

GOODS & SERVICES TAX UPDATE – 18

GOODS & SERVICES TAX

Key Takeaways of 21st meeting of GST Council held on 9th September 2017

21st meeting of GST Council was held on 9th September 2017 at Hyderabad wherein the following decisions were taken:

1. Rate of following services has been reduced from 18% to 12%:

Services provided to the Government, a local authority or a governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of –

(a) a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession;

(b) a structure meant predominantly for use as (i) an educational, (ii) a clinical, or(iii) an art or cultural establishment; or

(c) a residential complex predominantly meant for self-use or the use of their employees or other persons specified in paragraph 3 of the Schedule III of the CGST Act, 2017 (namely, MPs/Members of State Legislatures, Panchayats, Municipalities, other local authorities, persons holding constitutional posts, chairperson/member/director in a body established by Central Government, State Government or local authorities etc.).

2. Place of supply of satellite launch services by ANTRIX to international customers would be outside India in terms of section 13(9) of IGST Act, 2017 and where such supply meets the requirements of section 2(6) of IGST Act and thus constitutes export of service will be zero rated. Where satellite launch service is provided to a person in India, the place of supply of satellite launch service would be taxable.
3. Services by way of admission to FIFA U-17 Football World Cup- 2017 events have been exempted from GST.

Further, to facilitate the taxpayers the following measures have been recommended:

4. The following revised return filing schedule has been approved:

S. No.	Details/ Return	Tax Period	Existing Due Date	Revised Due Date
1.	GSTR-1	July 2017	10-Sept-2017	10-Oct-2017
For registered persons with aggregate turnover of more than Rs. 100 crores, the due date shall be 3 rd October 2017.				
2.	GSTR-2	July 2017	25-Sept- 2017	31-Oct-2017
3.	GSTR-3	July 2017	30-Sept-2017	10-Nov-2017
4.	GSTR-4	July-September 2017	18-Oct-2017	18-Oct-2017
Table-4 under GSTR-4 not to be filled for the quarter July-September 2017.				

Requirement of filing GSTR-4A for this quarter is dispensed with.				
5.	GSTR-6	July 2017	8-Sept-2017	13-Oct-2017

5. GSTR-3B will continue to be filed for the months of August to December 2017 on 20th of the following month.
6. A registered person (whether migrated or new registrant), who could not opt for composition scheme, shall be given the option to avail composition till 30th September 2017 and such registered person shall be permitted to avail the benefit of composition scheme with effect from 1st October 2017.
7. Presently, any person making inter-state taxable supplies is not eligible for threshold exemption of Rs. 20 lacs (Rs. 10 lacs in special category states except J & K) and is liable for registration. It has been decided to allow an exemption from registration to persons making inter-State taxable supplies of handicraft goods upto aggregate turnover of Rs. 20 lacs as long as the person has a Permanent Account Number (PAN) and the goods move under the cover of an e-way bill, irrespective of the value of the consignment.
8. Presently, a job worker making inter-State taxable supply of job work service is not eligible for threshold exemption of Rs. 20 lacs (Rs. 10 lacs in special category states except J & K) and is liable for registration. It has been decided to exempt those job workers from obtaining registration who are making inter-State taxable supply of job work service to a registered person as long as the goods move under the cover of an e-way bill, irrespective of the value of the consignment. This exemption will not be available to job work in relation to jewellery, goldsmiths' and silversmiths' wares as covered under Chapter 71 which do not require e-way bill.
9. The due date for submission of FORM GST TRAN-1 has been extended by one month i.e. 31st October 2017.
10. FORM GST TRAN-1 can be revised once.
11. The registration for persons liable to deduct tax at source (TDS) and collect tax at source (TCS) will commence from 18th September 2017. However, the date from which TDS and TCS will be deducted or collected will be notified by the Council later.

[Release ID: 170642 – www.pib.nic.in & <http://www.cbec.gov.in/resources/htdocs-cbec/gst/decisions-gst-council%20on%20Services-9-Sept-2017.pdf>]

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Secretary

Indirect Taxes Committee

The Institute of Chartered Accountants of India

ICAI Bhawan A-29, Sector -62,

NOIDA (U.P.) India

Website: www.itdc.icai.org