

GST BULLETIN

Bhasin Sethi & Associates

2/13/2017

Volume II, Issue VI

E-commerce firms oppose tax collection at source under GST

The online retailers like flipkart, Amazon India and Snapdeal unanimously opposed tax collection at source, proposed under GST law.

This proposal, if implemented would block the crucial working capital for sellers and may cause them to move offline, said the three online retailers.

Under the regulation, e-commerce firms will have to

Revenue officers band together to meet Finance Minister

The Central Customs and Excise officers, miffed by the GST council decisions have banded together and will decide on their next phase of protests after meeting with Finance Minister.

The officers believe the council's decision will heavily favour the states, weaken the central government's ability to ensure an inflow of revenue and will adversely affect their careers. Demanding that the GST council revisit its decision, the officers have

withhold the tax payable by the sellers on every transaction and deposit it with the government on their behalf. The provision is expected to take effect on 1 July along with the national rollout of GST.

COMMENT: As the proposed tax collection source would only be applicable to online market place and digital intermediaries. This would hugely hinder the working capital of the e-

sought an appointment with the finance minister.

The group also prepared a charter of demands, which raises issues such as ensuring at least five functional promotions, parity in pay matters with counterparts in states, and immediate fictionalisation of seniority list

COMMENT: The decision taken by the GST council on the issue of dual control would hugely effect the central Revenue officials.

commerce websites and would be huge loss to them.

CAIT to train 5, 000 traders for GST

...

The Confederation of All India Traders (CAIT) said that it will train 5,000 trade leaders across the country as Master trainers who will be responsible to empower and educate the trading community about Goods and Services Tax (GST). CAIT in in association with Tally Solutions (TSPL) has initiated a national drive to help traders to understand the impact of GST on their business and to educate them about the procedural compliance under the new taxation system, CAIT National President B C Bhartia said in a release issued here

Comment: This will be a great help for small scale and uneducated traders.

Government assures Revenue neutral GST rate for realty sector

The Confederation of Real Estate Developer's Association of India said that the Centre has assured that the rate GST would be revenue neutral both for real estate developers and consumers.

“The government assured us (CREDAI) the GST rate will be revenue neutral. They are coming out with a model which will be revenue neutral for both developers and customers,” CREDAI's National President Getamber Anand said here.

Comment: The biggest concern is that GST treats real estate as a service while Stamp Act is treating it as a fixed asset. The real estate takes hits from both the sides. This would be beneficial for realty sector.

Model GST law to be finalized by the end February: CBEC member

• • •

Model GST is expected to be finalized by the end of this month, said a finance ministry official. The Model GST law is currently being vetted by the law department. We are very close to finalization of law. The Model law will be finalized by the end of this month,” Central Board of Indirect Taxes Member Ram Tirath said. Model GST laws including IGST are expected to be tabled in the Parliament in the second leg of the Budget session beginning March 9. While the all-powerful GST Council has already decided on a four-slab tax structure for the indirect tax regime, the levy for different goods and services will be decided by May or June.

COMMENT: This would be a positive step towards ensuring the rollout by July 1st.

Disclaimer: Information in this newsletter is for educational purpose only. Bhasin Sethi & Associates assumes no responsibility of any mistakes which, despite of all precautions, may be found therein. The material contained in this document does not constitute any professional advice that may be required before acting on any matter