

# GST replaced multi-layered, complex indirect tax structure with a simple, transparent and technology-driven tax regime

**PIB**  
New Delhi, June 30,

Government of India is celebrating the 1<sup>st</sup> Anniversary of the Goods and Services Tax (GST) coming into force, here tomorrow. GST was launched on the 1<sup>st</sup> July, 2017 in a majestic ceremony held in the Central Hall of Parliament on the midnight of 30<sup>th</sup> June, 2017. The first year has been remarkable both for the sheer variety of challenges that its implementation has thrown up and for the willingness and ability of policy makers and tax administrators to rise up to these challenges and respond befittingly.

But more importantly, the first year of GST has been an example to the world of the readiness of the Indian taxpayer to be a partner in this unprecedented reform of Indian taxation. **Accordingly, it has been decided that Sunday, the 1<sup>st</sup> of July, 2018 shall be commemorated as 'GST Day'. Union Minister for Railways, Coal, Finance & Corporate Affairs Shri Piyush Goyal will preside over as the Chief Guest of the event and Minister of State for Finance, Shri Shiv Pratap Shukla will be the Guest of Honour.**

Before implementation of GST, Indian taxation system was a farrago of central, state and local area levies. In the constitutional scheme, taxation power on goods was with Central Government but it was limited up to the stage of manufacture and production while States had power to tax sale and purchase of goods. Centre had the exclusive power to tax services. This sort of division of taxing powers created a grey zone which led to legal disputes since determination of what constitutes a goods or service became increasingly difficult.

In the discussions that preceded amendment in the Constitution for GST, there were a number of thorny issues that required resolution and agreement between Central Government and State Governments. Implementing a tax reform as vast as GST in a diverse country like India required the reconciliation of interests of various States with that of the Centre. Some of these issues included origin-based versus destination-based taxation, rate structure and compensation, Dispute Settlement, inclusion of Alcohol and Petroleum products under GST. Resolution of these issues took some time and finally, the Constitution (122nd Amendment) Bill, 2014 was introduced in the Parliament on 19<sup>th</sup> December, 2014 and has been enacted as Constitution (101st Amendment) Act, 2016 w.e.f. 16<sup>th</sup> September, 2016.

As provided for in Article 279A of the Constitution, the Goods and Services Tax Council (the Council) was notified with effect from 12<sup>th</sup> September, 2016. The Council is comprised of the Union Finance Minister (who is the Chairman of the Council), the Minister of State (Revenue) and the State Finance/Taxation Ministers as

members and is empowered to make recommendations to the Union and the States on all GST related issues. The Council has met for 27 times and no occasion has arisen so far that requiring voting to decide any matter. All the decisions have been taken by consensus. This is a fitting tribute to the spirit of cooperative federalism which has prevailed throughout all Centre-State interactions in relation to all aspects of GST. Four Laws namely CGST Act, UTGST Act, IGST Act and GST (Compensation to States) Act were passed by the Parliament and since been notified on 12<sup>th</sup> April, 2017. All the other States (except Jammu & Kashmir) and Union territories with legislature have passed their respective SGST Acts. The economic integration of India was completed on 8<sup>th</sup> July, 2017 when the State of J&K also passed the SGST Act and the Central Government also subsequently extended the CGST Act to J&K. On 22<sup>nd</sup> June, 2017, the first notification was issued for GST and notified certain sections under CGST Act. Since then, one hundred and three notifications under CGST Act have been issued notifying sections, notifying rules, amendment to rules and for waiver of penalty, etc. Thirteen, twenty eight and one notifications have also been issued under IGST Act, UTGST Act and GST (Compensation to States) Act respectively. Further 59, 63, 59 and 8 rate related notifications each have been issued under the CGST Act, IGST Act, UTGST Act and GST (Compensation to States) Act respectively. Similar notifications have been issued by all the States under the respective SGST Act. Apart from the notifications, 53 circulars and 14 orders have also been issued by CBIC on various subjects like proper officers, ease of exports, and extension of last dates for filing up various forms, etc. India has adopted dual GST model because of its unique federal nature. Under this model, tax is levied concurrently by the Centre as well as the States on a common base, i.e. supply of goods or services or both. GST to be levied by the Centre would be called Central GST (Central tax / CGST) and that to be levied by the States would be called State GST (State Tax / SGST). State GST (State Tax / SGST) would be called UTGST (Union territory tax) in Union Territories without legislature. CGST & SGST / UTGST shall be levied on all taxable intra-State supplies. Inter-State supply of goods or services shall be subjected to Integrated GST (Integrated tax / IGST). The IGST model is a unique contribution of India in the field of VAT. The IGST Model envisages that Centre would levy IGST (Integrated Goods and Service Tax) which would be CGST plus SGST on all inter-State supply of goods or services or both. The introduction of e-way (electronic way) bill is a monumental shift from the earlier 'Departmental Policing Model' to a 'Self-Declaration

Model'. It envisages one e-way bill for movement of the goods throughout the country, thereby ensuring a hassle free movement of goods throughout the country. The e-way bill system has been introduced nation-wide for all inter-State movement of goods with effect from 1<sup>st</sup> April, 2018. As regards intra-State movement of goods, all States have notified e-way bill rules for intra-State supplies last being NCT of Delhi where it was introduced w.e.f. 16<sup>th</sup> June, 2018.

GST will have a multiplier effect on the economy with benefits accruing to various sectors such as exporters, small traders and entrepreneurs, agriculture and industry, common consumers. GST has already promoted 'Make in India' and has improved the 'Ease of Doing Business' in India. By substituting more than a score of taxes under GST, the road to a harmonized system of indirect tax has been paved making India an economic union. Any new change is accompanied by difficulties and problems at the outset. A change as comprehensive as GST is bound to pose certain challenges not only for the government but also for business community, tax administration and even common citizens of the country. Some of these challenges relate to the unfamiliarity with the new regime and IT systems, legal challenges, return filing and reconciliations, passing on transition credit. Many of the processes in the GST are new for small and medium enterprises in particular, who were not used to regular and online filing of returns and other formalities.

Based on the feedback received from businesses, consumers and taxpayers from across the country, attempt has been made to incorporate suggestions and reduce problems through short-term as well as long-term solutions. National Anti-Profitteering Authority has initiated investigation into various complaints of anti-profitteering and has passed orders in some cases to protect consumer interest. To expedite sanction of refund, manual filing and processing of refunds has been enabled. Clarificatory Circulars and notifications have been issued to guide field formations of CBIC and States in this regard. The government has put in place an IT grievance redressal mechanism to address the difficulties faced by taxpayers owing to technical glitches on the GST portal.

The introduction of GST is truly a game changer for Indian economy as it has replaced multi-layered, complex indirect tax structure with a simple, transparent and technology-driven tax regime. It will integrate India into a single, common market by breaking barriers to inter-State trade and commerce. By eliminating cascading of taxes and reducing transaction costs, it will enhance ease of doing business in the country and provide an impetus to 'Make in India' campaign. GST will result in 'ONE NATION, ONE TAX, ONE MARKET'.

# India must not bow to US pressure: PFI

**IT News**  
Imphal, June 30,

A statement issued by the Central Secretariat meeting of Popular Front of India has asked Government of India not to bow to the pressure threats from United States to halt our oil imports from Iran. Such dictates from a third foreign country with regards to our international relations with another country can only be deemed as inference in our nation's sovereignty. Besides, U.S move against Iran can only be viewed as part of expanding their tyrannical hegemony in the region by destroying countries that refuse to surrender to their threats. This latest U.S dictate to India amounts to undermining the

dignity of our 1.35 billion citizens. The meeting reminded the central government that if we fail to overcome these pressures from U. S., we would be opening the doors for more direct U. S. interventions in future.

On the other hand Propaganda being spread saying that Popular Front is a security threat is nonsense, the statement added.

"The meeting termed it nonsense, some media reports allegedly linking Popular Front with threat to the life of our prime minister", the statement of the PFI. It said if the reported threat, if it has support of evidences, is indeed a serious national security concern and

should be dealt with accordingly by police and intelligence agencies. At the same time the possibility of it only propaganda in view of 2019 elections has also being discussed in a section of media.

While the government is duty bound to take all precautions for the security of prime minister, it must be ensured that the situation is not misused to demonize some sections of the society and intensify communal divide in the country. The meeting observed that Popular Front, which is a people's movement that works within democratic system and upholds rule of law is being made a scapegoat in ongoing political games. The organisation is

approaching Union Home Ministry for clarifications regarding the reports that it is allegedly kept under surveillance. The meeting reiterated organization's commitment to the constitution and democratic system of the nation. Popular Front's activities are in the lime light among the public for everyone to see, feel and evaluate. The Central Secretariat hoped that this new round of filthy vilification campaign also would fail in misleading people.

The statement said the Chairman E. Abubacker presided over the meeting. O. M. A. Salam, Abdul Wahid Sait, E. M. Abdul Rahman and K. M. Shareef participated in discussions.

# Orientation Cum Training for Deputationists For Haj Duty Organised Flights for Haj will start from 14th July, 2018

**PIB**  
New Delhi, June 30,

Union Minister for Minority Affairs Shri Mukhtar Abbas Naqvi today said here that, even after ending the Haj subsidy, Rs 57 crore less will be paid to airlines this year for those Haj pilgrims, who are going through Haj Committee of India.

While addressing an Orientation cum Training camp for Haj Coordinators / Assistant Haj Officers / Haj Assistants and Medical personnels in New Delhi, Shri Naqvi said that in 2017, a total of Rs 1030 crore was paid to airlines for air fare for 1,24,852 Haj pilgrims. Whereas, in 2018, a total of Rs 973 crore will be paid to airlines for 1,28,702 Haj pilgrims, going through Haj Committee of India.

Shri Naqvi said that a total of 3,55,604 applications had been received for Haj 2018 which included 1,89,217 male and 1,66,387 female applicants. For the first time Muslim women from India are also going to Haj without "Mehram" (male companion). A total of 1308 women are going to Haj this year without "Mehram".

For the first time, choice of embarkation points has been given to Haj pilgrims which has received overwhelming response.

Shri Naqvi said that for the first time after the Independence, record 1,75,025 Muslims from India are going to Haj this year. These include record more than 47 per cent female pilgrims.

Shri Naqvi said that despite of removal of Haj subsidy and various new taxes imposed in Saudi Arabia; for the first time after the Independence a record number of Muslims from India are going to Haj this year that too without any additional financial burden.

Shri Naqvi said that for the first time such a large number of women Haj Coordinators, Haj Assistants and Khadim UH Hujjaj, doctors and paramedics have been deployed in Saudi Arabia. A total of 98 female Assistant Haj Officers, Haj Assistants Haj Coordinators, doctors and para-medics have been deployed to assist Haj pilgrims.

Representatives from Minority Affairs Ministry, Health Ministry and Urban Development Ministry informed in detail, various

issues concerned to Haj pilgrims, their health, safety and accommodation etc., during the Orientation cum Training camp

Shri Naqvi said that a total of 6700 pilgrims will go from Ahmedabad, 350 from Aurangabad, 5550 from Bengaluru, 254 from Bhopal, 11,700 from Cochin, 4000 from Chennai, 19,000 from Delhi, 5140 from Gaya, 450 from Goa, 2950 from

Guwahati, 7600 from Hyderabad, 5500 from Jaipur, 11,610 from Kolkata, 14,500 from Lucknow, 430 from Mangalore, 14,200 from Mumbai, 2800 from Nagpur, 2100 from Ranchi, 8950 from Srinagar and 3250 from Varanasi.

Flights for Haj will start from 14<sup>th</sup> July, 2018. On 14<sup>th</sup> July, pilgrims from Delhi, Gaya, Guwahati, Lucknow and Srinagar will go for Haj; on

17<sup>th</sup> July pilgrims from Kolkata; on 20<sup>th</sup> July pilgrims from Varanasi; on 21<sup>st</sup> July pilgrims from Mangalore; on 26<sup>th</sup> July pilgrims from Goa; on 29<sup>th</sup> July pilgrims from Aurangabad, Chennai, Mumbai and Nagpur; on 30<sup>th</sup> July pilgrims from Ranchi; on 01<sup>st</sup> August pilgrims from Ahmedabad, Bangalore, Cochin, Hyderabad and Jaipur and on 03<sup>rd</sup> August, pilgrims from Bhopal will go for Haj.

## Relationships

# Strengthening Father-Daughter Relationships

By **Wayne Parker**

*While fathers certainly love all their children, it sure seems that some dads spend a lot more time with their sons. Perhaps they think that they have more in common with their boys, or maybe they are a little intimidated by the girls. But with a little more understanding, fathers can feel just as comfortable around their daughters as they do their sons.*

### The Benefits of Father-Daughter Relationships

*It is certainly important for fathers to connect with their daughters. Family research suggests that daughters who have secure and loving relationships with their fathers:*

- Have better grades in school
  - Feel better about themselves
  - Are more assertive without being aggressive
  - Feel more confident in relationships with men in general
  - Are more likely to be admitted to graduate school and get a degree
- Having a daughter with those attitudes and directions is worth a lot to a father. But in addition to the lifelong positives of a good father-daughter relationship, nurturing that kind of relationship can be a real opportunity for a father in the here and now. So what can a father do to create a loving and secure relationship with his daughter?*

### Start on Her Birthday

*Fathers who best create this positive relationship start on the day she is born. Get involved in her life from the very outset.*

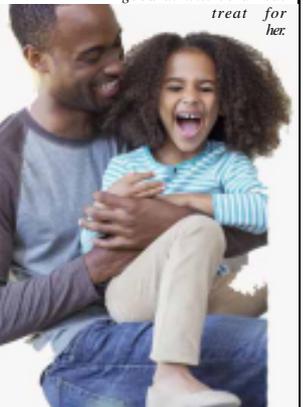
*Take an active role in caring for this baby girl. The more time you spend with her earlier, the easier it will be to continue building the relationship later.*

### Teach Her New Things

*While it is great when a dad teaches his daughter to ride a bike or to read or do chores, often the best things he can teach her are "guy things." Skills like fixing a car, fishing, golfing, or home repairs will serve a*

**Research shows benefits for girls who have strong bonds with their dads**

*girl just as well as a boy and will give her confidence that she can tackle anything. Just being with her dad doing things he is good at will be a real treat for her.*



### Listen

*Many of our daughters love to talk and girls tend to vocalize more than the boys do growing up. What a dad can do to build his relationship with his daughter is to listen more. Pay attention to what she says when you are together. Listen to what she is thinking, dreaming and wishing in her life. And most of all, keep confidences. When she shares something with you that is private and bare*