
KrayMan

Demystifying Complexities

22nd GST Council Meeting

Highlights

October 2017



Introduction

The GST Council in its 22nd Meeting on 6th Oct 2017 at New Delhi recommended significant facilitative changes in order to provide relief to the taxpayers.

Highlights of decisions taken by the GST Council in its 22nd Meeting:

Composition Scheme

- The facility of availment of composition scheme for both migrated & new registrants has been extended up to 31.03.2018. The option once exercised shall become operational from the first day of the immediately succeeding month.
- The turnover limit for availment of composition scheme has been raised from Rs. 75 lakhs to Rs. 1 crore for states other than special category states and Rs. 75 lakhs from Rs. 50 lakhs for special category states except Jammu & Kashmir and Uttarakhand. The turnover threshold for Jammu & Kashmir and Uttarakhand shall be Rs. 1 crore.
- Persons who are otherwise eligible for composition scheme and providing any exempt service will also be eligible for the composition scheme.
- A Group of Ministers to be constituted to examine measures to make the composition scheme more attractive.

Special Category states - Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand

Relief for Small and Medium Enterprises

- It is decided to exempt persons making inter-State taxable supplies of services and having annual aggregate turnover less than Rs. 20 lakhs (Rs. 10 lakhs in special category states except Jammu & Kashmir) from obtaining mandatory registration.
- Persons having annual aggregate turnover up to Rs. 1.5 crores shall be required to file quarterly returns (in FORM GSTR-1, 2 & 3) and pay taxes only on a quarterly basis, starting from the 3rd Quarter of the current Financial Year i.e. October - December 2017. However registered buyers from such small taxpayers would be eligible to avail ITC on a monthly basis. The due dates for filing the quarterly returns for such taxpayers shall be announced in due course.
- Meanwhile, all taxpayers will be required to file monthly summary return (in FORM GSTR-3B) on a monthly basis till December, 2017. All taxpayers are also required to file regular GST Returns (in FORM GSTR-1, 2 & 3) for the months of July, August & September, 2017. Due dates for filing the returns for the month of July, 2017 have already been announced. The due dates for the months of August & September, 2017 will be announced in due course.
- Person having annual aggregate turnover up to Rs. 1.5 crores shall not be required to pay GST at the time of receipt of advances on account of supply of goods. The GST on such supplies shall be payable only when the supply of goods is made.
- Reverse charge liability of GST on purchase / receiving services from unregistered vendors has been suspended till 31.03.2018 and will be reviewed by a committee of experts. This will benefit small businesses and substantially reduce compliance costs.
- Services provided by a Goods Transport Agency (GTA) to an unregistered person shall be exempted from GST.

Relief to exporters

- The main concern for exporters was that they were continuously facing liquidity issue and becoming uncompetitive in the global market. Timing of refund of taxes paid them was also their serious concern. Committee of officers had examined their problems. The facility for processing their refunds may take some more time.
- Keeping in view of the issues, refund process will be started as per the following schedule:

For the month of	Scheduled date for refund process
July 2017	By 10 th October, 2017
August 2017	By 18 th October, 2017

Please [Click Here](#) for Relief Package for Exporters

GST Rate changes

- GST rates of around 60 goods and services have been reduced.
- GST rate on transfer of duty credit scrip's has been reduced to NIL from 5% to incentivise exports
- Exemption have been granted on imports of select goods.

Please [Click Here](#) for changes in GST Rates on Services

Please [Click Here](#) for changes in GST Rates for Goods & Imports



Other Recommendations

1. Registration and operationalization of TDS / TCS provisions has been postponed till 31.03.2018.
2. E-way bill system shall be introduced in a staggered manner with effect from 01.01.2018 and shall be rolled out nationwide with effect from 01.04.2018.
3. Last date for filing the return for the quarter July-September, 2017, in FORM GSTR-4 & GSTR -6 by a taxpayer under composition scheme and an input service distributor respectively has been extended to 15.11.2017.
4. Invoice Rules are being modified to provide relief to certain classes of registered persons.

Please [Click Here](#) for the Press Release on recommendations made by the GST Council.

Relevant Notification for such revision is expected shortly.

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For any GST related assistance, please write to us at: communications@krayman.com

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