



Additional Agenda for 36th GST Council Meeting

25 July 2019



File No: 377/36th GSTCM/GSTC/2019
GST Council Secretariat

Room No.275, North Block, New Delhi
Dated: 21 July 2019

Notice for the 36th Meeting of the GST Council scheduled on 25 July 2019

The undersigned is directed to refer to the subject cited above and to say that the 36th meeting of the GST Council will be held on **25th July 2019 (Thursday)** through Video Conference. The schedule of the meeting is as follows:

- Thursday, 25 July 2019: 15:00 Hrs. onwards (Through Video Conference)
2. The Agenda Items for the 36th Meeting of the GST Council will be communicated in due course of time.
 3. Please convey the invitation to the Hon'ble Members of the GST Council to attend the meeting.

-sd-

(Dr. Ajay Bhushan Pandey)

Secretary to the Govt. of India and ex-officio Secretary to the GST Council
Tel: 011 23092653

Copy to:

1. PS to the Hon'ble Minister of Finance, Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
2. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
3. The Chief Secretaries of all the State Governments, Delhi and Puducherry with the request to intimate the Minister in charge of Finance/Taxation or any other Minister nominated by the State Government as a Member of the GST Council about the above said meeting.
4. Chairperson, CBIC, North Block, New Delhi, as a permanent invitee to the proceedings of the Council.
5. Chairman, GST Network

Agenda Items for the 36th Meeting of the GST Council on 25th July 2019

1. Confirmation of the Minutes of the 35th GST Council Meeting held on 21st June 2019
2. Deemed ratification by the GST Council of Notifications, Circulars and Orders issued by the Central Government
3. Decisions of the GST Implementation Committee (GIC) for information of the Council
4. Issues recommended by the Fitment Committee for the consideration of the GST Council
 - i. Changes in GST rate on electric vehicles and related supplies
5. Any other agenda item with the permission of the Chairperson
6. Date of the next meeting of the GST Council

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Agenda Item 5(i): Extension of the last date for filing of FORM GST CMP-02 and FORM GST CMP-08

In the 35th GST Council meeting held on 21st June 2019, it was decided that the functionality for opting for composition may be opened for taxpayers for whom a new composition scheme was introduced *vide* notification No. 2/2019-Central Tax (Rate) dated 07.03.2019, amended subsequently *vide* Notification No. 09/2019-Central Tax (Rate) dated 29.03.2019 (i.e. those having turnover up to ₹ 50.00 lakh in the preceding financial year and who could not have availed the existing composition facility under section 10 of the CGST Act).

2. The taxpayers intending to avail the composition facility are required to opt-in for composition prior to commencement of the financial year in view of sub rule (3) of rule 3 of the CGST Rules. The date of filing intimation under sub rule (3) of rule 3 of the CGST Rules in **FORM GST CMP-02** was kept as 30th April, 2019 *vide* Circular No. 97/19/2019-GST dated 05.04.2019 with a condition that the effect of opting-in shall be given from 1st April, 2019. In pursuance to the Council's decision, a corrigendum to the aforesaid Circular was issued on 1st July, 2019 extending the last date of filing of **FORM GST CMP-02** up to 31st July, 2019.

3. In this regard, a written communication has been received from GSTN mentioning that the impact of the changes is very complex and implementation is taking more time than expected and consequently the functionality will not be available in the GST System by the due dates on account of the following difficulties:

- i. For enabling taxpayers under this category to opt for composition w.e.f. 1st April, 2019, GST system has to check whether the taxpayer has filed **GSTR-1/GSTR-3B** in FY 2019-20 or not. The system shall also check whether other entities registered on the same PAN in the same State or in other State(s) have filed **GSTR-1/GSTR-3B** for the entire or for any tax period or not. In case, any one has filed **GSTR-1/GSTR-3B**, System shall generate error, on filing of such **FORM GST CMP-02**. Implementing such verification process in the system across 1.23 crore taxpayers is a huge task.
- ii. Once a taxpayer opts for composition scheme on the portal, the status of taxpayer gets changed to composition taxpayer immediately upon filing of **FORM GST CMP-02**. Later, a batch program initiates itself during non-peak hours to convert all registrations of the taxpayers registered on the same PAN to composition. Therefore, if a taxpayer has multiple registrations across country, all registrations of the taxpayer on that PAN will be converted into composition.
- iii. Further, identifying taxpayers whether they are suppliers of goods or services, for discriminating them through their turnover i.e. Rs. 50 lakh or 1.50 crore/75 lakh etc. as the case may be, will not be possible for the system.
- iv. On implementing changes across all the registrations taken on the same PAN, the taxpayers associated with that PAN are required to be communicated about subject changes in their status, through various mode like Dashboard, e-mail, SMS etc.

4. In this regard, GSTN has informed that it is expected that the application of **FORM GST CMP-02** will be available in User Acceptance Testing (UAT) by 23rd August, 2019.

5. GSTN has also informed that implementation of **FORM GST CMP-08** has also been delayed because codes were found unstable in UAT testing and were having defects. It may be noted that the quarterly statement for furnishing the details of the self-assessed tax in **FORM GST CMP-08** was notified on 23rd April, 2019 *vide* notification No. 20/2019-Central Tax dated 23.04.2019 and the last date for furnishing statement containing the details of payment of self-assessed tax in **FORM GST CMP-08** is the 18th day of the month succeeding such quarter. Further, the last date for furnishing statement containing the details of the self-assessed tax in

FORM GST CMP-08 for the quarter April, 2019 to June, 2019 was extended to 31st July, 2019 *vide* notification No. 34/2019 –Central Tax dated 18.07.2019.

6. Therefore, it has been requested by GSTN that the last date of filing of **FORM GST CMP-02** may be extended up to 15th September, 2019 and the last date of filing of **FORM GST CMP-08** may be extended up to 16th August, 2019.

7. GSTN was requested to inform the dates by which two functionalities would actually be available to the taxpayer. GSTN has informed that the MSP has given 23rd August, 2019 as UAT drop date and considering the complex scenarios in **FORM GST CMP-02**, they would take minimum 7 days to test and then if things are fine, then the functionality can be deployed between 30th August, 2019 and 03rd September, 2019. As regards **FORM GST CMP-08**, the drop dates were changed a number of times due to unstable UAT environment and some defects. Testing is going on and they expect to deploy it by month end i.e. 31st July, 2019.

8. In view of what is stated above and in order to provide sufficient time to the taxpayers, it is proposed that the last date for filing of **FORM GST CMP-02** may be extended to 30th September, 2019 (instead of 15th September, 2019 as requested by GSTN) and that for **FORM GST CMP-08** to 31st August, 2019 (instead of 16th August, 2019 as requested by GSTN).

9. It may be noted that in order to extend the due date of filing **FORM GST CMP-02**, a Corrigendum to Circular No. 97/19/2019-GST dated 05.04.2019 is required to be issued. Further, the last date of filing of **FORM GST CMP-08** may be extended by amending the proviso inserted *vide* notification No. 34/2019 –Central Tax dated 18.07.2019. It may be noted that States are also required to issue the corresponding notification and Corrigendum to the Circular.

8. The Agenda is placed before the GST Council for consideration and approval.