

GST BULLETIN

Bhasin Sethi & Associates

6/2/2017

Volume II, Issue V

The government to reach out to industry from April 1st on GST awarness

The Finance Minister Mr. Arun Jaitley, presenting the Union Budget said that the said that the government will reach out to the industry from April 1 to make them aware about the new tax regime.

However, he did not confirm any particular date for implementation of the new tax regime. “GST Council has finalised recommendations on all issues, the preparedness of IT is on schedule. On April 1, the reaching out to the

Aviation ministry writes to Finance Ministry, seeks sub – 12% service tax in GST

The Aviation Ministry Mr. Ashok Gajapathi Raju sent a proposal to the Finance Ministry. It is believed that he sought service tax on tickets to be sub-12% in Goods and Services Tax (GST). He has also proposed that ATF should be kept under GST, the sources said. ” With ATF out of GST, Aviation Minister fears that ticket prices will rise under GST. The Finance Minister is unlikely to consider ATF demand, since

industry will begin to make them aware of the new tax system, as per schedule,” the finance minister said.

The Government did not make too many changes in the excise and customs as they would soon be replaced by the GST.

COMMENT: As the implementation of the new regime is very certain. It would be very help for the industry if the Government

petroleum is out of GST,” the sources added.

The GST Council had agreed on a higher tax rate of 18 per cent for services under the indirect tax regime, while some essential services are proposed to be taxed at 6 per cent or 12 per cent, though the complete structure is yet to be finalised. This is likely to lead to an increase in the ticket cost and there won't be any set-off available in form of input tax

takes steps that they are well aware about compliance and various aspects of it.

GST migration Seva Kendra opened in Hyderabad

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A facilitation centre that would provide assistance in uploading the required documents for registration under the upcoming Goods and Services Tax (GST) regime opened in Hyderabad on Thursday. . The Central Board of Excise and Customs is establishing such Seva Kendras across the country to facilitate migration of the assesseees to the GST.

Comment: This will be helpful for assesseees to resolve their queries regarding the transition into new tax regime.

credit as ATF will be out of GST ambit

COMMENT: The Finance Ministry might not consider this proposal as the council has already agreed on tax slab of 18% for service tax. This would be huge blow for aviation industry.

Tax officials wear black bands to work as sign of protest

The body of tax officials said that the recent decisions taken by GST Council, headed by Finance Minister Arun Jaitley, were taken under pressure from the states. The association said its members as well as those from other staff bodies wore black band on their arm at work to protest the decisions taken by the council.

Comment: The recent decision taken by the GST council to 90% of the control

All cesses, other than petroleum to be merged in GST

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Revenue secretary Mr. Hashmuk Adhia said that the proposed GST will subsume all cesses except those on petroleum. This proposal is in contrast to the earlier decision of the Council, which had proposed levy of additional cess for luxury and sin goods such as tobacco, cigarettes, and aerated drinks to compensate states for five years after the rollout of the regime. It was decided that even though all other cesses would be subsumed in the GST, the Centre would continue to levy clean environment cess on coal, peat and lignite. The Centre had also proposed to continue collection of the National Calamity Contingency Duty, presently collected as a cess, for the purpose of funding the National Disaster Relief Fund.

COMMENT: It is still not clear as to how cesses would be worked out but this provides for some clarity on the subject.

the state government bodies on assessee having turn over less than 1.5 crore could substantially affect the carriers of many tax official.

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