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Digital Service Taxes Becoming More Expensive, Businesses Say

By James Munson

- Scoping rules becoming increasingly varied and complex
- OECD tax deal seen as a key antidote, but currently at risk

Digital services taxes are growing to cover more economic activities around the world, creating uncertainty for business and raising their tax bills, industry groups said.

India's tax, called the Equalization Levy, is sector-agnostic and can cover education service providers, food apps, matrimonial sites, and online gaming platforms, said Sandeep Jhunjhunwala, partner at consultancy Nangia Andersen in Bengaluru.

https://news.bloombergtax.com/daily-tax-report/digital-service-taxes-becoming-more-expensive-businesses-say-1

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"If anything is rendered over a digital platform, equalization levy will apply," Jhunjhunwala said in a statement. "The scope of EL provisions has been kept extremely broad."