

Industry to Raise a Host of GST Compliance Issues Before Jul 1

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New Delhi: Industry bodies such as Assocham and PHD Chamber are set to raise several issues with the government related to goods and services tax (GST) compliances, legislation and administration before July 1, which marks the fourth anniversary of the indirect tax reform.

Simplifying input tax credit procedures, addressing issues arising from inverted duty structure, applicability of faceless assessment within GST structure, introducing process of rectification of returns and improvement in the GSTN system are some of the recommendations that will be highlighted by the industry.

Issues such as blocking of input tax credit of buyers or action by GST authorities due to supplier default or non-compliance and parallel investigation proceedings by state as well as central GST authorities despite assessee being under one of the jurisdictions are among other critical ones that will be



Simplifying input tax credit norms, addressing issues of inverted duty structure tops agenda

highlighted.

"We will send detailed recommendations to the government on the legislative, administrative and compliance challenges being faced by industry," said Pratik Jain, chairman of the indirect tax committee at Assocham. "It's been four years, now time has come to simplify and align our laws with global practices."

"While the government has provided relief to consumers by reducing the GST rate on Covid-related relief material to 5%, the advantage should also be given to stockists and dealers that have already paid the tax at higher rate... that money should be refunded to provide liquidity to trade," said Bimal Jain, head of indirect tax committee at PHDCCI.

Tax rates on 18 items including medical oxygen, oxygen concentrators, drugs prescribed by the ministry of health and welfare for Covid treatment, Covid testing kits among others were reduced to 5% from either 12% or 18% this month.