

Shri Pranab Mukherjee
Finance Minister,
Ministry of Finance,
Govt. of India,
New Delhi

Shri Chandra Bhanu, I.A.S.
Commissioner,
Commercial Tax, Govt. of U.P,
Vibhuti Khand, Gomti Nagar,
Lucknow

Shri D.S.Mishra, I.A.S.
Principal Secretary,
Tax & Registration, Govt. of U.P,
Secretariat Annexe,
Lucknow

Subject: COMMENTS ON GST

Dear Sir,

During the discussion on GST arranged by Commercial Tax Department on 23.7.2010, IIA was invited and represented. The department handed over certain points for suggestion.

IIA hereby submit its suggestions as under:

1. **CST** - IIA firmly opposes the continuance of CST and accordingly care should be taken that the constitutional amendments are in place accordingly.
2. **Registration and Assessments** –There should be only one Registration authority and one Assessment authority for both SGST AND CGST. Two different assessment authorities are likely to create chaos and inconvenience to assessee.
3. **Longer frequency for return filing** – The business is always under the direct monitoring and surveillance of the officer of the jurisdiction and he knows the ups and downs of every dealer's business. Therefore, return filing is not very important at shorter intervals. More over it consumes the precious time of the dealer filing return every months, which would have otherwise being utilized for the growth of the business. Therefore, IIA proposes six monthly returns.

4. **Electronic return filling.** Certified Service Centres and CA's have been proposed to be utilized for Electronic filling of the return. IIA proposes that the dealers may be allowed to file electronic return on their own.
5. **Threshold limit-** Threshold limit of the CGST and SGST should be Rs. 1.5 crore and Rs. 25 Lakhs respectively considering the economic down turn and up turn oft and on.
6. **Compounding limit-** Compounding limit should be upto 60 Lakhs in line with the presumptive tax limit under Income-Tax.
7. **Electricity Duty-** Electricity duty is subsumed in GST at a rationally lower rate.
8. **Exempted items:** 99 items list need to be examined in detail and UP Specific items should be included.
9. **Purchase Tax:** The implication of purchase tax is not clear and need to be properly addressed.

Thanking you,

Yours faithfully,

Sanjay Kaul
Former President IIA
And
Chairman GST Working Group