Goods & Service Tax Council

The Constitution (One Hundred & Twenty Second Amendment) Bill,2014 as proposed under Bill No. 192 of 2014 in Parliament on 19th December,2014 focus on setting up of an important key body for smoother , Faster and hassle free implementation of Goods & Service Tax and that is Goods & Service Tax Council.

As per the clause No. 12 of these proposed bill a new article shall be inserted vide Article No. 279A in the Constitution by the order of President within 60 days of commencement of The Constitution (One Hundred & Twenty Second Amendment) Bill,2014.

These Goods & Service Tax Council shall be governing and monitoring body for proper implementation and periodical up gradation of Goods & Service Tax in All the states of India.

[A] Constitution of Goods & Service Tax Council

(1) Chairperson :- Union Finance Minister

(2) Members :- - All Union Minister of state in Charge of Revenue or

- Finance Minister in charge of Finance or Taxation or
- Any other minister nominated by each state Government

(3) Vice Chairperson :- shall be elected by the members of the council as soon as all members are elected.

[B] Role of Goods & Service Tax Council

(1) Make Recommendations for to the Union & States on –

a) the taxes, cesses and surcharges levied by the Union, the States and the local bodies which may be subsumed in the goods and services tax;

b) the goods and services that may be subjected to, or exempted from the goods and services tax model Goods and Services Tax Laws, principles of levy, apportionment of integrated Goods and Services Tax and the principles that govern the place of supply

c) the threshold limit of turnover below which goods and services may be exempted from goods and services tax

d) the rates including floor rates with bands of goods and services tax

e) any special rate or rates for a specified period, to raise additional resources during any natural calamity or disaster

f) special provision with respect to the States of Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur; Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand; and

g) Any other matter relating to the goods and services tax, as the Council may decide.

h) Date on which the GST should be levied on petroleum crude, high speed diesel, motor spirit (Petrol), natural gas & Aviation turbine fuel

(2) Guide for the need for harmonized structure of goods and service tax and for the development of a harmonized national market for goods & Services.

(3) Determination of procedure for performance of its function

(4) Make decisions about the modalities to resolve disputes arising out of its recommendation

[C] Quorum of Meeting

50% of total number of members of the council shall constitute quorum in council meetings.

[D] Decision Making

All decision in a meeting shall be taken with three fourth majority of weighted votes of all the members present and voting. Whereby weightage shall be decided in following manner –

- Vote of the Central Government shall have weightage of one third of total votes cast &
- Vote of all the State Governments shall have weightage of two third of the total vote cast

Thanks & Regards

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