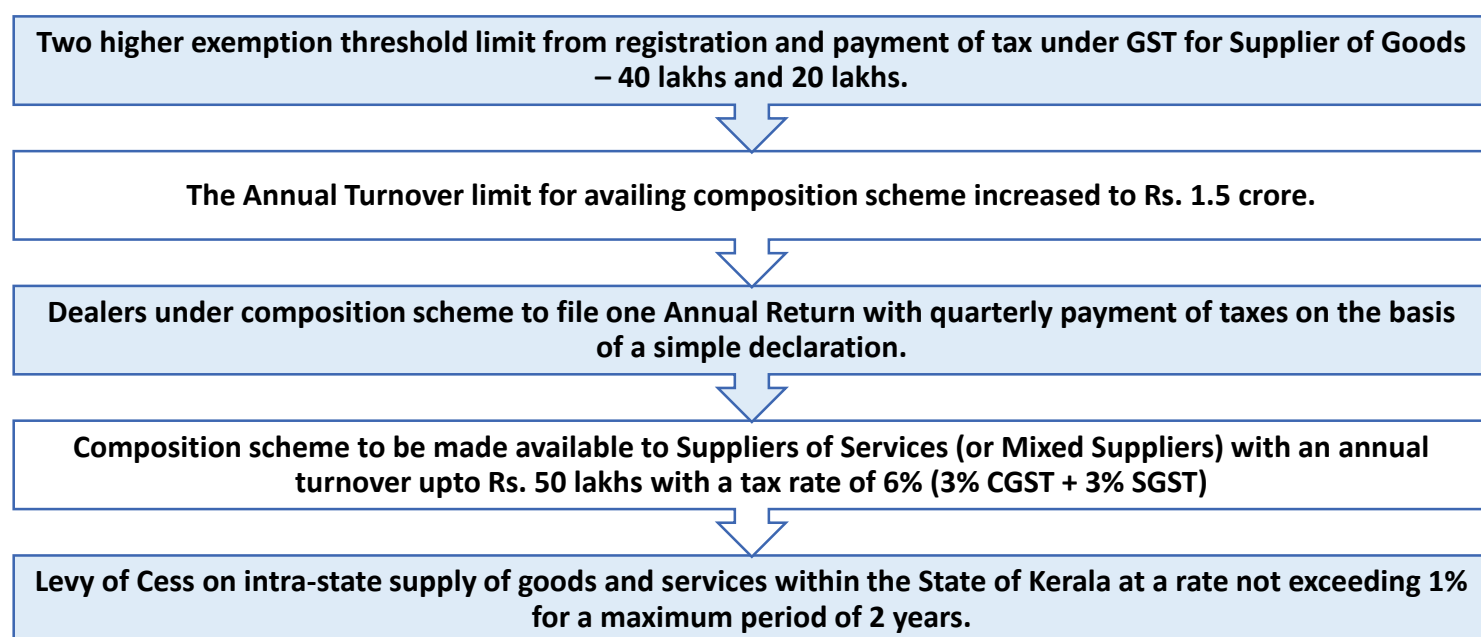


From	Karvy Data Management Services Ltd.
Date	January 11, 2019
Subject	32 nd GST Council Meeting Decisions
Category	Press Release
Reference	Press Release dated 10 th Jan 2019
Series	Karvy/GST/97

The GST Council in its 32nd meeting held on 10th Jan 2019 considered the demands raised by the MSME (including the small traders) to increase the threshold limit for registration and to ease the compliance burden under GST. Key highlights of the meeting are as follows:



Category wise recommendations made the GST Council is tabulated below:

Higher exemption threshold limit from registration and payment of tax under GST		
Sl. No.	Type of Suppliers	Recommendations made by the GST Council
1	Supplier of Goods	There would be two Threshold Limits for exemption from Registration and Payment of GST for the Suppliers of Goods i.e. Rs 40 lakhs and Rs 20 lakhs. However, each of the individual State Governments must decide on one of the threshold limit within a weeks' time.
2	Supplier of Services	There is no change in the threshold limit for the Service Providers . The same would continue to be Rs.20 lakhs and in case of Special Category States at Rs 10 lakhs.

Decisions on Composition Scheme under GST

Sl. No.	Category	Recommendations made by the GST Council
3	Increase in the Turnover Limit for the existing Composition Scheme	<p>The limit of Annual Turnover in the preceding Financial Year for availing Composition Scheme for Goods has been increased to Rs 1.5 crore.</p> <p>Special category States must decide, within one week, about the Composition Limit in their respective States.</p>
4	Compliance Simplification for Composition Scheme Dealers - One Annual Return	<p>Presently, the taxpayers registered under Composition Scheme are required to file Quarterly Return in Form GSTR-4.</p> <p>Now, they would need to file one Annual Return with Payment of Taxes to remain Quarterly (along with a simple declaration)</p>
5	Composition Scheme to be extended to Supplier of Services (or Mixed Suppliers), besides Restaurant Service Providers	<p>Service providers (or mixed suppliers), besides restaurant service providers, with an Annual Turnover of up to Rs.50 lakhs shall be allowed to enrol for the Composition Scheme.</p> <p>Such service providers shall pay GST @ 6% (3% CGST + 3% SGST) on the turnover.</p> <p>Compliance simplification as recommended in point no. 4 above shall apply to such service providers as well.</p>
All of the above recommendations shall be made operational from 1st April 2019		
Other Recommendations by the GST Council		
6	Free Accounting and Billing Software	shall be provided to Small Taxpayers by GSTN.
7	Levy of Cess on Intra-State Supply of Goods and Services within the State of Kerala	at a rate not exceeding 1% for a maximum period of 2 years.
8	A seven Member Group of Ministers shall be constituted to examine the proposal of giving a Composition Scheme to Boost the Residential Segment of the Real Estate Sector	
9	A Group of Ministers shall be constituted to examine the GST rate structure on Lotteries	

A summarized table detailing the threshold limit of registration, composition scheme and applicable rate of taxes for composition scheme has been provided below:

Type of Suppliers	Turnover	Registration Applicability	Availability of Composition Scheme	Applicable Rate of Tax - Composition Scheme	ITC Availability
Supplier of Goods	Up to Rs. 20 Lakhs or 40 Lakhs (as may be decided by the respective States)	-	-	-	-
	> Rs. 20 Lakhs / 40 Lakhs but up to Rs. 1.5 crore	✓	✓	1% of the turnover	-
	> Rs. 1.5 crore	✓	-	-	ITC available
Restaurant Service Providers	Up to Rs. 20 Lakhs	-	-	-	-
	> Rs. 20 Lakhs but up to Rs. 1.5 crore	✓	✓	5% of the turnover	-
	> Rs. 1.5 crore	✓	-	-	-
Other Supplier of Services (or Mixed Suppliers)	Up to Rs. 20 Lakhs	-	-	-	-
	> Rs. 20 Lakhs but up to 50 Lakhs	✓	✓	6% of the turnover	-
	> Rs. 50 Lakhs	✓	-	-	ITC available

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, Chennai, Pune 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. Avdhesh Heda (9130561253)

Pune: Mr. Avdhesh Heda (9130561253)

Bangalore: Mr. Vamsi Krishna Pothukuchi (8378976769) & Mr. Dipak Tiwary (9823741187)

New Delhi: Ms. Priyanka Mathur (9953563996)

Kolkata: Mr. Vijay Kumar Gupta (9339355647)

Chennai: Mr. Vamsi Krishna Pothukuchi (8378976769) & Mr. Dipak Tiwary (9823741187)

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