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ARS in GST
(All Round Support)

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Recommendations on amendments in the statute

The GST Council in its 28th meeting, held on 21.07.2018 at New Delhi, has recommended certain major amendments in the CGST / IGST / UTGST / GST (Compensation to States) Act. Major recommendations are as follows:

- **Upper limit of turnover** under **composition scheme** to be increased to Rs. **1.5 crore.**
- **Composition dealers** to be allowed to **supply services** (other than restaurant services), for upto a value **not exceeding 10% of turnover in the preceding F.Y**. or **Rs. 5 lakhs**, whichever is **higher**.
- On receipt of supplies from unregistered suppliers **under RCM**, GST to be levied only on **specified** goods in case of **certain notified classes** of registered persons.
- The **threshold exemption limit for registration** in the States of **Assam**, **Arunachal Pradesh**, **Himachal Pradesh**, **Meghalaya**, **Sikkim** and **Uttarakhand** to be increased to Rs**. 20 lakhs from Rs. 10 Lakhs.**
- Registration to remain temporarily suspended while cancellation of registration is under process, so that the taxpayer is relieved of continued compliance under the law.
- Under **Schedule III**, following transactions to be treated as **no supply** (no tax payable):
  - Supply of goods **from** a **place** in the **non-taxable territory to another place** in the **non-taxable territory without** such goods **entering into India**;
  - Supply of warehoused goods to **any** person **before** clearance for **home consumption**; and
  - Supply of goods in case of **high sea sales.**
- **Input tax credit** is now be made available in respect of the following:
  - Most of the activities or transactions specified in **Schedule III**
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- **Motor vehicles** for **transportation** of **persons** having **seating capacity** of **> 13** (including **driver**), **vessels** and **aircraft**;
- **Motor vehicles** for **transportation** of **money for** or **by** a **banking company** or **financial institution**;
- Services of **general insurance**, **repair** and **maintenance** in respect of motor vehicles, vessels and aircraft on which **credit** is available; and
- Goods or services which are **obligatory** for an **employer** to provide to its employees, **under any law** for the time being in force.

❖ In case the recipient **fails** to pay the **due** amount to the supplier **within 180 days** from the date of **issue of invoice**, the **input tax credit** availed by the recipient will be **reversed**, but liability to pay interest is being done away with.

❖ Registered persons **may** issue consolidated credit / debit notes in respect of multiple invoices issued in a F.Y.

❖ Amount of **pre-deposit** payable for **filing** of **appeal** before
- The Appellate Authority – capped at Rs. 25 crores ;
- The Appellate Tribunal – capped at Rs. 50 crores.

❖ Commissioner to be empowered to extend the time limit for **return of inputs** and **capital goods sent to job work**, upto a period of **1** (one) year and **2 (two)** years, respectively.

❖ **Supply of services** to qualify as **exports**, even if **payment** is received in **INR**, where permitted by the RBI.

❖ **Place of supply** in case of **job work of any treatment or process** done on goods temporarily imported into India and then exported without putting them to any other use in India, **to be outside India**.

Read more at: http://www.cbic.gov.in/resources//htdocs-cbec/gst/Press-Note-GST-Law-Amendments.pdf;jsessionid=B2B8D1E32FC9724681561A5D949171B4