

## **35<sup>th</sup> GST Council Meeting, New Delhi**

**21<sup>st</sup> June 2019**

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### **PRESS RELEASE**

(Issues other than Rate and Law changes)

The 35<sup>th</sup> GST Council Meeting was the first meeting of the Council after the swearing in of the new Government. The meeting took place in a cordial and professional manner.

2. At the start of the meeting, the Council passed a resolution acknowledging the stellar role played by Shri Arun Jaitley, the former Chairperson of GST Council and expressed its gratitude and appreciation for the exemplary contribution made by him in making the GST Council a shining example of co-operative federalism that it has become today. The Council also thanked the outgoing Members and welcomed the new Members of the Council. It also expressed its deepest condolences at the untimely demise of Shri Prakash Pant, the former Finance Minister of Uttarakhand.

3. Altogether, 12 Agenda items were discussed during the Council meeting. Some of these items were of regular nature like confirmation of the Minutes of the 34<sup>th</sup> GST Council Meeting, deemed ratification by the Council of notifications, circulars and orders issued by the Central Government between 12<sup>th</sup> March, 2019 and 11<sup>th</sup> June, 2019, taking note of the decisions of GST Implementation Committee, etc.

4. The Council took a decision regarding location of the State and the Area Benches for the Goods and Services Tax Appellate Tribunal (GSTAT) for various States and Union Territories with legislature. It has been decided to have a common State Bench for the States of Sikkim, Nagaland, Manipur and Arunachal Pradesh.

5. The tenure of National Anti-Profiteering Authority has been extended by 2 years.

6. The Council also decided to introduce electronic invoicing system in a phase-wise manner for B2B transactions. E-invoicing is a rapidly expanding technology which would help taxpayers in backward integration and automation of tax relevant processes. It would also help tax authorities in combating the menace of tax evasion. The Phase 1 is proposed to be voluntary and it shall be rolled out from Jan 2020

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### **PRESS RELEASE**

(Rate related changes)

In the meeting held today, that is 21st June, 2019, the Council has recommended following GST rate related changes on supply of goods and services.

#### **1. Electric Vehicles**

On issues relating to GST concessions on electric vehicle, charger and hiring of electric vehicle, the Council recommended that the issue be examined in detail by the Fitment Committee and brought before the Council in the next meeting.

#### **2. Solar Power Generating Systems and Wind Turbines**

In terms of order of the Hon'ble High Court of Delhi, GST Council directed that the issue related to valuation of goods and services in a solar power generating system and wind turbine be placed before next Fitment Committee. The recommendations of the Fitment Committee would be placed before the next GST Council meeting.

#### **3. Lottery**

(i) Group of Ministers (GoM) on Lottery submitted report to the Council. After deliberations on the various issues on rate of lottery, the Council recommended that certain issues relating to taxation (rates and destination principle) would require legal opinion of Learned Attorney General.

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## 35<sup>th</sup> GST Council Meeting, New Delhi

21<sup>st</sup> June 2019

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### PRESS RELEASE

(Law and Procedure related changes)

The GST Council, in its 35<sup>th</sup> meeting held today at New Delhi, recommended the following:

1. In order to give ample opportunity to taxpayers as well as the system to adapt, the new return system to be introduced in a phased manner, as described below:
  - i. Between July, 2019 to September, 2019, the new return system (**FORM GST ANX-1&FORM GST ANX-2** only) to be available for trial for taxpayers. Taxpayers to continue to file **FORM GSTR-1&FORM GSTR-3B** as at present;
  - ii. From October, 2019 onwards, **FORM GST ANX-1** to be made compulsory. Large taxpayers (having aggregate turnover of more than Rs. 5 crores in previous year) to file **FORM GST ANX-1** on monthly basis whereas small taxpayers to file first **FORM GST ANX-1** for the quarter October, 2019 to December, 2019 in January, 2020;
  - iii. For October and November, 2019, large taxpayers to continue to file **FORM GSTR-3B** on monthly basis and will file first **FORM GST RET-01** for December, 2019 in January, 2020. It may be noted that invoices etc. can be uploaded in **FORM GST ANX-1** on a continuous basis both by large and small taxpayers from October, 2019 onwards. **FORM GST ANX-2** may be viewed simultaneously during this period but no action shall be allowed on such **FORM GST ANX-2**;
  - iv. From October, 2019, small taxpayers to stop filing **FORM GSTR-3B** and to start filing **FORM GST PMT-08**. They will file their first **FORM GST-RET-01** for the quarter October, 2019 to December, 2019 in January, 2020;
  - v. From January, 2020 onwards, **FORM GSTR-3B** to be completely phased out
2. On account of difficulties being faced by taxpayers in furnishing the annual returns in **FORM GSTR-9, FORM GSTR-9A** and reconciliation statement in **FORM GSTR-9C**, the due date for furnishing these returns/reconciliation statements to be extended till 31.08.2019
3. To provide sufficient time to the trade and industry to furnish the declaration in **FORM GST ITC-04**, relating to job work, the due date for furnishing the said form for the period July, 2017 to June, 2019 to be extended till 31.08.2019
4. Certain amendments to be carried out in the GST laws to implement the decisions of the GST Council taken in earlier meetings

5. Rule 138E of the CGST rules, pertaining to blocking of e-way bills on non-filing of returns for two consecutive tax periods, to be brought into effect from 21.08.2019, instead of the earlier notified date of 21.06.2019
6. Last date for filing of intimation, in **FORM GST CMP-02**, for availing the option of payment of tax under notification No. 2/2019-Central Tax (Rate) dated 07.03.2019, to be extended from 30.04.2019 to 31.07.2019

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*(Note: The recommendations of the GST Council have been presented in this release in simple language for information of all stakeholders. The same would be given effect through relevant Circulars/Notifications which alone shall have the force of law.)*