

**Press Information Bureau  
Government of India  
Ministry of Finance**

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**GST on Selling of space for advertisement in print media – Clarification regarding.**

Query has been raised regarding GST applicable on selling of space for advertisement in print media.

Selling of space for advertisement in print media is leviable to GST @ 5%. If the advertisement agency works on principal to principal basis, that is, buys space from the newspaper and sells such space for advertisement to clients on its own account, that is, as a principal, it would be liable to pay GST @5% on the full amount charged by advertisement agency from the client.



On the other hand, if the advertisement agency sells space for advertisement as an agent of the newspaper on commission basis, it would be liable to pay GST@ 18% on the sale commission it receives from the Newspaper. ITC of GST paid on such sale commission would be available to Newspaper.



However, if the advertisement agency supplies any service other than selling of space for advertisement, such as designing or drafting the advertisement, and such supply is not a part of any composite supply, the same would be liable to tax @18%. If such supplies are part of any composite supply, the rate applicable for the principal supply shall apply.

Therefore, everything depends on the terms of the contract between the newspaper, advertisement agency and the client.

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**DSM/SBS/KA**