

Webinar on Latest Changes in GST & Decisions of the 54th GST Council Meeting



On 20th September 2024 IIA organized a webinar, focusing on the significant developments from the 54th GST Council Meeting. Under the presidency of Shri Neeraj Singhal this session, presided by Shri Alok Agarwal General Secretary IIA, aimed to provide IIA members with crucial updates on GST tax rate changes, the amnesty scheme, and other pivotal decisions affecting MSMEs and businesses across India. Featuring key speaker, Shri Shashaank Gupta, an expert in GST, delved into the practical implications of these decisions, shedding light on how businesses could best navigate the new regulations.

Key Points Discussed

1. Overview of the 54th GST Council Meeting

Key Speaker began the session by providing a broad overview of the 54th GST Council Meeting held earlier this month. He outlined the council's primary objectives, which included simplifying the GST framework, addressing taxpayer grievances, and introducing sector-specific relief measures.

2. GST Amnesty Scheme

One of the central topics discussed during the webinar was the extension of the GST Amnesty Scheme, which has been carried forward from the 53rd Council Meeting. The scheme aims to encourage tax compliance by offering relief on late fees and penalties for businesses that have missed filing returns in past periods.

Impact on MSMEs: The scheme is expected to provide much-needed relief to MSMEs, helping them regularize their tax filings without the burden of hefty fines. Shri Gupta emphasized that businesses should take advantage of this opportunity to clear backlogs and update their GST records.

3. Changes in GST Tax Rates

Shri Gupta highlighted key adjustments made to GST tax rates, with a focus on:

- **Essential Goods:** Food and fertilized products, which are fundamental to daily living and agriculture, have seen modifications in their tax rates.
- **Life and Health Insurance:** The tax rates on life and health insurance premiums have also been revised, balancing the need for affordability with revenue considerations for the government.
- These changes, Shri Gupta explained, are intended to make the tax regime more balanced and equitable, especially in sectors that are critical for the welfare of the population.

4. Clarifications on Reverse Charge Mechanism (RCM)

The webinar included a detailed explanation of the Reverse Charge Mechanism (RCM), which has seen clarifications in its application for services such as transportation and supply of



goods. Shri Gupta emphasized that:

Transport services and certain goods are now clearly outlined under the RCM, and businesses need to understand the updated compliance requirements.

For service providers and buyers, understanding when and how to apply the RCM is crucial to avoiding penalties and ensuring smooth operations.

5. Improvements in Input Tax Credit (ITC) Reclaim

A significant portion of the webinar was dedicated to discussing the enhancements in the Input Tax Credit (ITC) Reclaim System.

The introduction of an Invoice Management System was a major development aimed at streamlining ITC claims, reducing errors, and speeding up the credit reclaim process.

This improvement is expected to benefit businesses by cutting down the time and administrative burden associated with filing claims and verifying invoices.

6. Announcements Pending Official Notification

Shri Gupta emphasized that while many decisions were announced during the 54th GST Council Meeting, they would only take effect once the official notifications are issued.

Businesses should remain vigilant and prepare for these changes, but they must wait for government notifications to ensure compliance with the latest regulations.

Shri Gupta and the IIA GST Committee offered actionable advice, encouraging participants to stay updated on notifications and leverage IIA's resources for further assistance. ●

For insight on this topic key speaker contact details are shared :

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