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To,
All the Zonal/Divisional/State/Regional Units

GST Council Withdraws GST on Individual Health and Life Insurance Premium
Relentless Campaign and Mobilisation of Public Opinion by AIIEA Units pays off
A Huge Relief to the people, A Huge Victory to AIIEA

The Goods and Services Tax (GST) Council, in its 56th meeting on 3rd September 2025, decided to do away with the 18 per cent GST on individual health and life insurance policies. Announcing the decision, the Finance Minister Smt. Nirmala Sitharaman said that GST on individual health and life insurance policies would come down from 18 to 0 per cent with effect from 22 September 2025. This is a huge victory for the relentless campaign and mobilization of public efforts undertaken by the members of AIIEA throughout the country for over two decades. AIIEA congratulates each and every employee for the commendable efforts put in to give relief to the common man from the excruciating burden of GST on health and life insurance.

The campaign undertaken by the units of AIIEA was breathtaking. Our members are aware that prior to GST, the concept of service tax on life premium was first imposed effective from the financial year 2004-05. This was later replaced by the GST. The AIIEA began its campaign against this in May 2004 with collection of nearly 30 lakh signatures from the policy holders. The AIIEA wrote letters to then Finance Minister Sri Arun Jaitley demanding withdrawal of GST on life and health insurance premium on 29.05.2014 and 22.01.2016. At the same time, our units met 187 MPs from different political parties and sought their support to our demand. Northern Zonal Unit of AIIEA took the extraordinary effort of meeting all the 543 MPs of Lok Sabha and 240 MPs from Rajya Sabha in January/ February 2016 and submitting AIIEA's Note on "EEE" model of taxation on insurance policies. In August 2017, AIIEA units across the country mobilized signatures from 45.23 lakh policy holders demanding withdrawal of GST and submitted these signatures to the finance minister on 04.09.2017. Taking the campaign forward, the AIIEA sent appeal letters to the heads of almost all the major political parties on 22nd March 2019 seeking their support to our demand. This was followed by a campaign to meet MPs from across the political spectrum and canvass their support during the months of March to May 2019; our units met 209 MPs during the course of the campaign. The subsequent months witnessed a spirited campaign by AIIEA units across the country. The AIIEA wrote to the Union Finance Minister Smt. Nirmala Sitharaman on 17.06.2019, 07.01.2021, 28.12.2023, 26.06.2024 and urged her to withdraw GST on life and health insurance premium in the interest of the nation and the people. The zonal units of AIIEA sent letters to all members of the Governing Council of the NITI AYOOG in June 2019 and requested their intervention. The AIIEA again wrote to the heads of all the major political parties in April 2024 and sought their intervention by way of raising the issue in Parliament. The units of AIIEA took a unique campaign of meeting hundreds of contesting candidates for the Lok Sabha elections in April/ May 2024 and requested them to include the issue of GST withdrawal in their election manifestoes. The AIIEA wrote a letter to the leader of the opposition in

the Lok Sabha Sri Rahul Gandhi on 11.07.2024 and requested his personal intervention on the issue; Sri Gandhi subsequently acknowledged the letter and assured his support to our cause. The AIEA continued the campaign in a sustained manner.

However, the breadth and sweep of the campaign undertaken in the months of June-July 2024 was such that it can be called the crowning glory of our movement. Our units met more than 400 MPs from every political party and explained to them as to how levying GST on life and health premium in reality mean taxing the uncertainties of life. The units of AIEA also met the senior ministers who saw merit in the arguments and they requested the finance minister to consider the demand of AIEA. The issue came to be debated in the Parliament; the general public through their writings in the newspapers welcomed the campaign and urged upon the government to withdraw the GST to make the life and health insurance affordable. In the face of this idea getting support from everyone cutting across the political affiliations, the finance minister assured the Parliament that this issue will be taken up in the GST council. After a painfully long wait, the issue was finally taken up in the GST Council on 3rd September 2025.

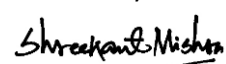
Perhaps in the history of Indian trade union movement, such large number of MPs were never mobilised on a single idea as the AIEA could do on this issue. This is another brilliant achievement of AIEA after it had recorded a historical first by mobilising 15 million signatures from the general public on the issue of privatisation. The AIEA took up this campaign because of its commitment to the Indian society, particularly the vulnerable sections within it. The Indian constitution guarantees the fundamental right to life under Article 21. The right to life without any doubt also means right to health. The Judicial pronouncements of the Supreme Court have held this position by saying that it is obligation of the government to provide adequate medical facilities to all citizens. But today we find that the State has forgotten this basic responsibility and is promoting more and more privatisation of the health services. Rather than building a universal health care system, it is strange that the government had chosen to tax the life and health premium. The AIEA undertook the campaign with this understanding.

The splendid campaign of the AIEA has succeeded in giving relief to the people in individual life and health premium. With humility it can be said that the AIEA has done a great service to the fellow Indians by bringing some relief to them. But we must admit that this is not enough. The struggle must go on against privatization of health services and for the State to put in place a universal health care system.

Let's celebrate the victory and prepare ourselves for expanding the scope of our campaign in the future.

With Greetings,

Comradely Yours



General Secretary