

## KEY HIGHLIGHTS OF THE 38th GST COUNCIL MEETING

The 38th GST Council Meeting was held on 18th December, 2019 at New Delhi under the Chairmanship of Union Finance & Corporate Affairs Minister, Smt. Nirmala Sitharaman.

The meeting was also attended by Union Minister of State for Finance & Corporate Affairs, Shri Anurag Thakur besides Finance Ministers of States & Union Territories and senior officers of the Ministry of Finance.



## Recommendations made by the GST Council in its 38th Meeting on:

### A. Law & Procedure related changes:

- Grievance Redressal Committees (GRC) to be constituted at Zonal / State level consisting of CGST & SGST Officers, representatives from trade & industry and other GST stakeholders. GRC shall address grievances of specific / general nature of taxpayers at Zonal / State levels
- Due date of filing of FORM GSTR-9 (i.e. Annual Return) and GSTR-9C (i.e. Reconciliation Statement) for FY 2017-18 to be extended to 31<sup>st</sup> January 2020
- Measures to improve filing of Form GSTR-1 (i.e. monthly / quarterly outward supply return):
  - Waiver of late fee for all pending Form GSTR-1 pertaining to July 2017 to November 2019, if filed by 10<sup>th</sup> January 2020
  - E-way Bill to be blocked if Form GSTR-1 is not filed for two tax periods
- Input tax credit (ITC) in respect of invoices / debit notes that are not reflected in Form GSTR-2A of the recipient shall be restricted to 10% of the eligible credit available in Form GSTR-2A
- In order to check the menace of fake invoices, suitable action to be taken for blocking of fraudulently availed ITC in certain situations
- Standard Operating Procedure for tax officers would be issued for action to be taken in cases of non-filing of Form GSTR 3B (i.e. monthly summary return)
- Due date for GST Returns for November 2019 to be extended for few North Eastern States
- The GST Council also approved various law amendments which will be introduced in Budget 2020

Please [Click Here](#) to read the press release relating to Law and Procedure related changes. The above recommendations shall be made effective from the date as specified in Notifications / Circular

## B. GST Rate Changes:

The GST Council recommended the following changes in GST rates & exemptions:

Sl.	Nature of goods/ services	Applicable from
1	Exemption of upfront amount payable for long term lease of industrial / financial infrastructure plots by an entity having 20% (reduced from 50%) or more ownership of Central / State Government	1 <sup>st</sup> January 2020
2	Uniform rate of GST @ 18% (increased from 12%) on woven and non-woven bags and sacks of polyethylene or polypropylene strips or the like, whether or not laminated, of a kind used for packing of goods (HS code 3923 / 6305) including Flexible Intermediate Bulk Containers (FIBC)	1 <sup>st</sup> January 2020
3	Single rate of GST @ 28% on both State run and State authorized lottery (presently, GST rates on lottery is 12% for State owned and 28% on State-authorized lottery)	1 <sup>st</sup> March 2020

Please [Click Here](#) to read the press release on changes in GST rates & exemptions. The above recommendations would be given effect through Gazette Notifications/ Circulars which shall have the force of law

# Contact Us

## India Head Office

1170 A&C, 11<sup>th</sup> Floor, Tower B1  
Spaze i-Tech Park  
Sector 49, Sohna Road  
Gurugram – 122018 (India)  
T +91 (124) 4309418; 4003418  
W – [www.krayman.com](http://www.krayman.com)


## Japan Office

2-11-2 O-toekkusukudou  
Bld. 4F/5F Nihombashi  
Kakigaracho, Chuo-ku, Tokyo,  
103-0014, Japan

## Italy Office

Corso Palestro,  
50-25122 Brescia,  
Italy

**Mumbai • Pune • Chennai • Bengaluru • Hyderabad • Kolkata**



For any assistance, please write to us at:  
[communications@krayman.com](mailto:communications@krayman.com)

*This publication contains information of general nature . The information is only for general guidance and is not meant to be a substitute for professional advice in any manner. In case the reader requires any specific inputs / suggestions / advice from our end, please contact us separately.*