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10/17



UPDATES COVERED:

1. Certain Updates under GST - 22nd Council

Certain Updates under GST

- Contributed by CA Sri Harsha & CA Manindar

Brief of Update:

This update pertains to release of press release as a consequence of 22nd GST Council Meeting at New Delhi.

The highlights of 22nd GST Council meet are as under:

Composition Scheme:

1. Threshold for availing composition scheme has been increased to 1 Crore from existing 75 lakhs. Hence, all dealers whose aggregate turnover in the preceding year is less than 1 crore, can opt for composition till 1 Crore of turnover for the period ended 31.03.2018. The scheme shall be available to new and migrated assesses.
2. Any person who is engaged in provision of exempted services was earlier made ineligible for opting for composition scheme. However, the Council has decided to allow such persons to opt for composition even they are providing exempt services. Please note all other conditions regarding eligibility for composition has to be satisfied.

Registration & Returns:

3. As per Section 24, every person making inter-state taxable supply has to obtain registration irrespective of the fact that his turnover is less than Rs 20 lakhs. Now, relief is provided by exempting **service providers** from obtaining registration if they are making any inter-state taxable supply subject to a condition that his aggregate turnover does not exceeds Rs 20 lakhs. Please note that this benefit is available only for services providers. Persons who are engaged in inter-state supply of goods have to obtain registration irrespective of the fact that his turnover is less than Rs 20 lakhs.
4. Persons whose aggregate turnover is less than Rs 1.5 crore have been provided to **file quarterly returns and pay tax on quarterly basis**. The quarterly returns will come into effect from Q3 that is Oct to Dec 17. Till announced, such tax payers have to file GSTR 3B till December. For prior periods, GSTR-1, 2 & 3 has to be filed. Taxpayers who are purchasing from such dealers shall get credit on monthly basis.

Reverse Charge under Section 9(4):

5. Currently purchases made from unregistered dealers are subjected to reverse charge under Section 9(4). The said has been suspended till 31.03.18. Hence, there shall be no reverse charge when purchased from unregistered dealers till 31.03.18.

No GST on Advances for Small Dealers:

6. Currently, GST has to be paid on receipt of advances. In order to remove burden for small taxpayers, dealers who are having turnover less than Rs 1.5 Crore are exempted from paying GST on receipt of advances. GST has to be paid only when goods are supplied. Please note the exemption is not available to service providers. Such exemption is granted only for dealers engaged in supply of goods.

Other measures:

7. TDS/TCS provisions are postponed till 31.03.18
8. E-way bill provisions will be introduced in staged manner with effective from 01.01.18. Nation-wide roll out shall be from 01.04.18
9. Due Date for filing of GSTR-6 for ISD for months of July, August and September shall be extended to 15.11.17
10. Due Date for filing of GSTR-4 for composition dealer for July to Sept 17 shall be extended to 15.11.17.



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