
GST – SYNOPSIS OF THE PRESS RELEASE - 54TH GST COUNCIL MEETING

[10.09.2024]

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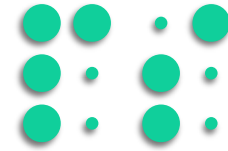
OVERVIEW



Synopsis of 53nd GST
Council



Press Release Subject to
Notifications to be issued



[Link of Press Release](#)

KEY PROPOSED
AMENDMENT –
– 54TH GST
COUNCIL MEETING

Amnesty
Scheme

RCM

Industry
Specific

Increase in
Compliance

GST Rate

Other
Amendments

Proposed
Clarifications





AMNESTY SCHEME – WAIVER OF INTEREST
AND PENALTY



AMNESTY SCHEME SECTION 73 OF THE CGST ACT

Section 128A inserted for waiver of interest or penalty or both for tax demand issued u/s 73 of CGST Act, 2017

Now, Proposed to insert Rule 164 under Section 128A of the CGST Act

AMNESTY SCHEME SECTION 73 OF THE CGST ACT

Key Aspects Proposed

- Section 128A may be notified with effect **from 01.11.2024.**
- Rule proposed to Provide for the procedure, conditions forms etc. for availment of benefit
- To notify **31.03.2025** as the date on or before which the **payment of tax may be made to avail benefit**
- Recommended the issuance of a circular to clarify various issues



AMNESTY SCHEME – SECTION 16(4) OF THE
CGST ACT



AMNESTY SCHEME – SECTION 16(4) OF THE CGST ACT

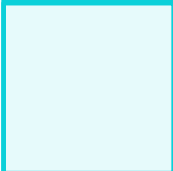
"What is the scheme?"


- ITC of FY 2017-18, 2018-19, 2019-20 and 2020-21 is eligible if availed in any return filed up to 30th November, 2021.
- ITC for the period from the date of cancellation of registration till the date of order of revocation of cancellation of registration is available where such return is filed within thirty days from the date of order of revocation of cancellation of registration,

Key Aspects Proposed


- Recommended a special procedure for rectification of orders which was issued confirming demand for wrong availment of ITC where appeal against the said order has not been filed.
- To clarify Various Aspect

"Can the benefit be extended to taxpayers who have already reversed their ITC?"





RCM – COMMERCIAL RENT AND METAL
SCRAP

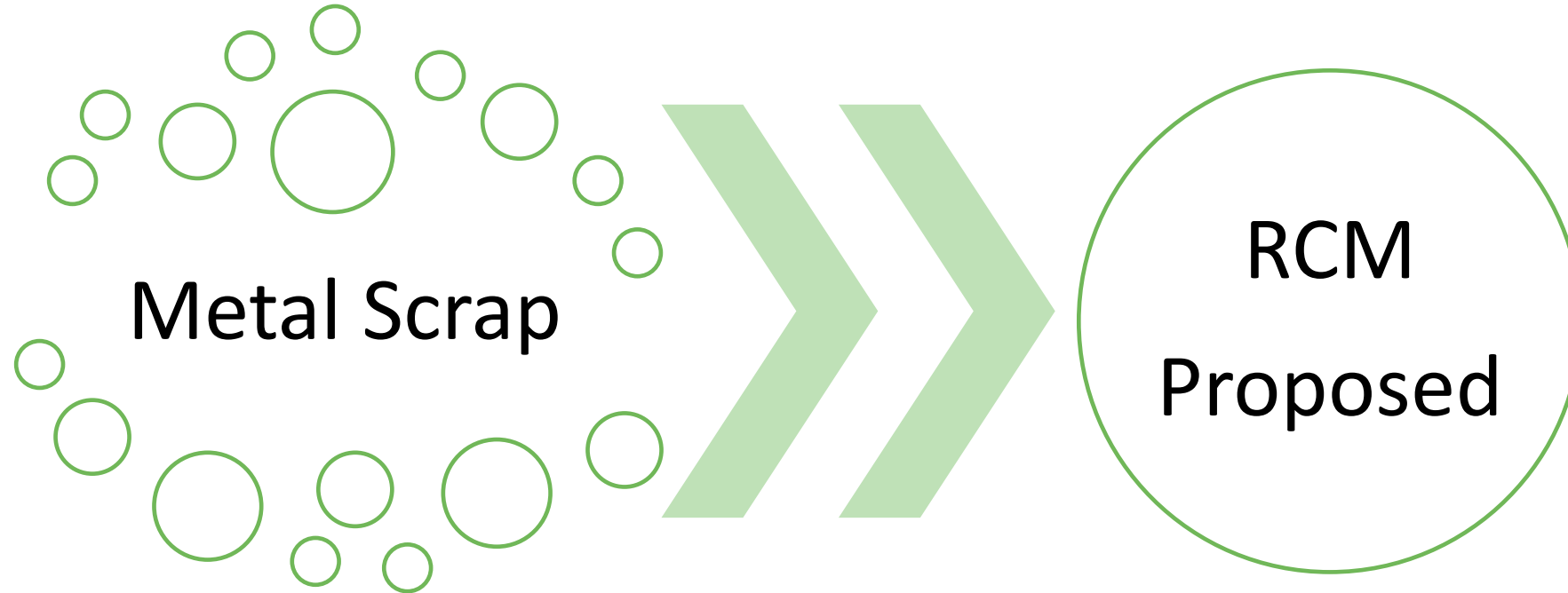


RCM – COMMERCIAL RENT



- by unregistered person
- to a registered person

RCM – METAL SCRAP



- by unregistered person
- to a registered person



INDUSTRY SPECIFIC – AMENDMENTS

PROPOSED



INTERMEDIATE SERVICES - GTA

A Composite Supply

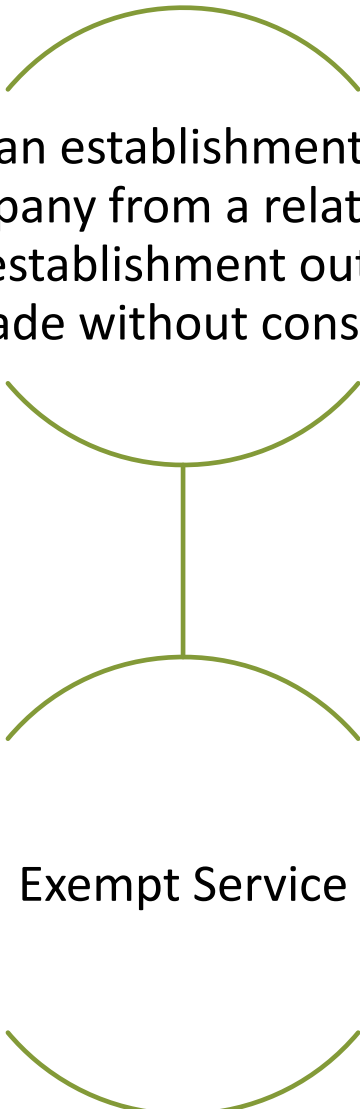
If supplied by GTA in the course of transportation of goods by road and issues consignment note

Not a composite supply

Services not supplied in the course of transportation of goods and invoiced separately,

Supply of /intermediate services by GTA like loading/unloading, packing/unpacking, transshipment, temporary warehousing etc.

IMPORT OF SERVICE BY BRANCH OFFICE - AIRLINES



Services by an establishment of a foreign airlines company from a related person or any of its establishment outside India, when made without consideration

Exempt Service



INCREASE IN COMPLIANCE – E-INVOICE



APPLICABILITY – E-INVOICE –B2B SUPPLY

E-Invoicing is mandatory for business having turnover above 500 Cr

1 Oct. 2020

1 Jan. 2021

1 Apr. 2021

1 Apr. 2022

1 Oct. 2022

1 Aug. 2023

E-invoicing is mandatory for business having turnover more than 50 cr

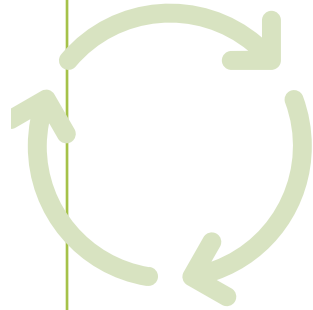
E-invoicing is mandatory for business having turnover more than 10 cr

E-invoicing is mandatory for business having turnover more than 100 cr

E-invoicing is mandatory for business having turnover more than 20 cr

E-invoicing is mandatory for business having turnover more than 5 cr

APPLICABILITY – E-INVOICE –B2C SUPPLY



Now, proposed to Implement
E-Invoice for B2C Supply



It will impact the retail Sector



OLD GST PROVISIONS – “REBRANDED WITH A
NEW NAME”



OLD GST PROVISIONS – “REBRANDED WITH A NEW NAME”

Proposed to amend existing GST return System to include

RCM Ledger

Reclaim Ledger

Invoice
Management
System (IMS)

WHAT IS INVOICE MANAGEMENT SYSTEM

System which will allow below actions with respect to invoices for availment of ITC



to accept,

To reject, or

to keep the invoices pending



GST RATE - AMENDMENTS PROPOSED



GST RATE - AMENDMENTS PROPOSED

Goods and/or Services	Rate
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Transport of passengers by helicopters

5%

Car and Motor cycle seats

28%

RMPU AC Machines

28%

Cancer Drugs

5%

Namkeens and Extruded/Expanded Savoury food products

12%



OTHER AMENDMENTS PROPOSED



SUPPLY OF RESEARCH AND DEVELOPMENT SERVICES

Supply of research and development services Exempt if

- by a Government Entity; or a research association, university, college or other institution, notified under clauses (ii) or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961 using Government or private grants.



OTHER AMENDMENTS

To regularise the GST liability for the past period prior to 01.10.2021 on 'as is where is' basis, where the film distributor or sub-distributor acts on a principal basis to acquire and distribute films.

To Exempt Certain supplies with respect to Electricity

Recommended to constitute a Group of Ministers (GoM) to look into the issues pertaining to GST on the life insurance and health insurance.



PROPOSED CLARIFICATIONS



PREFERENTIAL LOCATION CHARGES (PLC) – CONSTRUCTION SECTOR

location charges or Preferential Location
Charges



Paid along with the consideration for the
construction services



A composite supply where supply of
construction services is the main service.

IGST PAID – INITIALLY IMPORTED WITHOUT PAYMENT OF IGST

To clarify that where the inputs were initially imported without payment of IGST and cess as per Customs Notifications, but the same are subsequently paid, along with applicable interest, then the refund of IGST paid on exports shall not be considered to be in contravention of provisions of rule 96(10) of CGST Rules

AFFILIATION SERVICES – EDUCATIONAL INSTITUTE

To clarify that affiliation services provided by educational boards like CBSE are taxable. Exempt only if supplied by State/Central educational boards, educational councils and other similarly Government Schools prospectively.

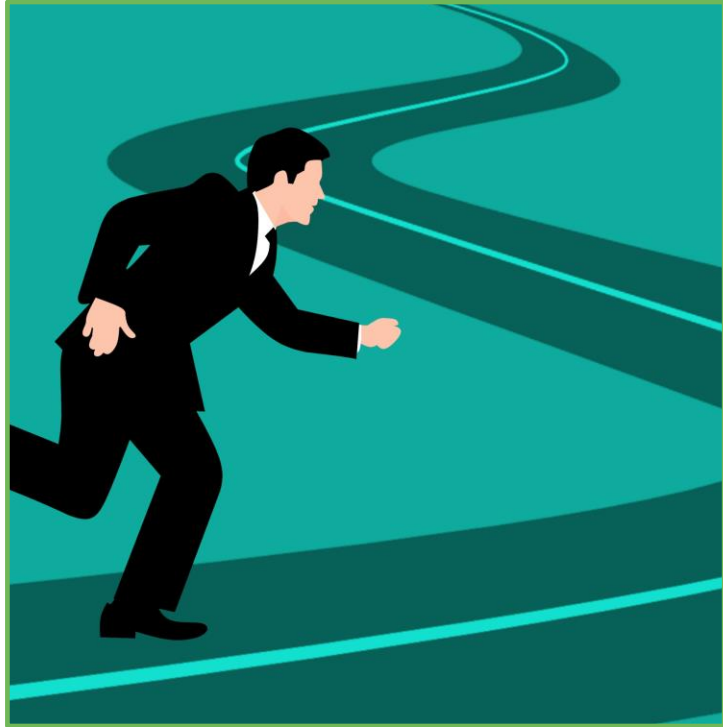
OTHER PROPOSED CLARIFICATIONS

To clarify Place of Supply of advertising services provided by Indian advertising companies to foreign entities.

To clarify regarding availability of ITC on demo vehicles by the dealers of the vehicle manufacturers.

To clarify on Place of Supply of data hosting services provided by service providers located in India to cloud computing service providers located outside India

To clarify that the approved flying training courses conducted by DGCA approved Flying Training Organizations (FTOs) are exempt from the levy of GST.



Key Highlights with Way Forward

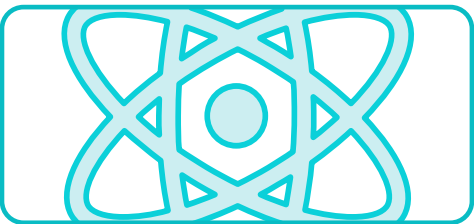
KEY HIGHLIGHTS



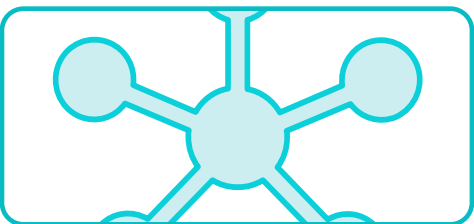
Clarifications such as Preferential Charges for the Construction Industry, Refunds of IGST paid on Imports etc are expected to reduce litigation.



The council has recommended regularizing past periods on an 'as is, where is' basis.



Commercial rent and metal scrap from unregistered supplier will now be subject to RCM, indicating an increase in the RCM list in case of unregistered suppliers.



Proposed amendments concerning the Goods Transport Agency (GTA) industry may lead to increased litigation. To mitigate this risk, GTA industries should ensure proper documentation.

WAY FORWARD

In case of Past Litigation – Revisit the benefit proposed

Implementing a proper SOP will assist organizations in managing increased compliance requirements

Effective management of ITC can reduce litigation risks; otherwise, they may rise following the implementation of the IMS.

Be prepared for amendments and ensure they are implemented once notified.

ATTENTION !



The amendments
discussed in the press
release will be subject to
a detailed notification!



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BOdB2wWJ3

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