

GST COUNCIL SECRETARIAT'S NEWS-LETTER

GST Revenue—An Overview

Total GST collection in the first three months in the FY 2019-20 (April-June 2019) has been ₹3,14,093 crore, ₹11,77,369 crore in the FY 2018-19, and ₹7,40,650 crore from July 2017 to March 2018 in FY 2017-18.

Monthly average of GST Collection was ₹1,04,698 crore in Financial Year 2019-20 vis-à-vis ₹ 98,114 crore in Financial Year 2018-19 and ₹ 89,885 crore in the Financial Year 2017-18.

The GST revenue growth was 9.56% in the FY 2018-19 (from August'18 to March'19) against the corresponding period of FY 2017-18. Similarly, the GST revenue growth was 7.17% in the FY 2019-20 from April'19 to June'19 against the corresponding period of FY 2018-19.

The Central Government has released ₹1,29,355 as total GST compensation to the states (including the UTs of Delhi and Puducherry) {₹ 48,178 crore in 2017-18 (July to March) and ₹ 81,177 crore in 2018-19}.

The total GST collection of the States/UTs was ₹5,18,447 crore in 2018-19 as against ₹2,91,100 crore in the year 2017-18 (August to March). The government said GST collection of the states/UTs has been showing steady improvement over time. In addition, they are also assured a growth of 14% for a period of five years through payment of compensation.

MONTH-WISE GROSS COLLECTION OF GST

MONTH	2017-18	2018-19	2019-20
April	-	1,03,459	1,13,865
May	-	94,016	1,00,289
June	-	95,610	99,939
July	21,572	96,483	-
August	95,633	93,960	-
September	94,064	94,442	-
October	93,333	1,00,710	-
November	83,780	97,637	-
December	84,314	94,726	-
January	89,825	1,02,503	-
February	85,962	97,247	-
March	92,167	1,06,577	-
Total	7,40,650	11,77,369	3,14,093
Average	89,885	98,114	1,04,698

Figures in ₹crore.

Union Finance Budget 2019-20

The Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman presented her first Union Budget 2019-20 on 5th July, 2019.

The Finance Minister presented the details of consolidated revenue collections for 2017-18 and budget estimates for various direct/indirect taxes and GST as under:

HEAD	2017-18 (Actuals)	2018-19 (Budget Estimates)	2018-19 (Revised Budget Estimates)	2019-20 (Budget Estimates)
Corporation Tax	571202	621000	671000	766000
Taxes on Income	430772	529000	529000	569000
Customs	129030	112500	130038	155904
Excise	259431	259600	259612	300000
Service Tax	81228	--	9283	--
GST				
CGST	203262	603900	503900	526000
IGST	176688	50000	50000	28000
GST Compensation Cess	62612	90000	90000	109343
Total GST	442562	743900	643900	663343

Figures in ₹Crore

She said that landscape of Indirect Tax has changed significantly with the implementation of GST, terming it as a "monumental reform", GST regime has brought together the Centre and the States with the result that 17 taxes and 13 cesses became one and multitude of rates instantly became four. Almost all commodities saw rate reduction. Tens of returns were replaced by one. Taxpayers' interface with tax departments got reduced. Border checks got eliminated. Goods started moving freely across states, which saved time and energy. The dream of 'One Nation, One Tax, One Market' was realized and the Council, Centre and States proactively worked to resolve the teething problems witnessed during the initial phase of GST.

The changes in respect of GST in the Budget 2019-20 are brought as under:

- GST rate proposed to reduce on electric vehicles from 12% to 5%.
- Threshold exemption limit for a supplier of goods is enhanced from ₹ 20 lakhs to ₹ 40 lakhs.
- Quarterly return for tax payers having annual turnover of less than ₹ 5 crore
- Free accounting software for Return preparation shall be provided to small businesses.
- Fully automated GST refund module shall be implemented.

- Multiple tax ledgers for a tax payer shall be replaced by one.
- ₹ 350 crore allocated for 2% interest subvention for all GST-registered MSMEs on fresh or incremental loans.
- Electronic invoice system wherein invoice details will be captured in a central system at the time of issuance to be rolled out from January 2020.
- Providing for a composition scheme for supplier of services or mixed suppliers (not eligible for the earlier composition scheme) having an annual turnover of upto ₹ 50 lakhs in preceding financial year.
- Proposed constitution, qualification, appointment, tenure, conditions of services of the National Appellate Authority for Advance Ruling (NAAAR) and the procedures for filing of appeals and rectification of orders. To empower the National Appellate authority at par with civil courts.
- Empower the Commissioner to extend the due date for furnishing of Annual return and Re-conciliation statement; and Monthly and Annual Statement by an e-commerce operator

36th GST Council Meeting—27.07.2019

36th GST Council Meeting held through Video Conference on 27.07.2019 under the chairmanship of Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman. The Council has recommended:

- **Reduction in the GST rate on supply of goods and services, effective from 1st August, 2019:**
 - GST rate on all electric vehicles reduced from 12% to 5%.
 - GST rate on charger or charging stations for Electric vehicles reduced from 18% to 5%.
 - Hiring of electric buses (of carrying capacity of more than 12 passengers) by local authorities is exempted from GST.

➤ Extension of New Composition Scheme:

GST Council extended the last date for filing CMP-02 from 31.07.2019 to 30.09.2019. A taxpayer may opt for Composition Scheme introduced vide notification No.2/2019-CT(R) dated 07.03.2019 as amended vide notification No.09/2019-CT(R) dated 29.03.2019. This scheme is for the suppliers of services or engaged in mixed supplies, who were not eligible for the primary composition scheme and whose annual turnover in the preceding financial year did not exceed ₹ 50 lakh under section 10 of the CGST Act, to pay GST at composition rate of 6%. Taxpayer, who wants to opt for

Composition Scheme for a financial year or during middle of a financial year, has to inform the government about his choice through CMP-02. Also, the GST Council extended last date for furnishing statement containing the details of payment of self assessed tax in FORM GST CMP-08 for the quarter April 2019 to June 2019 from 31.07.2019 to 31.08.2019.

2nd GST DAY—01.07.2019

2nd Anniversary of GST was celebrated in New Delhi on 1st July, 2019.

The Minister of State for Finance & Corporate Affairs Shri Anurag Singh Thakur presided the GST day and said that GST has been a Game Changer for all stakeholders in the economy. He said that it is a shining example of GST having made India a true common market is that the transport time and cost of moving goods across the length and breadth of the country have come down significantly.

Dr. Ajay Bhushan Pandey, Revenue Secretary, Shri P.K. Das, Chairman, CBIC and Shri John Joseph, Member, CBIC and Dr. Rajeev Ranjan, Special Secretary of GST Council Secretariat, graced the occasion. Senior officers of various Ministries of the Government of India, senior officers of CBIC, senior retired officers of CBIC, the representatives of all major Trade and industry Associations were also present on the occasion in large numbers.

On this occasion, the Union Minister of State for Finance granted Commendation Certificates to 30 CBIC Officers from various formations across the country for their valuable contribution in the administration of GST. He also released a book on "GST for MSME" by CBIC.

Speaking on the occasion, Revenue Secretary said that GST is an excellent example of Federal Cooperation. There are 1.2 crore tax payers who have registered on GSTN. Around 70 lakh tax payers regularly file returns and an amount of ₹ 1 lakh crore of tax is paid online. He called upon the officers that on this Day, we should remember what can be further done for trade facilitation.

Ex-Hon'ble Union Finance Minister Shri Arun Jaitley on the occasion of GST day and completion of 2 years of GST has written a blog, where he expressed:

- The monumental restructuring of one of the world's clumsiest indirect tax system was not an easy task. The challenges to implement the GST were compounded by some outlandish and exaggerated comments of the not so well-informed merged all

created one single taxation. The GST changed this scenario completely. Today, there is only one tax, online returns, no entry tax, no truck queues and no inter-state barriers.

The GST Council is India's first statutory federal institution. The Centre and the States jointly sit and decide. Both have pooled their fiscal rights in a collective forum to create one common market.

India had one of the smoothest transformations. Within the first few weeks of the implementation, the new system settled down. It would be inequitable to apply a single rate in countries where there are a large number of people below the poverty line. The direct tax is a progressive tax. The more you earn, the more you pay. An indirect tax is a regressive tax.

circulated among the Council's members and then submitted before the GST Council for its ratification. Further, GST Council in the 21st meeting on 9th September, 2017 decided that GIC could decide on procedural issues while for substantive policy issues, the GIC should send its recommendations to the GST Council. Accordingly, GIC has conducted 30 meetings until now, which are as under:

Meeting No.	Date
1 st Meeting	11 th June, 2017
2 nd Meeting	18 th June, 2017
3 rd Meeting	23 rd June, 2017
4 th Meeting	28 th June, 2017
5 th Meeting	5 th July, 2017
6 th Meeting	20 th July, 2017
7 th Meeting	25 th August, 2017
8 th Meeting	31 st August, 2017 & 1 st September, 2017
9 th Meeting	26 th September, 2017
10 th Meeting	28 th September, 2017
11 th Meeting	26 th December, 2017
12 th Meeting	15 th February, 2018
13 th Meeting	26 th February, 2018
14 th Meeting	19 th March, 2018
15 th Meeting	26 th March, 2018
16 th Meeting	10 th April, 2018
17 th Meeting	16 th May, 2018
18 th Meeting	28 th May, 2018
19 th Meeting	5 th June, 2018
20 th Meeting	22 nd June, 2018
21 st Meeting	21 st August, 2018
22 nd Meeting	10 th October, 2018
23 rd Meeting	26 th October, 2018
24 th Meeting	12 th February, 2019
25 th Meeting	5 th March, 2019
26 th Meeting	22 nd March, 2019
27 th Meeting	15 th April, 2019
28 th Meeting	27 th May, 2019
29 th Meeting	11 th June, 2019
30 th Meeting	9 th July, 2019

Constitution of GoM / Committee of Officers

Re-constitution of Group of Ministers (GoM) on IT

The Group of Ministers (GoM) has been re-constituted to monitor and resolve the IT challenges in implementation of GST vide OM F.No.156/ Committees-5/GoM-GSTN/2017 dated 12th July, 2019. Shri Sushil Kumar Modi, Deputy Chief Minister, Bihar is the Convener of the GoM.

Committees of Officers (CoO) for a Special Composition Scheme

A Committee of Officers (CoO) for composition scheme has been constituted to examine feasibility of designing a special composition scheme for Brick Kilns, Menthol, Sand Mining Activity and Stone Crushers Unit vide OM F.No. 346/CoO-SplCmpSch/ GSTC/2019 dated 12th July, 2019. Pr.Commissioner of GST Policy Wing, CBIC and Commissioner of State Tax, Bihar are Co-Conveners of the Committee.

Committees of Officers (CoO) on risk-based management of taxpayer under GST regime

A Committee of Officers (CoO) on risk-based management of taxpayer under GST regime has been constituted vide OM F.No.341/Profiling of Taxpayers/GSTC/2019 dated 15th July, 2019. Pr.Commissioner of GST Policy Wing, CBIC and Chief Commissioner of State Tax, Gujarat are Co-Conveners of the Committee.

GST Implementation Committee (GIC) — A brief:

GST Council in its 14th and 17th meetings on 18-19 May 2017 and 18 June 2017 respectively decided to constitute a GST Implementation Committee (GIC) to facilitate and decide on urgent matters of GST. This committee consists of officers from Central and State Government and the decision taken by GIC are being

IT Grievance Redressal Mechanism (ITGRC) in GST Regime—A brief:

In the 26th GST Council Meeting held on 10th March 2018, the IT Grievance Redressal Mechanism was set up in light of the direction from various Hon'ble High Courts to have grievance redressal. Accordingly, GST Implementation Committee (GIC) was mandated to act as the IT Grievances Redressal Committee (ITGRC) for resolving the problems of taxpayers who have not been able to file their documents like TRAN-1, TRAN-2, GSTR-3B and GSTR-1 or to complete registration/migration due to technical glitches at GST portal.

Subsequently, a procedure to address the grievance of taxpayers due to technical glitches in GST Portal was laid down by CBIC vide Circular No. 39/13/2018 dated 3rd April 2018. Further, a Standard Operating Procedure (SOP) was issued on 12th April 2018 by the Goods and Service Tax Network (GSTN) delineating the process to be followed by the designated Nodal Officers of the Central and State Governments.

In 32nd GST Council Meeting, mandate of the ITGRC was expanded to consider non-technical cases also on merit, the specific cases covered under the orders of the Hon'ble High Courts as sent by Centre or State Authority.

So far, the ITGRC has conducted seven meetings. 2394 cases have been placed before the ITGRC, out of which 920 cases allowed.

The details of meetings are as below:

Meeting No.	Date
1 st Meeting of ITGRC	22 nd June, 2018
2 nd Meeting of ITGRC	21 st August, 2018
3 rd Meeting of ITGRC	26 th October, 2018
4 th Meeting of ITGRC	12 th February, 2019
5 th Meeting of ITGRC	5 th March, 2019
6 th Meeting of ITGRC	27 th May, 2019
7 th Meeting of ITGRC	11 th June, 2019

Various Important Notifications/Circulars issued by CBIC

Notification No. & Date	Subject
33/2019-Central Tax dt. 18-07-2019	Seeks to carry out changes in the CGST Rules, 2017.
34/2019-Central Tax dt. 18-07-2019	Seeks to extend the last date for furnishing FORM GST CMP-08

Circular No. & Date	Subject
107/2019 dt. 18-07-2019	To clarify various doubts related to supply of Information Technology enabled Services (ITeS services).
108/2019 dt. 18-07-2019	To clarify issues regarding procedure to be followed in respect of goods sent / taken out of India for exhibition or on consignment basis for export promotion
109/2019 dt. 22-07-2019	Clarification on issues related to GST on monthly subscription/contribution charged by a Residential Welfare Association from its members.

GST Council Website –A Treasure

An official website of GST Council www.gstcouncil.gov.in was launched in the month of June 2017 and being maintained by GST Council Secretariat to cater to taxpayers, tax officials, consultants, advisor, taxpayers, CA, trade and industry etc.

The website is unique, rich and is a treasure trove of contents of not only Central Tax information but also all States Tax information. It contains GST Laws and corresponding SGST Laws of all States. Similarly, it has all Central Tax Rate notifications and corresponding notifications issued by all States. All agenda and minutes of meeting of GST Council are uploaded from time to time. Information on Committees constituted by GST Council from time to time are made available on the website. A database on all members of GST Council (Hon'ble Ministers) is maintained. It is the only website which provides Rulings / Orders issued by all State Authorities for Advance Rulings (AAR) and State Appellate Authorities for Advance Rulings (AAAR) which is openly accessible. Besides these, various information on GST, CGST Rules, GST grievance redressal mechanism, and Anti-profiteering mechanism, Press-releases, FAQs, Fliers, MSME, Books on Act/Rules/Notifications/Circulars/Forms etc. uploaded on website.

Recently, new features have been added on the website to have GST system statistics and compendium of articles on GST issued by different print media/electronic media for ready reference of the viewers. In a short span of time, over 2.7 crore viewers have visited the website.

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