

GST BULLETIN

Bhasin Sethi & Associates

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Lack of consensus on issue of division tax administration between Central and state authorities

The GST council once again failed to reach consensus on crucial issue of division tax administration between central and state authorities. However, the council made some progress on the central legislation.

The next meeting will be held on December 11-12. The council will try to hammer out

assessee will be controlled by states and who would be governed by Centre. Further, the council will also have to decide on detailed compensation law to states for the loss of revenue in the first five years.

COMMENT: It is important for the industry to have clarity regarding the frame work of GST from the beginning.

discuss all the issues before GST is finalized

ASSOCHAM and tally solutions collaborate to educate the retail community regarding GST

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The Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Tally Solutions Pvt. Ltd have signed an MOU to educate and train the retail community regarding GST. They plan to conduct a series of conference for retail community across the nation. Further, the tax experts and experts from the government will also be participating in these conferences to help the retail community to adopt to the new tax regime.

COMMENT: This is advantageous to the retail community, help them transform businesses according to the new tax regime.

“Are we close to a resolution? I’ll keep my fingers crossed”

“I hope during the next meeting on December 11-12, there is a positive movement as far as laws are concerned. On the critical issue of cross empowerment”.

– Arun Jaitley

Govt. to introduce GST bill in the ongoing Parliament session

The government is set to introduce GST bill in the ongoing Parliament session which ends on December 16. The Centre and states are finalizing three Goods and service tax legislations. The

Thus, the council should

Government is taking steps to ensure that they have a proper discussion in Parliament.

COMMENT: It is positive step towards ensuring that the GST is rolled out by April, 1 2017.

[Draft GST model proposes e-commerce operators to deduct tax at source](#)

The draft GST law has proposed that e-commerce operator would deduct tax at source. However it remains silent on the treatment for aggregators such as those who provide cab hailing services, food or room booking services, many tax experts believe that the relief may be short lived. The aggregators who are already liable to pay service tax may be included with in the ambit once the GST rules are notified.

COMMENT: Thought the concept of aggregator was not included it may fall under the scope of electronic commerce which is defined as “any person who owns, operates or manages digital or electronic facility or platform for electronic commerce”

[GST council has achieved consensus on key issues: Amit Mitra](#)

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In an interview given to a leading news web site, Amit Mitra, Chairman of Committee of State finance Ministers has said that the council has achieved consensus on key issues of GST. He has said that all the State finance ministers unanimously said that dual control above Rs.1.5 crore turnover is okay but not below it. Further, regarding the issue of capping he has said that the consensus would be reached soon. “The capping issue was not the issue. The issue was let us formulate a principle. I must say the Congress ministers were also there. They were well briefed, they made their points and so did all other ministers from other political parties and a consensus emerged that let us draw up the principle. Since this is not the constitutional amendment issue today, it will go to it tomorrow or day after, let us formulate the principle and then leave it to the next step towards arriving at a range or a rate or whatever. So, this was in fact acceptable to all concerned” he stated.

COMMENT: The progress regarding the key issues is a positive step towards ensuring the implementation of GST.