



The GST Council in its 23rd Meeting on 10th Nov 2017 at held at Guwahati recommended significant facilitative changes in order to provide relief to the taxpayers.

Highlights of decisions taken by the GST Council in its 23rd Meeting:

Composition Scheme:

- Tax @ 1% will be applicable for both manufactures and traders. Earlier manufactures were liable to pay tax @ 2%.
- For traders, turnover will be counted for supply of taxable goods only. No change for composition scheme for restaurant.
- Supply of services by dealer under composition scheme will be exempted upto Rs. 5 lakh per annum.
- Maximum Turnover limit for opting composition scheme under GST laws will be enhanced to Rs 2 crores by amendment in CGST / SGST / UTGST Act. After such amendment, the eligibility for composition will be increased to Rs. 1.5 crores per annum.

GST Returns:

Monthly summary return in form GSTR 3B will continue till March 2018. Due date will be 20th of the succeeding month.

Taxpayers having turnover upto 1.5 crore will require to fill return for outward supplies in GSTR 1 on quarterly intervals with following due dates

Period	Due dates
Jul 17- Sep 17	31 st Dec 2017
Oct 17- Dec 17	15 th Feb 2018
Jan 18- Mar 18	30 th April 2018

Taxpayers having turnover more than 1.5 crore will require to file return for outward supplies in GSTR 1 on monthly intervals with following due dates

Period	Dates
Jul 17- Oct 17	31 st Dec 2017
Nov 17	10 th Jan 2018
Dec 17	10 th Feb 2018
Jan 18	10 th Mar 2018
Feb 18	10 th Apr 2018
Mar 18	10 th May 2018

The time period for filing GSTR-2 and GSTR-3 for the months of July, 2017 to March 2018 would be worked out by a Committee of Officers.

In view of the difficulties being faced by taxpayers while filing GST returns due to late availability or unavailability of some forms on the common portal, GST council has recommended to further extend the due dates of GST returns as follows-

Sl	Forms	Period	Original due date	Revised due date
1	GST ITC-04	July 17 – Sept17	25-10-2017	31-12-2017
2	GSTR-4	July 17 – Sept17	18-10-2017	24-12-2017
3	GSTR-5	July 2017	20-08-2017	11-12-2017
4	GSTR-5A	July 2017	20-08-2017	15-12-2017
5	GSTR-6	July 2017	13-08-2017	31-12-2017
6	TRAN-1 (One-time option of revision also to be given till this date)	-	30-09-2017	31-12-2017

Revised due dates for subsequent tax periods will be announced in due course.

Relief for Small and Medium Enterprises:

- Stand-alone restaurants (whether air conditioned or otherwise), food parcels or takeaways, will attract 5% without Input Tax Credit (ITC). Outdoor catering will continue to be at 18% with full ITC.
- Restaurants in hotel premises having room tariff of less than Rs 7500 per unit per day will attract GST of 5% without ITC. Others i.e. restaurants in hotel premises having room tariff of Rs 7500 and above per unit per day (even for a single room) will attract GST of 18% with full ITC.
- GST rate on job work services in relation to manufacture of those handicraft goods in respect of which the casual taxable person has been exempted from obtaining registration, to be reduced to 5% with full ITC.
- It has been decided that waived late fees for the months of July, August and September, 2017 will be re-credited to their Electronic Cash Ledger under “Tax” head instead of “Fee” head so as to enable them to use that amount for discharge of their future tax liabilities.
- From October 2017, late fee payable by a taxpayer having NIL tax liability will be Rs. 20/- per day instead of Rs. 200/- per day.
- For time being, facility for manual filing of application for advance ruling is to be introduced.
- Exporters will also be eligible to claim ITC in respect of goods or services used for exporting goods & services to Nepal & Bhutan.
- Service providers supplying through e-commerce operator, will be exempt from obtaining GST registration, provided their aggregate turnover does not exceed Rs. 20 lakhs (Rs. 10 lakhs in special category States except J & K).

Relief to others:

- GST on admission to "protected monuments" will be exempted.
- Inter-state movement of goods like rigs, tools, spares and goods on wheel like cranes, not being in the course of furtherance of supply of such goods, does not constitute a supply. This clarification gives major compliance relief to industry as there are frequent inter-state movement of such kind in the course of providing services to customers.
- GST under reverse charge will be payable on purchase of raw cotton from agriculturist.
- Permanent transfer of Intellectual Property other than Information Technology software will attract GST @ 12%. On the other hand, permanent transfer of Intellectual Property in respect of Information Technology software shall attract GST @ 18%.

New Exemptions:

- Imports of lifesaving medicine supplied free of cost by overseas supplier for patients will exempted from IGST, subject to certification by DGHS of Centre or State and certain other conditions.
- IGST on imports of goods (other than motor vehicles) under a lease agreement will be exempted if IGST has been paid on the lease amount.
- IGST will be exempted on imports of specified goods by a sports person of outstanding eminence, subject to specified conditions.
- Supply of specified goods such as scientific or technical instruments, software, and prototype supplied to public funded research institution or a university or IISc, or IITs or NIT will be exempted from GST.
- IGST will be exempted on temporary import of professional equipment by accredited press persons visiting India to cover certain events, broadcasting equipment's, sports items, testing equipment, under ATA carnet system provided such goods would re-exported after the specified use.

Few Clarifications:

- It has been clarified that ITC of GST paid on aircraft engines, parts & accessories will be available for discharging GST on inter–state supply of such aircraft engines, parts & accessories by way of inter-state stock transfers between distinct persons.
- It is to be clarified that processed products such as tea (i.e. black tea, white tea etc.), processed coffee beans or powder, pulses (de-husked or split), jaggery, processed spices, processed dry fruits & cashew nuts etc. will not be treated as agricultural produce hence exemption from GST would not be available on their loading, packing, warehousing etc.

Rate changes:

- The Council has recommended reduction in GST rate from 28% to 18% on goods falling in 178 headings resulting only 50 items will attract GST rate of 28%.
- Further, the Council has recommended changes in GST rates on a number of goods including some new exemptions to rationalize the rate structure and minimize classification disputes.

Please [click here](#) for changes in GST Rates

Benefits for Diplomatic Missions/UN organizations:

- Foreign Diplomatic Missions / UN Organizations, a centralized UIN will be issued to every Foreign Diplomatic Mission / UN Organization by the Central Government and all compliance for such agencies will be done by the Central Government in coordination with the Ministry of External Affairs.

Relevant notifications for all of the above decisions will be issued shortly, so as to be effective from 15.11.2017.

For any GST related assistance, please write to us at:
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