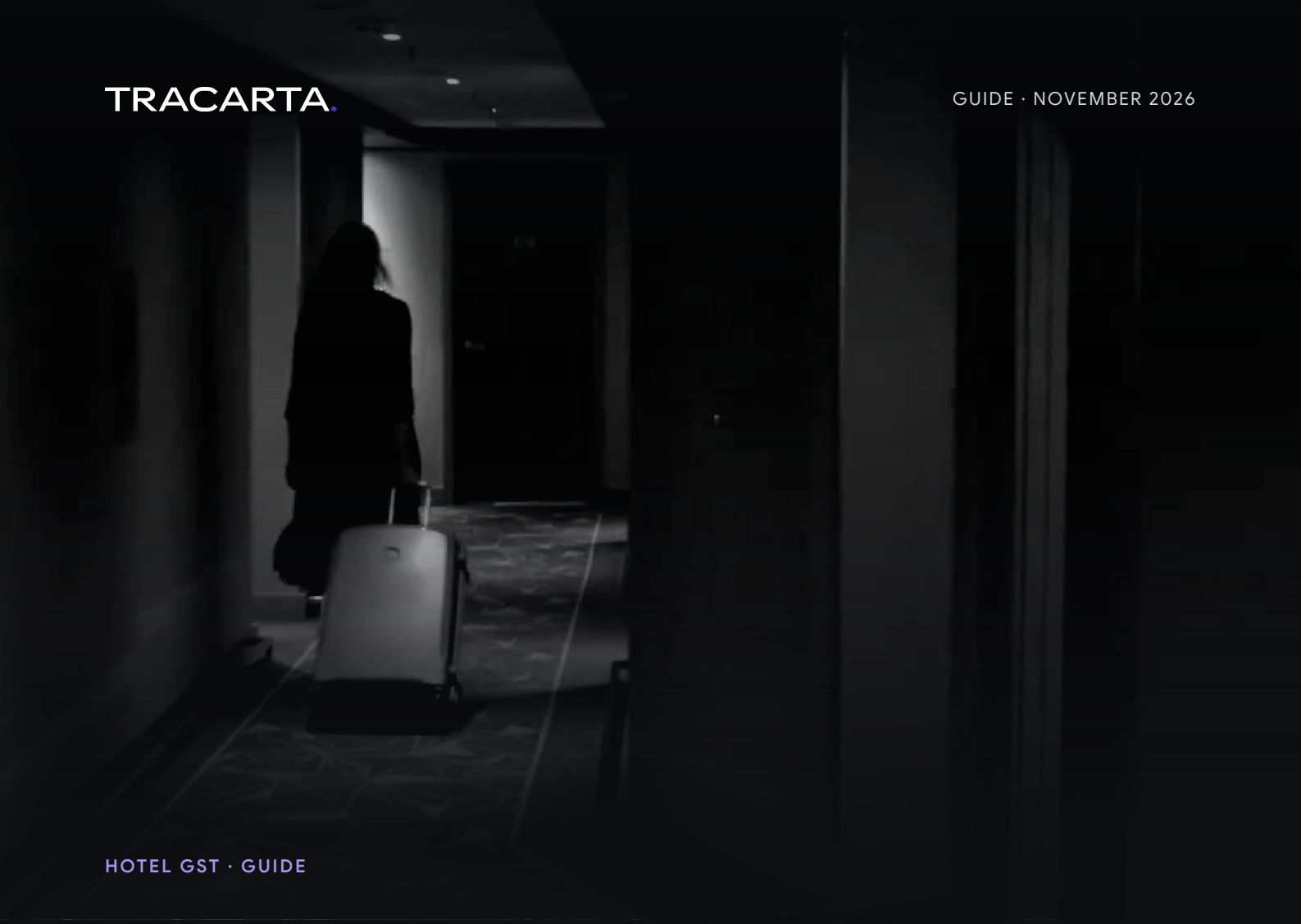
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GUIDE · NOVEMBER 2026



HOTEL GST · GUIDE

The complete guide to hotel GST credit

Place of supply, rates, e-invoices and the checks that turn hotel stays into credit, for finance teams and travel desks.

Chapters	Reading time	Updated
7	12 minutes	November 2026

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ABOUT THIS GUIDE

Place of supply, rates, e-invoices and the checks that turn hotel stays into credit, for finance teams and travel desks.

It is written for finance teams, tax teams and travel desks, in plain language. Each chapter stands on its own, and the last one is a checklist you can work through with your team.

General information only, not tax advice. Check the current law and your own facts before acting.

Chapter 1

Place of supply

For a hotel stay, the place of supply is the hotel's location. The hotel charges CGST and SGST of its own state, and your company can only use that credit through a GSTIN registered in the same state.

Chapter 2

Rates

Room value a night	Rate from 22 Sep 2025	Note
Up to ₹7,500	5%	Without input credit for the hotel
Above ₹7,500	18%	Standard rate

Whether a business guest can claim credit at the 5% rate is debated. Take advice case by case.

Chapter 3

E-invoices

Hotels above ₹5 crore of aggregate turnover issue e-invoices for business stays (since 1 August 2023). Since October 2023 you can download e-invoices issued to your GSTIN, for six months from the date the reference number was generated.

Chapter 4

The five checks

- [ ] **Existence:** is there a matching e-invoice, by hotel GSTIN, check-out date and amount?
- [ ] **Recipient:** is it billed to your GSTIN in the hotel's state?
- [ ] **Tax type:** CGST and SGST, not IGST?
- [ ] **Value:** does it agree with the booking?
- [ ] **Rate:** does it match the room value?

Chapter 5

Five ways credit goes missing

1

Wrong GSTIN

Billed to another state's registration, or to none.

2

No tax invoice

A folio or consumer bill instead of a GST tax invoice.

3

Value differs

Extras and changes mean invoice and booking disagree.

4

Wrong tax type

IGST where CGST and SGST were due, or the wrong rate.

5

Never received

The invoice exists, but never reached finance.

Chapter 6

The deadline

Hotel credit follows the same time limit as airline credit: 30 November of the following year, or the annual return date if earlier. With e-invoice data downloadable for only six months, monthly checks are the practical way to keep up.

Chapter 7

Checklist

- [ ] A GSTIN list by state, shared with the travel desk and agencies.
- [ ] Every stay matched to its e-invoice each month.
- [ ] Exceptions sorted into fixable and not fixable.
- [ ] Corrections requested from hotels early.
- [ ] Stays with no e-invoice followed up for a proper tax invoice.

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ABOUT TRACARTA

Every ticket. Every invoice. Every rupee.

TraCarta is a travel GST reconciliation firm based in Gurugram. Since 2018 we have helped Indian companies claim the GST credit on their business travel, airline and hotel, by collecting every invoice, matching it to GSTR-2B and following up with suppliers until the credit is in the books.

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