

GST BULLETIN

Bhasin Sethi & Associates

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[Invoice Matching Mechanism in GST to Check Frauds: Jaitley](#)

Arun Jaitley, Finance Minister, has said that the invoice matching mechanism in the GST will help curb fake bill frauds. He further said that in the proposed GST design, the registered person is required to file only his initial return on 10th of the next month (return for outward supplies) while other returns on invoice matching and availing of ITC credit are auto-populated, which would

[Traders/manufacturers having hard time as GST registration ends](#)

The official website for the GST has ceased the registration on April 30 and manufacturers and traders who have not got their GST registration are facing a tough time as there is no scope of

be communicated between the supplier and the recipient through the common portal GSTN. Mr Jaitley's letter to the Congress leader read that through the invoice matching and automated return mechanism, the government can ensure that eligible input tax credit is accurately transferred between the states.

COMMENT: Invoice matching model in the much awaited GST regime is going to check and regulate frauds.

registrations being opened for the next fifteen days.

There were also numerous cases of mismatch of the PAN reported due to which traders/manufacturers were unable to get themselves registered on the GST website. Also, there are many others who were unable to complete the registration process even though they got their login IDs and passwords for the reason that the e-verification could

[GST to make domestic companies more competitive: Adhia](#)

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Hasmukh Adhia, says GST would help domestic firms to become more competitive apart from streamlining the taxation for all business activities. Speaking at a conference on GST he said, "Cascading taxes along with non-availability of input credit meant that domestically produced goods found it harder to compete with imported ones." He added that GST is a multi-point tax on value addition with seamless input tax credit, and said that there will be a level playing field for all which will benefit the domestic units. The GST Council approved the model SGST Bill at its meeting on March 16. The next GST Council meeting will be held on May 18-19 to fix the tax rates of various commodities.

Comment: Transition to the GST regime would hopefully be smooth because of multiple points of taxation in the country. Thus, there is a remote possibility of sudden spurt in inflation

not be completed as several traders/manufacturers changed their mobile number, but the OTP was sent on the previous numbers.

There has been demand that the registration be re-opened soon as many traders and manufacturers still need to get themselves registered. The registration for the GST was started in November and was thrice extended further.

COMMENT: The migration of the traders in process has faced hurdles, however, the registration on the website is expected to re-start after some time.

Govt eager on GST rollout in July to save festive sales

The government is keen on July 1 rollout of GST, instead of postponing it to September, to avoid the businesses getting hit during the peak festival season, even though some tax consultants, industry bodies and a few states suggested that the September launch would help

GST rates for commodities to be decided on May 18

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M. Vinod Kumar, Chief Commissioner of Central Excise, said that the GST Council would decide on applicable tax rates for commodities on May 18. Addressing a workshop on GST, organized by the Bangalore Chamber of Industry and Commerce (BCIC), Kumar said, "General expectation is that rates are likely to be fixed as close to the existing aggregate incidence of tax for goods and services. There will also be a cess on sin goods and services which will be imposed on the small set of identified commodities."

He further said that a trial run is initiated for the preparedness of GST network because if GSTN is not adequately tested, smooth integration of the GST law may be very difficult. Nevertheless, substantial migration and integration work has already been completed.

COMMENT: The commodities allocation would be completed shortly and the rates are expected to be fixed close to the existing aggregate incidence of tax for goods and services.

with a smooth transition to new regime. The overhaul in the tax regime may result in massive changes in the way businesses operate. The bigger concern is the festival season as there is a spurt in demand for large number of products.

The larger companies are preparing towards the July rollout. The government had planned to move to GST from April but had to defer it to July as it sought to build a consensus with the states on key aspects such as tax slabs.

Comment: As the government is optimistic about July rollout of GST, majority of businesses have prepared themselves for the same.

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