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# TSMT UPDATE

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| Goods & Services Tax | One Nation One Tax | 22nd GST Council Meeting

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To address the concerns voiced by many taxpayers, the all-important GST Council met on 6th of October 2017. A lot of key decisions were taken by the council to help taxpayers settle into the new law. Please find below a brief highlights of such decisions:

- Turnover limit to Opt for Composition Scheme has been raised to Rs. 1 Crore and the window to opt for the scheme shall remain open till 31st March 2018
- Assessors who are otherwise eligible for composition but are providing exempt services (such as interest received on bank deposits) shall also be allowed to opt for composition
- Compulsory registration is waived for service providers effecting Inter-State taxable supplies whose annual aggregate turnover does not cross Rs. 20 Lakhs
- To help small businesses, requirement for filing of GSTR 1, 2 & 3 has been made quarterly for assessors having annual aggregate turnover upto Rs. 1.5 Crores. Such quarterly returns will be applicable from the third quarter i.e. October – December 2017. However, all taxpayers are required to file GSTR 3B till December, 2017.
- Due Dates for GSTR 1, 2 & 3 for the months of August and September will be announced in due course
- In a relief to majority of the taxpayers, payment of tax under Reverse Charge Mechanism on purchases made from unregistered dealer has been waived till 31st March 2018
- Requirement to pay GST on advances received for supply of goods has been waived for taxpayers having annual aggregate turnover upto Rs. 1.5 Crores
- GTA services provided to an unregistered dealer has been exempted from GST
- TDS/TCS provisions has been postponed till 31st March 2018
- E-way bill system shall be introduced in a staggered manner only from 1st January 2018 and shall be introduced across the nation from 1st April 2018
- Due Date for filing of GSTR – 4 for taxpayers who have opted for Composition scheme has been extended to 15th November 2017
- Due Date for filing of GSTR – 6 for Input Service Distributors for the months of July, August and September has been extended to 15th November 2017
- GST Rate for certain items has been reduced
- Certain relief measures has been extended to leasing of vehicles leased prior to 1st July 2017

### Decisions taken to benefit Exporters

- Processing of refund of IGST paid on export for the month of July shall begin from 10th October 2017. Subsequently, refund for the month of August and refund of Input Tax Credit in case of exports cleared under Bond/LUT shall begin from 18th October 2017
- To prevent cash blockage, IGST and Cess has been exempted for imports made by businesses registered under the following schemes - Advance Authorisations (AA), Export Promotion Capital Goods (EPCG) and 100% EOU. Further, any supplies to such units shall be treated as deemed exports
- Merchant Exporters will have to pay nominal GST of 0.1%. Further details to be released soon
- To expedite the refund process and negate the cash blockage scenarios for exporters, “e-wallet” to be designed to process refund on notional basis. The same is being planned to be rolled out from 1st April 2018
- GST Rate on sale of Duty Credit Scrips has been reduced from 5% to Nil.
- This has been one of the biggest reforms brought into GST since its inception and is expected to significantly reduce the compliance burden on taxpayers. Suitable notifications to incorporate the decisions taken by the council shall be released shortly.

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