



# Roll out of GST-1st July 2017; Draft CGST Law and Draft IGST Law approved in the 11th Council Meeting held on 4 March 2017

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The GST Council in its 9th Meeting held on 16 January 2017 took note of the work to be completed for the rollout of GST and after deliberations, agreed to extend the date for rollout of GST from 1st April 2017 to 1st July 2017. Steps taken to ensure rollout of GST by 1st July 2017 include approval of the Draft GST Compensation Law by the GST Council in its 10th Meeting on 18 February 2017 held in Udaipur, Rajasthan. Subsequently, the Draft CGST Law and Draft IGST Law were approved in the 11th Council Meeting held on 4 March 2017 at New Delhi. The issues of dual control and cross empowerment were resolved in the 9th Meeting of the GST Council held on 16 January 2017 in which a broad agreement was reached on the issue of cross-empowerment to achieve single interface of taxpayer with the tax administration in the GST regime.

All the decisions taken by the GST Council so far have been based on consensus among the Centre and the States.

At the Central level, the following taxes are being subsumed in GST:

- Central Excise Duty,
- Additional Excise Duty,
- Service Tax,
- Additional Customs Duty commonly known as Countervailing Duty, and
- Special Additional Duty of Customs.
- Cesses and surcharges (Except Clean Energy Cess)

At the State level, the following taxes are being subsumed in GST:

- State Value Added Tax/Sales Tax,
- Central Sales Tax (levied by the Centre and collected by the States),
- Entertainment Tax (other than the tax levied by the local bodies),
- Octroi and Entry tax,
- Purchase Tax,
- Luxury tax, and
- Taxes on lottery, betting and gambling.
- State cesses and surcharges in so far as they relate to supply of goods and services.

GST will simplify and harmonise the indirect tax regime in the country. It is expected to reduce cost of production, thereby making the Indian trade industry more competitive, domestically as well as internationally. It is also expected that introduction of GST will foster a common or seamless Indian market and contribute significantly to the growth of the economy. Further, GST will broaden the tax base, and result in better tax compliance due to robust IT infrastructure.

GST Council is presently deliberating on various issues entrusted to it. All the decisions taken by the Council so far have been based on consensus. GST is going to be implemented soon in the country, therefore, simultaneous and concert efforts are also being made by the government in the form of IT readiness, rigorous consultations, workshops and training sessions for the industry and traders, and all other stake holders involved etc.

This was stated by Shri Santosh Kumar Gangwar, Minister of State in the Ministry of Finance in written reply to a question in Lok Sabha today.

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