

GST HEADLINES

January 12, 2017

Govt Guarantee for GSTN's Rs 550-Crore Loan from IDFC

[Source: Business Standard]

Budget 2017 Likely to Outline GST Details, Rollout Date

[Source: Moneycontrol]

Hope to Resolve Deadlock over GST by April: Arun Jaitley

[Source: Times of India]

Govt Guarantee for GSTN's Rs 550-Crore Loan from IDFC

The GST Network (GSTN), a private body for the information technology (IT) backbone of the coming goods and services tax (GST), is to borrow Rs 550 crore from IDFC Bank, interest on which will be paid by the government till the new indirect tax system is rolled out. After that, GSTN will bear the burden of interest from the revenues it will get through user charges of the network. "We have received the government guarantee and now the Rs 550-crore loan from IDFC Bank will go through. This will be used mainly towards expenditure on salaries and payment to Infosys.

Budget 2017 Likely to Outline GST Details, Rollout Date

Budget 2017 likely to outline GST details, rollout date With the original deadline of April rolling out the new indirect tax system looks missed for now, Finance minister Arun Jaitley is widely expected to announce GST's implementation schedule in the upcoming budget 2017-18. The Centre and states are currently locked in hectic confabulations over finer details of Goods and Services Tax (GST). Once implemented, GST, billed as India's most ambitious reforms move, will stitch together a common national market, dismantle fiscal barriers among states and consolidate a patchwork of local and central duties such as excise into a single levy. With the original deadline of April rollout looking missed for now, Finance Minister Arun Jaitley is widely expected to announce GST's implementation schedule in the upcoming budget 2017-18. Under law, India will have to implement GST on or before September 15, 2017. After GST, Part B of the Union Budget speech will only have income and other direct taxes and customs duties, a major break from the past when every minor indirect tax change had market and sectoral implications. Since GST is headed for a mid-year roll-out, the budget for 2017-18 could carry half-yearly estimates of service, central excise duty and collections from other indirect taxes (excluding customs) also that the Centre expects to earn between April to September, instead of only full-year projections. The Finance Minister may also give additional Rs 20,000-25,000 crore as compensation to offset tax revenue loss in the wake of the currency culling move.

Hope to Resolve Deadlock over GST by April: Arun Jaitley



GANDHINAGAR: Even as the deadlock over Goods and Services Tax (GST) continues between the Centre and the states, Union finance minister Arun Jaitley said on Wednesday that he hoped the issues of conflict would be settled over the next few weeks.

The GST council, which has as members the Union FM and the finance ministers of states, will meet on January 16 in a bid to evolve a consensus on the issues of jurisdiction over assesseees as well as the taxation of trade in territorial waters.

"Most of the issues have been sorted out, some critical issues remain and these critical issues, over the next few weeks, we will try and solve," Jaitley said at the Vibrant Gujarat Global Summit

Goods and Services Tax (GST), which is to subsume most of the central and state taxes like excise, service tax and VAT, needs to be rolled out latest by September 16, 2017, he said. Under the constitutional amendment passed by Parliament for GST implementation, some of the existing levies would expire after September 16.

The unresolved issues between the Centre and the states threaten to delay the implementation of GST. "We want it to be implemented from April 1, if all issues are resolved. However, it is a constitutional requirement that it is implemented before September 16," he said. "We are working overtime to make it a reality at the earliest," revenue secretary Hasmukh Adhia added at the event.

The digitisation spurred by demonetisation will help make the economy transparent, Jaitley said. "This, coupled with GST, will have a combined effect... and accelerate growth," he added.

Terming GST a game changer for the Indian industry, Naushad Forbes, president of Confederation of Indian Industry (CII) said that the industry was ready for GST implementation if the rules were cleared.

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