

Outcome of the meeting of GST Council held at Hyderabad on 9th September 2017 – recommendations and extension in timeline for submission of GST returns and changes in GST rates

Amidst the rush of the tax payers to complete the GSTR 1 filing for the month of July 2017, the GST council met on 9 September 2017 at Hyderabad for its 21st meeting. The GST Council recommended various measures to ease the compliances for the taxpayers. It also recommended revision in rates of various items and took some key decisions.

We have summarized the key recommendations by the Council in tables below:

1) **Revised due dates for regular GST returns for July 2017**

Return type	Taxpayers Category	Due date/revised due date
GSTR 1 (Return for outward supplies)	Turnover up to INR 100 crore	3 rd October 2017
	Turnover exceeding INR 100 crore	10 th October 2017
GSTR 6 (Return by Input Service Distributor)	Input service distributors	13 th October 2017
GSTR 2 (Return for inward supplies)	All taxpayers	31 st October 2017
GSTR 3 (Monthly return)	All taxpayers	10 th November 2017
GSTR 4 (quarterly return)	Composition taxpayers	18 th October 2017 (no change)
Table 4 of GSTR 4 (details of inward supplies and supplies on which tax is to be paid under reverse charge by the composition taxpayer) is not required to be furnished for this quarter.		
GSTR 6 (Monthly return)	Input Service Distributor	13 th October 2017

The revised timelines for submission of GST returns for the subsequent periods would be notified in due course.

2) **GSTR - 3B**

Return in Form GSTR 3B is to be filed on a monthly basis for the months of August 2017 to December 2017.

3) **Tax Payment Date:**

The dates for payment of tax is however kept unchanged.

Particulars	Regular tax payer	Composition dealer
Due date for Payment of tax	20 th day of the month succeeding such calendar month	18 th day after the end of quarter

4) **Clarifications on Form TRAN - 1**

The due date for submission of Form TRAN – 1 (statement for transitional credit) has now been revised to 31 October 2017 from the existing due date of 90- days from appointed date (Appointed date being 1st July, 2017. It is also decided by the GST Council to permit one-time revision of Form TRAN – 1 statement after its submission.

5) **Registration for taxpayers required to withhold (TDS) or collect (TCS) GST**

The Council has decided that registrations for persons liable to withhold or collect GST will commence from 18 September 2017. The date from which the provisions for withholding or collection of GST will come into effect will be notified a later date.

6) **Changes in GST rates and Compensation Cess**

GST rates have been reduced on about 30 essential and daily requirements items.

Some of the key changes in rates have been tabulated below.

Goods	Old Rate	Revised Rate
Walnuts, dry tamarind, roasted gram, duty credit scrip's	12%	5%
Batter, specified tableware and kitchenware, ceramic pots, statues and other ornamental articles	28% or 18%	12%
Plastic raincoats, medical grade disposable	28%	18%

plastic gloves, computer monitors up to 20 inches		
Khadi fabric sold through KVIC outlets	5%	Nil
Rough industrial diamonds, including unsorted rough diamonds	3%	0.25%

Cars and SUVs:

Additional compensation cess of 2% on mid-sized cars, 5% on the large cars and 7% on SUVs has been proposed to be levied by GST Council. The date of implementation of the additional cess would be notified in due course.

The cess on small and hybrid cars remains unchanged.

7) **Other important decisions**

Particulars	GST Council recommendation
Relaxation in registration requirements for job workers	Job-workers making inter-State supplies of job work services to a registered person are exempted from obtaining GST registration, provided the goods move under the cover of an e-way bill (Threshold limit of value of consignment for issuance of e-way bill is not applicable in this case). However, job-workers providing job-work services relating to jewellery, goldsmiths' and silversmiths' wares would not be eligible for this exemption from registration as transportation of these goods does not require an e-way bill.
Committee of ministers for resolving technology related challenges	The Council decided to constitute a committee of ministers for resolving information technology related challenges faced by the taxpayers during implementation of GST.