

Composition Scheme

- 1) Annual aggregate turnover threshold limit for composition scheme has been increased
 - For other than special category states – from Rs. 75 lacs to Rs. 1 crore
 - For special category states except Jammu and Kashmir and Uttarakhand – From Rs. 50 lacs to Rs. 75 lacs
 - For Jammu & Kashmir and Uttarakhand – From Rs. 50 lakhs to Rs. 1 crore
- 2) Increased threshold shall be available to both migrated and new taxpayers up to 31.03.2018.
- 3) New Entrants will have to file the return in FORM GSTR 4 only for the quarter when the scheme become operational and shall file return as a normal taxpayer for preceding tax period.
- 4) Persons who are otherwise eligible for composition but are providing any exempt services were being considered ineligible for it. They are now eligible for the scheme.
- 5) The last date for the filing of return for composition scheme for the quarter July-September, 2017 shall be extended to 15.11.2017.

Small and Medium Enterprises

- 1) Small service providers whose annual aggregate turnover is less than Rs. 20 lacs (Rs 10 lacs in special category states except Jammu & Kashmir) will be exempted from registration even if they are making inter-state taxable supplies of services.
- 2) Businesses with annual aggregate turnover up to Rs.1.5 crore shall be required to file quarterly return and pay taxes on a quarterly basis in Forms GSTR 1, 2 & 3 from October-December 2017. However, all taxpayers will be required to file FORM GSTR-3B on a monthly basis till December 2017.
- 3) The reverse charge mechanism shall be suspended till 31.03.2018 and will be reviewed by a committee of experts.
- 4) Taxpayers having annual aggregate turnover up to Rs. 1.5 crore shall not be required to pay GST at the time of receipt of advances on account of supply of goods. GST will be paid only when the supply is made.

Goods Transport Agency

Services provided by GTA to an unregistered person shall be exempted from GST.

TDS/TCS

It has been decided that registration and operationalization of TDS/TCS provisions shall be postponed till 31.03.2018.

E-waybill

The E-way bill system shall be introduced from 01.01.2018 and will be effective nationwide from 01.04.2018.

Input Service Distributor

The last date for ISD for the months of July-September 2017 shall be extended to 15.11.2017.

Relief package for exporters

- 1) Refund of IGST will be expedited:
 - Refund for the month of July will be paid from 10.10.2017.
 - August refund would be cleared from 18.10.2017.
 - Refunds of IGST paid on supplies to SEZ and of input taxes on export under Bond/LUT, shall be processed from 18.10.2017 onwards.
- 2) Holders of AA / EPCG and EOUs will not have to pay IGST, Cess etc. on imports. Also, domestic supplies to holders of AA / EPCG and EOUs will be treated as deemed exports under Section 147 of CGST/SGST Act and refund of tax paid on such supplies given to the supplier.
- 3) Merchant exporters will now have to pay GST of 0.1% for procuring goods from domestic supplier for export.
- 4) E-wallet solutions shall be made operational by 1st April 2018. E-wallet will be credited with a notional amount as an advance refund. This credit can be used to pay GST.
- 5) Exporters have been exempted from furnishing bonds and bank guarantee when they clear goods for export.
- 6) Specified banks and Public-sector unit are being allowed to import gold without payment of IGST. This can then be supplied to exporters as per a scheme similar to Advance Authorization.
- 7) GST on sale-purchase of duty credit scrips has been reduced from 5% to 0%.
- 8) GST on bunker fuel will be reduced to 5% for both coastal vessels and foreign going vessels.

Rate on goods

- 1) There has been a reduction in GST rate for 27 goods including food items, textiles, medicines, wastes etc.
- 2) IGST exemption has been notified on import of certain goods

Rate on services

- 1) There has been a reduction in GST rates on job work services for various products including printing, clay bricks, imitation jewellery, food products etc.

- 2) Vehicles purchased and leased prior to 01/07/2017 will be taxed at 65% of the applicable GST + Cess rate on its sale/lease. This reduced rate to be applicable for 3 years from 1st July, 2017.
- 3) GST rate of 5% without ITC / 12% with ITC available has been extended to transport/renting of any motor vehicle. (earlier it was only for motor cabs)
- 4) Rationalisation of rates for certain services provided to/by Government has also been made.

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