



53rd GST Council meeting - Briefs

This presentation provides an overview of the key recommendations recommendations made by the GST Council regarding changes in GST changes in GST rates on goods and services, as well as measures to measures to facilitate trade and improve GST compliance. The recommendations cover a wide range of areas, from reducing tax rates tax rates on certain products to streamlining the appeals process and process and providing clarifications on various GST-related issues. issues.

Changes in GST Rates on Goods

1

Uniform 5% IGST on Imports

A uniform rate of 5% IGST will apply to imports of 'Parts, components, testing equipment, tools and equipment, tools and tool-kits of aircrafts, irrespective of their HS classification to provide a fillip to provide a fillip to MRO activities subject to specified conditions.

2

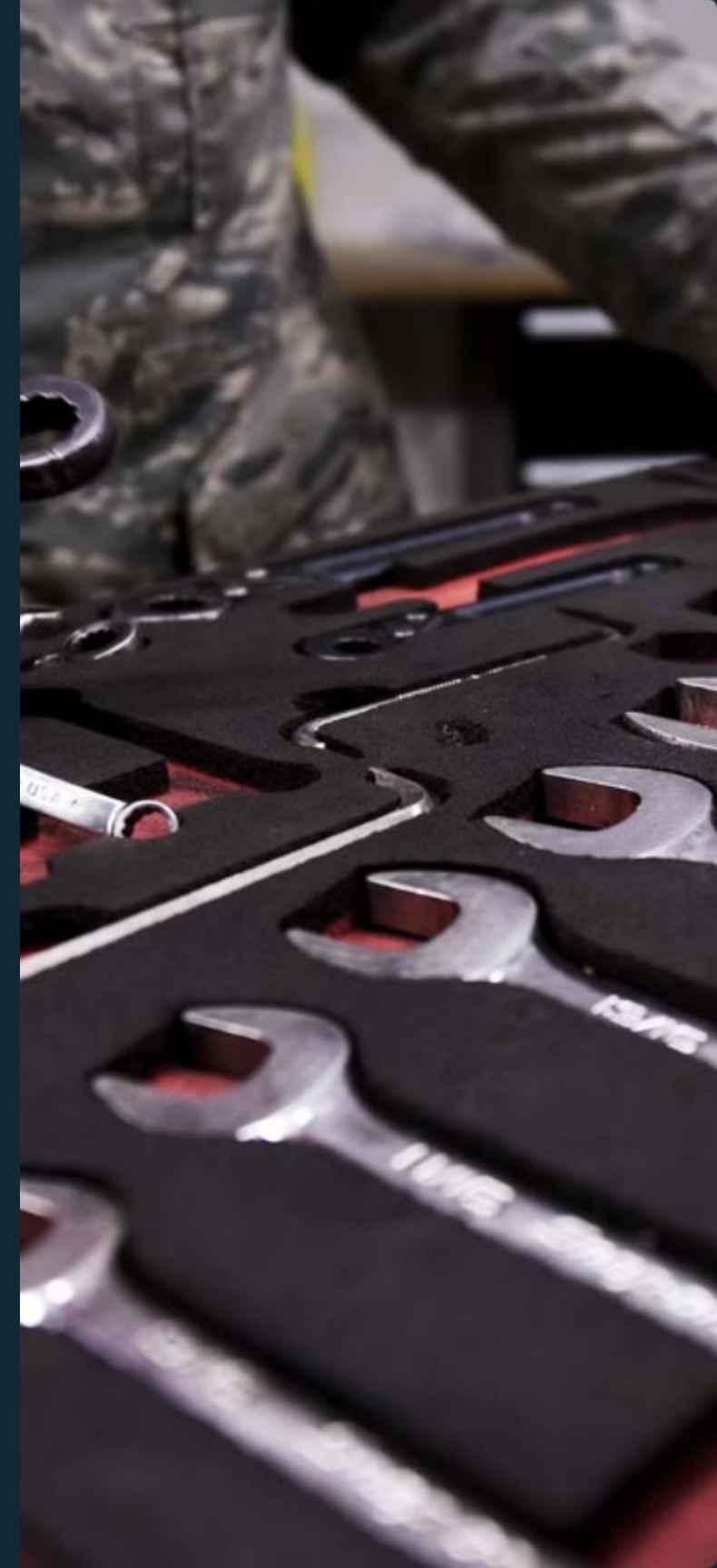
Milk Cans at 12% GST

All milk cans (of steel, iron and aluminium) irrespective of their use will attract 12% GST.

3

Reduced Rate on Packaging Materials

GST rate on 'carton, boxes and cases of both corrugated and non-corrugated paper or paper-board' paper-board' (HS 4819 10; 4819 20) to be reduced from 18% to 12%.



Changes in GST Rates on Services

Exemptions for Indian Railways

Services provided by Indian Railways to the general public, such as sale of platform tickets, facility of retiring rooms/waiting rooms/waiting rooms, cloak room room services and battery-operated operated car services, will be exempt from GST. Intra-Railway transactions will also be exempt. exempt.

Exemptions for Special Purpose Vehicles

Services provided by Special Purpose Vehicles (SPV) to Indian Railway by way of allowing Indian Railway to use infrastructure built & owned by SPV during the concession period and maintenance services supplied by Indian Railways to SPV will be exempt from GST.

Accommodation Services Exemption

Accommodation services having having value of supply up to Rs. Rs. 20,000/- per month per person person will be exempt from GST, GST, subject to the condition that that the accommodation service is service is supplied for a minimum minimum continuous period of 90 90 days.

Measures for Facilitation of Trade

1 Waiver of Interest and Penalties

Conditional waiver of interest or penalty or both, relating to demands raised under Section 73 of the CGST Act for FY 2017-18 to FY 2019-20, where the taxpayer pays the full amount of tax demanded by 31.03.2025.

3 Reduced Pre-Deposit Amounts

Reducing the amount of pre-deposit for filing of appeals under GST to ease cash flow and cash flow and working capital blockage for the taxpayers.

2 Reduced Litigation through Monetary Limits

Prescribing monetary limits for filing of filing of appeals in GST by the department before GST Appellate Tribunal (Rs. 20 lakhs), High Court (Rs. (Rs. 1 crore), and Supreme Court (Rs. 2 (Rs. 2 crores).



Clarifications and Amendments

Exclusion of ENA from GST

Amending the GST law to explicitly exclude rectified rectified spirit/Extra Neutral Alcohol (ENA) from the the scope of GST when supplied for manufacturing manufacturing alcoholic liquors for human consumption.

Reduced TCS Rate

Reducing the TCS rate collected by Electronic Commerce Operators (ECOs) from 1% to 0.5% to ease the financial burden on the suppliers making supplies through such ECOs.

Relaxation in Input Tax Credit Timelines

Relaxing the time limit to avail input tax credit in respect of any invoice or debit note under Section Section 16(4) of CGST Act for the initial years of GST GST implementation (FY 2017-18 to 2020-21).

Clarifications on Various Issues

Providing clarifications on a range of issues, including including valuation of corporate guarantees, place of place of supply for custodial services, and availability of availability of input tax credit on repair expenses expenses incurred by insurance companies.

STR FOR

FORM GSTR-2

Submit monthly details of inward supplies in FORM GSTR-2 by the 15th of next month

FORM GSTR-4

Monthly return – GSTR 4

FO

File
FORM GST
of ne

Amendments in GST Law and Procedures

1

Common Time Limits for Demand Notices

Providing a common time limit for issuance of demand notices and orders, irrespective of whether the case involves fraud, suppression, or willful misstatement.

2

Sunset Clause for Anti-Profiteering

Providing a sunset clause for anti-profiteering under GST and handling of anti-profiteering profiteering cases by the Principal bench of the GST Appellate Tribunal.

3

Curtailing Refund of IGST on Exports

Amending the law to restrict the refund of IGST in cases where export duty is payable, payable, irrespective of whether the goods are exported with or without payment of taxes. of taxes.

Strengthening GST Registration Process



Biometric Authentication

Rolling out biometric-based Aadhaar authentication of registration applicants on a pan-India basis to strengthen the registration process and combat fraudulent input tax credit claims.



Common Time Limits

Providing a common time limit for for issuance of demand notices and orders, irrespective of whether whether the case involves fraud, suppression, or willful misstatement.



Amendments in GST Law

Recommending various amendments amendments in the GST law, including provisions related to anti-anti-profiteering, refund of IGST on on exports, and transitional credit. credit.

Facilitating Taxpayer Compliance

Exemption from Annual Return

Taxpayers with aggregate annual turnover up to Rs. 2 crore will be exempted from filing the annual annual return in FORM GSTR-9/9A for the FY 2023-24.

Mechanism for Adjusting Pre-Deposit

Prescribing a mechanism for adjustment of an amount amount paid in respect of a demand through FORM GST FORM GST DRC-03 against the amount to be paid as pre-paid as pre-deposit for filing appeal.

New FORM GSTR-1A

Providing a new optional facility in FORM GSTR-1A to 1A to facilitate taxpayers to amend or declare additional additional details in FORM GSTR-1 before filing FORM FORM GSTR-3B.

Conclusion

1 Comprehensive Recommendations

The GST Council has made a comprehensive set of recommendations covering changes in GST rates, measures for trade facilitation, clarifications, and amendments in the GST law and procedures. These recommendations aim to provide relief to taxpayers, reduce litigation, and strengthen the GST ecosystem.

2 Ongoing Efforts

The GST Council's recommendations demonstrate the government's commitment to continuously improve the GST system and address the evolving needs of businesses and taxpayers. These changes will contribute to the overall simplification and efficiency of the GST regime.

Thank you!!!

Detailed Note and details on the 53rd GST Council meet will be shared once relevant relevant Notifications are issued