

49th GST Council Meeting
February 18, 2023

Attached is the copy of the press release issued by PIB in this regard.

Important and key updates

- **GST tribunal:** The report of Group of Ministers (GoM) has been accepted by the members with slight modification in the language. All changes are expected to be made and incorporated in the Finance bill to be passed shortly.
- **Rationalization of provision of place of supply of services of transportation of goods:** The GST Council recommended to rationalize the provision of place of supply for services of transportation of goods by deletion of section 13(9) of IGST Act, 2017 so as to provide that the place of supply of services of transportation of goods, in cases where location of supplier of services or location of recipient of services is outside India, **shall be the location of the recipient of services.**
- **Extension of time limit for application for revocation of cancellation of registration:** It has been recommended that the time limit for making an application for revocation of cancellation of registration be increased from 30 days to 90 days and where the registered person fails to apply for such revocation within 90 days, the said time period may be extended for a further period not exceeding 180 days.
- **Extension of time period for filing return resulting in deemed withdrawal of assessment orders:** The Council recommended to amend section 62 (Assessment of non-fillers of return) so as to increase the time period for filing of return for enabling deemed withdrawal of best judgment assessment order passed in case where taxpayer fails to file GST return, from the present 30 days to 60 days, extendable by another 60 days, subject to certain conditions.

GST rate rationalisation, tax exemption

- **GST rate rationalisation:** Following are the key changes in the GST rate:

S. No	Description	From	To
1	"Rab"	18%	5% - if sold prepackaged and labelled Nil - if sold otherwise
2	Pencil Sharpener	18%	12%

- **GST exemption for tag-tracking device from GST:** Customs Notification No. 104/94-Customs dated 16.03.1994 provided exemption to durable containers from whole of Customs duty and additional duty when imported in India where the exporter binds himself under a bond to re-export the said containers within six months from the date of their importation.

The said notification will be amended so that if a device like tag- tracking device or data logger is already affixed on a container, no separate IGST shall be levied on such affixed device and the 'nil' IGST treatment will be available for the containers subject to the existing conditions.

- **Coal rejects supplied to and by a coal washery:** Amendment will be made to **Sl. No. 41A of notification No. 1/2017- Compensation Cess (Rate)** to extend the exemption benefit to both **coal rejects supplied to and by a coal washery**, arising out of coal on which compensation cess has been paid and no input tax credit thereof has been availed by any person

- **GST exemption provided by NTA:** It has been decided to extend the exemption available to educational institutions and Central and State educational boards for conduct of entrance examination to any authority, board or a body set up by the Central Government or State Government including National Testing Agency for conduct of entrance examination for admission to educational institutions.
- **Service by Tribunals/ Court:** It has been decided to extend the dispensation available to Central & State Governments, Parliament and State Legislatures with regard to payment of GST under reverse charge mechanism (RCM) to the Courts and Tribunals also in respect of taxable services supplied by them such as renting of premises to telecommunication companies for installation of towers, renting of chamber to lawyers etc.

Other procedural changes

- **Rationalisation of Late fee for Annual Return:** The Council recommended to rationalise this late fee for delayed filing of annual return in FORM GSTR[1]9 for FY 2022-23 onwards, for registered persons having aggregate turnover in a financial year upto Rs 20 crore, as below:-

Aggregate Turnover Limit	Late Fees	Maximum
Up to 5 crores	Rs 50 per day (Rs 25 CGST + Rs 25 SGST)	Amount calculated at 0.04 per cent. of his turnover in the State or Union territory (0.02% CGST + 0.02% SGST)
More than 5 crores upto 20 crores	Rs 100 per day (Rs 50 CGST + Rs 50 SGST)	amount calculated at 0.04 per cent. of his turnover in the State or Union territory (0.02% CGST + 0.02% SGST)

- To provide relief to a large number of taxpayers, the Council recommended amnesty schemes in respect of pending returns in FORM GSTR-4, FORM GSTR-9 and FORM GSTR-10 by way of conditional waiver/ reduction of late fee.