

From	Karvy Data Management Services Ltd.
Date	November 11, 2017
Subject	Recommendations made by GST Council in their 23 rd Meeting
Category	Press Release
Reference	Press Release document dated 10 th Nov 2017
Series	Karvy/GST/22

Since roll out of GST on 01st July 2017, GST Council has been evaluating the issues being faced by the taxpayers as well as the concerns of consumers on whom the burden of tax is finally passed on. To rationalise all such issues, GST Council met on 10th Nov 2017 at Guwahati to announce overhaul of tax rates and to structure a comprehensive compliance system.

All such decisions announced by the GST Council has been published in a press release document by Press Information Bureau of Government of India dated 10th Nov 2017. Notification to give an effect to these recommendations is expected to be released by 15th Nov 2017.

Below mentioned is the summary of recommendations made by the GST Council on 10th November 2017:

Sl. No.	GST Council Recommendation Category	Gist of the GST Council Recommendation	
		Existing Provision	Recommended Provision
Composition Scheme			
1	Threshold limit	Threshold limit for opting composition scheme is Rs.1 crore as per CGST Act 2017	Threshold limit for opting composition scheme shall be increased from Rs.1 crore to Rs.2 crore
2	Eligibility for opting the composition scheme	Eligible limit for opting composition scheme is Rs.1 crore	Eligible limit for opting composition scheme will be increased to Rs.1.5 crore
Both the recommendations by the GST Council cited above shall be implemented post amendment in CGST Act 2017 & SGST Act 2017			
3	Rate of tax under composition scheme	Manufacturers - 2%	Manufacturers - 1%
		Restaurant Service Provider - 5%	Restaurant Service Provider - 5%
		Other Traders - 1%	Other Traders - 1%
4	Tax payable on exempt supplies under composition scheme	All taxpayers registered under composition scheme needs to pay tax at applicable rate on their exempt supplies as well	Traders registered under composition scheme shall pay tax only on values of their taxable supplies of goods
5	Supply of services other than restaurant services under composition scheme	A person registered under composition scheme for supply of goods cannot supply services other than restaurant services	A person registered under composition scheme for supply of goods will be allowed to supply services upto a limit of Rs. 5 lakhs per annum

Relief to the taxpayers in complying with the filing of return under GST regime

- ✓ All taxpayers would file return in Form GSTR-3B with payment of tax by 20th of succeeding every month till March'2018. (Earlier filing of return in Form GSTR-3B was required till Dec'2017)
- ✓ All taxpayers would file return in Form GSTR-1 till March'2018 without being required to file return in Form GSTR-2 & GSTR-3 for these periods.
- ✓ Taxpayers with annual aggregate turnover upto Rs. 1.5 crore shall file return in Form GSTR-1 on quarterly basis starting from Oct-Dec'17 cycle.
- ✓ Taxpayers with annual aggregate turnover of more than Rs. 1.5 crore shall file return in Form GSTR-1 on monthly basis
- ✓ Time period for filing of return in Form GSTR-2 & GSTR-3 would be worked out by the Committee of Officers and shall be notified separately.

Extension in due date for filing of return in Form GSTR-1 - For taxpayers with annual aggregate turnover upto Rs. 1.5 crore

Sl. No.	Return Period (Quarterly)	Due Date
1	July-Sep'2017	31st Dec 2017
2	Oct-Dec'2017	15th Feb 2018
3	Jan-Mar'2017	30th April 2018

Extension in due date for filing of return in Form GSTR-1 - For taxpayers with annual aggregate turnover of more than Rs. 1.5 crore

Sl. No.	Return Period (Monthly)	Due Date
1	July-Oct'2017	31st Dec 2017
2	Nov'2017	10th Jan 2018
3	Dec'2017	10th Feb 2018
4	Jan'2017	10th Mar 2018
5	Feb'2017	10th Apr 2018
6	Mar'2017	10th May 2018

Extension in due date for filing of other returns

Sl. No.	Return Type	Return Applicable To	Return Period	Original Due Date	Revised Due Date
1	Form GST ITC-4	Taxpayers for job work	July-Sep'2017	25th Oct 2017	31st Dec 2017
2	Form GSTR-4	Composition scheme taxpayers	July-Sep'2017	18th Oct 2017	24th Dec 2017
3	Form GSTR-5	Non Resident	July'2017	20th Aug 2017 or 7 days from the last date of registration whichever is earlier	11th Dec 2017
4	Form GSTR-5A	Non Resident	July'2017	20th Aug 2017	15th Dec 2017
5	Form GSTR-6	Input Service Distributor (ISD)	July'2017	13th Aug 2017	31st Dec 2017
6	Form GST TRAN-1	Taxpayers requiring carry forward of transitional credit	-	30th Sep 2017	31st Dec 2017 (with one time revision till this date)

Few other announcements by GST Council providing relief to taxpayers

- ✓ **Re-credit of late fee:** Late fees applicable on account of delay in filing of return in Form GSTR-3B for the period July-Sep'2017 was waived off. In case late fees was paid by the taxpayers, such late fees shall be re-credited to their Electronic Cash Ledger under "TAX" head instead of "FEE" head.
- ✓ **Reduction in late fee:** From October'2017 onwards, late fee on account of delay in filing of NIL return shall be reduced to Rs.20/- per day (Rs.10/- per day each under CGST & SGST bracket) from Rs.200/- per day (Rs.100/- per day each under CGST & SGST bracket)
- ✓ **Advance ruling application:** Facility for manual filing of application for advance ruling shall be introduced for the time being.
- ✓ **Benefits to service providers:**
 - Registered person exporting services to Nepal & Bhutan was already exempted under GST. Now such exporters will be eligible to claim Input Tax Credit (ITC) in respect of goods & services used for effecting such export services.
 - All services providers with aggregate turnover upto Rs.20 lakhs (Rs.10 lakhs for special category states except J&K) whether supplying intra-state, inter-state or **through e-commerce** operator will be exempt from obtaining GST registration.
- ✓ **Benefits for UN Organizations / Diplomatic Missions:** Centralised UIN will be issued to every Foreign Diplomatic Mission / UN organisations by the Central Government and all compliance for such agencies will be done by the Central Government in coordination with the Ministry of External Affairs.

In addition to the above major announcements, GST Council recommended relief in GST rates on certain goods & services spread across many sectors and across commodities. Comprehensive list of revision in tax rate shall be shared in a separate knowledge sharing document.

We have attached copy of **press release note dated 11th Nov 2017** along with this knowledge sharing article for your reference.

About KARVY DATA MANAGEMENT SERVICES LTD.

Karvy Data Management Services Limited (KDMSL), a GST Suvidha Provider which has developed ASP Solution for easing GST compliance for tax payers. Easy to use interfaces are made available at the disposal of the tax payers to simplify their compliances in terms of dashboards, MIS, returns, payments, refunds and other compliance process. So, 'HELP US HELP YOU' we offer following services for GST - GSP & ASP Services (on cloud or on premises) with ERP Integration and Vendor Management Solution. We also offer managed services for Outsourced GST Compliance which will take care of end to end compliances.

In India, GST Team of KDMSL are located in following cities: Hyderabad, Mumbai, Bangalore, New Delhi and Kolkata. For more information about KDMSL service offerings, visit www.karvygst.com

Below are the co-ordinates of our representatives from GST Team across India:

Hyderabad: Mr. Vamsi Krishna Pothukuchi (8378976769); Mr. Dipak Tiwary (9823741187)

Mumbai: Mr. Deep Anandani (9820313095)

New Delhi: Ms. Priyanka Mathur (9953563996)

Kolkata: Ms. Ishika Agrawal (8820253344); Mr. Vijay Gupta (9339355647)

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