

17<sup>th</sup> January, 2017

## **GST now set for July 1 roll-out, dual control hurdle finally over.**

The Goods and Services Tax (GST) Council on Monday broke a deadlock over issues of administrative control over assesseees and broadly agreed to roll out the GST from July 1, instead of the earlier deadline of April 1.

Whether a state or the Centre will assess an entity would be decided by a computer programme. The Council also resolved a logjam over the right to tax economic activities within 12 nautical miles from India's coasts.

Against the earlier proposals of reserving administration of assesseees up to Rs 1.5 crore in annual turnover for states, or of allowing both the Centre and states to jointly administer these, the Council decided to blend the two suggestions. The entire tax base would be shared between the Centre and states in a predetermined ratio, Union Finance Minister Arun Jaitley, the chairman of the Council, said at a press conference after the meeting.

The Centre agreed the states would have the powers to administer 90 per cent of assesseees with an annual turnover of up to Rs 1.5 crore. The Centre will have the powers to audit, send notices and scrutinise the remaining 10 per cent. Only West Bengal's Amit Mitra did not agree, Jaitley said. Mitra later told reporters this agreement pertained to services only.

Assesseees with a turnover over Rs 1.5 crore will be administratively controlled by the Centre and states in equal measure. However, Jaitley said no assessee would be controlled by two authorities and there would be computer-based enforcement at both the Centre and the states. Those assesseees who fall under the integrated GST (IGST) –

for the movement of goods and services between states – will also be administered by the Centre and states, depending on their annual turnover (Rs 1.5 crore, or more).

## REFERENCE

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