



Ministry of Finance

Notification Issued For GST Actionable Claim On Branded Food Products

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The GST Council, in its 21st meeting held on 9th September, 2017 at Hyderabad has, inter alia, recommended that for 5% GST rate on cereals, pulses and flours etc. put up in unit container and bearing a registered brand name:

a) A brand registered as on 15.05.2017 under the Trademarks Act, 1999 shall be deemed to be a registered brand for the purposes of levy of 5% GST, irrespective of whether or not such brand is subsequently deregistered.

b) A brand registered as on 15.05.2017 under the Copyright Act, 1957 shall also be treated as a registered brand for the purposes of levy of 5% GST.

c) A brand registered as on 15.05.2017 under any law for the time being in force in any other country shall also be deemed to be a registered brand for the purposes of levy of 5% GST.

d) A mark or name in respect of which actionable claim is available shall be deemed to be a registered brand name for the purposes of levy of 5% GST.

2. Notification Nos. 27/2017-central tax(rate), 28/2017-central tax(rate), 27/2017-Integrated tax(rate), 28/2017-Integrated tax(rate), 27/2017-Union territory tax(rate), 28/2017-Union territory tax(rate), giving effect to the Council's recommendations relating to changes in GST rates on goods and conditions appended thereto have been issued on 22nd September, 2017.

3. Regarding aforesaid recommendations of the Council, these notifications, inter alia, provide that 5% GST will apply if on brand name [as defined in the notification] an actionable claim or enforceable right in court of law is available. In this context, these notifications also provide that this 5% GST will, however, not apply if the person concerned voluntarily foregoes any actionable claim or enforceable right on such brand name, subject to the conditions that he:

a) files an affidavit to the effect that he is voluntarily foregoing his actionable claim or enforceable right on such brand name with the jurisdictional Commissioner of Central Tax or State Tax, or the jurisdictional officer of Union Territory Tax, as the case may be, and

b) prints in indelible ink, both in English and local language on each such unit container, that in respect of brand name printed on the unit containers he has voluntarily foregone his actionable claim or enforceable right.

4. The above mentioned notifications are effective from 22nd September, 2017.

DSM/SBS/VL/SAN

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