



Key Recommendations: 50th Meeting of Goods & Services Tax (GST) Council

The 50th meeting of the Goods and Services Tax (GST) Council was held on 11th July 2023 under the chairpersonship of Smt. Nirmala Sitharaman, Union Minister of Finance & Corporate Affairs.

To mark the milestone of 50th meeting of the GST Council, Chairperson released a short video film titled '**GST Council- 50 steps towards a journey**' in the august presence of the Members of the Council. The film depicts the journey of the GST Council and has been made in Hindi, English and 11 regional languages.

Besides, to mark this occasion, the first set of a Special Cover and customised '**My Stamp**' were also presented to Chairperson and Members of the Council by the Chief PostMaster General, Delhi.

The GST Council made recommendations relating to changes in GST tax rates, measures for facilitation of trade and measures for streamlining compliances in GST. The key recommendations include:

- Exempting IGST on medicines and Food for Special Medical Purposes (FSMP) used in the treatment of rare diseases
- Reducing GST on imitation zari thread or yarn known by any name in trade parlance from 12% to 5% and to regularize payment of GST related to this matter during the past period on "as is basis"
- Reducing GST rate on LD slag from 18% to 5% to encourage better utilisation of this product and for protection of environment.
- Reduction of GST rate on fish soluble paste from 18% to 5% and to regularise

payment of GST on fish soluble paste during the past period on “as is basis”

- As a trade friendly measure, it has been decided that GTAs will not be required to file declaration for paying GST under forward charge every year.
- Last date of exercising the option by GTAs to pay GST under forward charge shall be 31st March of preceding Financial Year instead of 15th March.
- Services supplied by a director of a company to the company in his private or personal capacity such as supplying services by way of renting of immovable property to the company or body corporate are not taxable under Reverse Charge Mechanism.
- All three namely Casino, Horse Racing and Online gaming to be taxed at the uniform rate of 28%.
- The Council has recommended the Rules governing appointment and conditions of President and Members of the proposed GST Appellate Tribunal for enabling smooth constitution and functioning of GST Appellate Tribunal.
- The Council has recommended that the relaxations provided in FY 2021-22 in respect of various tables of FORM GSTR-9 and FORM GSTR-9C be continued for FY 2022-23. Further, for easing compliance burden on smaller taxpayers, exemption from filing of annual return (in FORM GSTR-9/9A) for taxpayers having aggregate annual turnover upto two crore rupees, to be continued for FY 2022-23 also.
- The Council has recommended to clarify through a circular that Input Services Distributor (ISD) mechanism is not mandatory for distribution of input tax credit of common input services procured from third parties to the distinct persons as per the present provisions of GST law, and also to clarify issues regarding taxability of internally generated services provided by one distinct person to another distinct person.
- Circular to be issued to clarify various refund related issues.
- Issuance of circulars in order to remove ambiguity and legal disputes on various issues, thus benefiting taxpayers at large

Besides, changes have been made in the E-way bill requirement for movement of Gold/ Precious stones; amendment has been made in CGST Rules, 2017 regarding registration; relevant circulars/ notifications have been issued and amendments in law have been made to give effect to changes proposed.

The detailed document can be accessed through the following link:-
<https://pib.gov.in/PressReleasePage.aspx?PRID=1938812>

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Warm Regards,

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