

Windfall tax rates revised by CBIC

The Special Additional Excise Duty (SAED) imposed by the Government of India on domestically produced petroleum products has been revised, following the earlier revision on July 20:

- SAED on domestically produced crude increased to INR 17,750 per tonne from INR 17,000 per tonne
- SAED on export of diesel reduced to INR 5 per litre from INR 11 per litre
- SAED on export of aviation turbine fuel is now exempt

The relevant notifications No. 21 & 22 /2022, which shall be effective August 03, 2022, can be accessed [here](#).

CBIC lowers e-invoice turnover threshold under GST to INR10 crore

CBIC has notified that e-invoicing under GST will now be applicable to taxpayers having aggregate turnover exceeding INR10 crore in any preceding financial year from 2017-18 onwards. The Notification No.17/2022 - Central Tax dated August 01, 2022 can be accessed [here](#).

Minister of State for Finance clarifies on binding nature of GST Council's recommendations in light of Supreme Court ruling

In response to a question posed in Rajya Sabha, the Minister of State for Finance Mr. Pankaj Chaudhary clarified that the ruling of the Supreme Court of India in *Union of India & Anr. v M/s Mohit Minerals Pvt. Ltd.* (which held that recommendations of the GST Council are non-binding on States) does not alter the constitutional mechanism of the GST Council. He stated that the State and Central Acts provide that rates, exemptions and rules etc. would be prescribed only on the recommendations of the council, and therefore are binding on the States and the Centre.

The documented response against Unstarred Question No. 203 on July 19, 2022 can be accessed [here](#).

CBIC issues clarifications regarding GST rates, classification of goods, and exemptions

Pursuant to the recommendations of the GST Council in its 47th meeting held on 28-29 June, CBIC issued a series of circulars in response to requests for clarifications from industry on various issues:

- Clarifications regarding applicable GST rates and exemptions on certain services (Circular No. 177/09/2022-TRU)

- GST applicability on liquidated damages, compensation and penalty arising out of breach of contract or other provisions of law (Circular No. 178/10/2022-GST)
- Clarifications regarding applicable GST rates on EVs, Stones, Mangoes, Treated water, etc. (Circular No. 179/11/2022-GST)

The above Circulars issued on August 03, 2022, can be accessed [here](#).

Forum hosted a virtual interaction with CBDT officials on July 28, 2022 to discuss industry challenges on implementation of TDS under Section 194R of the Income Tax Act

Section 194R of the Income Tax Act mandates TDS on any benefit or perquisite provided to a resident in the course of business or profession. Last week, the Forum submitted a representation to CBDT detailing the industry's numerous concerns and requests for clarification regarding the applicability of these provisions, especially in view of the clarificatory Circular No. 12, 2022 dated June 16, 2022, which resulted in further practical and legal ambiguities.

In continuation of our ongoing advocacy efforts, we hosted a virtual interactive session with concerned officials at CBDT to present the industry's perspective and seek necessary clarifications. The session was chaired by Tax Planning and Legislation unit's Joint Secretary and over 20 Tax heads joined the discussion.

Forum to organise consultations with GST Network (GSTN) on technical issues related to GSTIN

The industry has expressed several concerns emerging from recent GSTIN system updates, which have been impacting businesses operations for multinational companies on the ground. The Forum had collated these concerns and made a representation on behalf of the industry to the GSTN earlier this month.

In continuation of our advocacy efforts, we are now in the process of arranging a consultation with officials at GSTN to present the industry's perspective and take the matter forward.