

## **GST closer to July 1 rollout: 5 draft Bills cleared, demerit goods cess capped at 15%**

The GST Council chaired by Union Finance Minister Arun Jaitley on Thursday approved the drafts of the remaining two key laws namely State GST and Union Territories GST. Addressing the conference after the 12th GST Council meeting, Jaitley said: "Today the GST Council gave its approval to the State GST and the Union Territories GST laws and cleared the revised drafts of three other crucial bills. Some changes were required in Central GST bill, Interstate GST bill and the Compensation law that were approved earlier, and those were also discussed and the changes were approved by the council."

With all the five enabling draft laws having been approved by the GST Council, the government is hopeful of the likely rollout of the new indirect tax regime from July 1 this year. Jaitley said that the supporting GST laws will now be taken to the Union Cabinet and then to Parliament for approval.

"After these rules are approved, one major action will be required which is with regard to the fitment of various commodities into the tax slabs," Jaitley said. Apart from the four slab rates that has been already decided, the Council on Thursday also decided to impose a cess on luxury and other goods with a cap of 15 per cent.

The maximum cess on pan masala has been capped at 135 per cent and for tobacco it is capped at 290 per cent or Rs 4,170 per 1000 sticks, sources said. Some states wanted the government should not levy any cess on beedis, they said.

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