

Following were highly speculated to be on Agenda...

1. Simplification of Annual return - GSTR 9

Although not much of a change is likely to happen with the periodic GST returns, yet It is highly speculated that the GST council is likely to have deliberations this meeting around simplifications of the GST annual return to be submitted in GSTR-9 for the previous financial year 2017-18.

This annual return will be the yearly consolidation of sales and purchases details regarding the business of the taxpayer at GSTIN level. Further, there will be auto -reconciliation after which any shortage of tax,if any, is to be cleared as arrears before filing.

Also it is highly speculated that the authorities will verify details of income declared by income tax assessee in his Income tax returns with the Details of his consolidated business income declared in the GST Annual Returns.

2. Rationalisation in tax rates

GST council had already reduced rates on 328 items which included items of day to day use. In the previous meeting, the items in the 28% slab rate were already reduced to lower slabs but this time the demand is to reduce the rates for the items in the lower slab rate of 5 percent or 12 percent. These items also include items linked general health and employment generation in the unorganised sector.

Further, with several representations already received about the pricing disparity prevalent in the fuel sector, GST for petrol and diesel may be discussed and finalised this meeting.

3. One nation one road tax

All the transport ministers long with the union minister will be present at the 28th GST council meeting to discuss the provisions of road tax i.e uniform rate on vehicle prices all over the country. It is supposed that a new provision will talk about plain rates on vehicles. It will also propose to allow buses, cars, taxis to obtain a national permit as trucks. It will be a One Nation One Road tax approach.

4. Central Authority on Advance Rulings

The GST council meeting has to come with a solution on the single Authority of Advance Ruling (AAR) for all over the country. Multiple cases and judgements on the similar issues by different AARs of various states has now mandated the requirement of Centralised AAR.

5. ITC Claim by employers

It is expected that the council members will suggest a right for employers to claim input tax credit on all the GST paid for insurance, food , transport and other facilities provided to his

employees. In the current situation, there is no such claim allowed to the employers to take the credit for such benefits or facilities incurred for the employee.

6. Are we set for the TDS and TCS provisions?...

With the provision of TDS and TCS under GST delayed along with the RCM provisions upto Sept 2018, with GSTN already building the return window, it is most likely that the GSTR-8 on GST portal shall be made available for filing from October 2018 onwards, to taxpayers concerned for compliance.

7. Applicability of the Reverse charge mechanism can be narrowed down to a few:

With delay again in the applicability of the RCM provisions to all registered taxpayers purchasing from the unregistered Taxpayers, we found that there are high chances of limiting the Section 9(4) to only some goods or services or specific persons that may be announced this meeting.

Without the provision getting implemented, there is a huge scope for tax evasion. Hence, an alternative workable solution would be desired and this provision be abolished...

What may not be on cards...

1. Discount over Digital payment

The GST council will also look through the provisions related to discounts given over the online payment done by the taxpayers. There is likeliness that this benefit will be pushed for implementation next year until margins see improvement. Earlier meeting, it was proposed that a 2 % concession in GST where the tax rate is more than 3 % or more on all the end consumer transactions. The payment will only be done through cheque or online mode.

2. Bringing Real estate into the council discussion

It's highly unlikely to have a discussion on Real estate coming under the ambit of GST. A committee may be instituted for a complete study about the current tax implications and revenue leakages prevalent now, after which the industry may be seen to be coming into the council's agenda. As a result the real estate sector may continue to face more challenges. This sector needs a lot more help and clear guidelines for computing ITC benefits. More transparency is required to restore buyer confidence in making a purchase and understanding of benefits available due to higher credit, if any.