

## **Government notifies Council for Goods and Service Tax: The ET Realty**

Government has formally notified the GST Council, which will decide on the tax rate, exempted goods and the threshold under the new taxation regime.

The council will be chaired by Union Finance Minister and have Minister in charge of Finance or Taxation or any other Minister nominated by each State Government as its member. Also Minister of State in charge of Revenue or Finance at the Centre would be a member.

"In exercise of the powers conferred by article 279A of the Constitution, the President hereby constitutes the Goods and Services Tax Council...", said a government notification.

Earlier this week, the Union Cabinet had approved setting up of all powerful GST Council, which is expected to thrash out a decision on all major aspects of GST roll out by November 22.

The first meeting of the GST Council will be held on September 22-23.

The government is planning to introduce GST legislations -- Central GST (CGST) and Integrated GST (IGST) -- in Winter Session of Parliament in November. The legislation would mention the tax rate, exempted goods and also the threshold.

Prime Minister Narendra Modi too has directed all officers to ensure that steps are taken to stick to the April 2017 roll out date.

In his meeting with top revenue department officials yesterday, Modi said the GST Council would need to have intensive meetings to be able to make timely recommendations relating to its mandate, including proposals relating to Model GST laws, GST rates, goods and services that may be subjected to or exempted from GST.

The Constitution (122nd Amendment) Bill, 2016, for introduction of the goods and services tax in the country was accorded assent by the President on September 8 and the same has been notified as the Constitution (One Hundred and First Amendment) Act, 2016.

As per Article 279A (1) of the amended Constitution, the GST Council has to be constituted by the President within 60 days of the commencement of Article 279A. The notification for bringing into force Article 279A with effect from September 12, 2016

was issued on September 10, 2016.

The government is keen to implement the biggest tax reform since Independence from April 1, so as to ensure a smooth rollover to the changed tax structure from the beginning of the new fiscal and avoid mid-year alterations.