

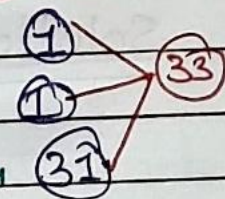
★ ARTICLE - 279A: FORMATION OF GST COUNCIL

President have power to constitute GSTC with in 60 days from the Date of formation of CAA, 101 (i.e. 8/9/16)

GST Council Formed - 10/9/16

GST Council Notified - 12/9/16

Total members in GST COUNCIL = 33 Members

- i) Chairperson - Union Finance Minister (1)
 - ii) Member of C.G. - Union Minister of State (1)
 - iii) Member from S.G. - FM of State or other nominated (31)
- 

iv) Vice-Chairman - One member FROM

v) QUORUM Required - Minimum 50%.

vi) VOTING IN FAVOUR - 75% (3/4th)

vii) C.G. Share - (1/3rd) (33.33%)

viii) S.G. Share - (2/3rd) (66.67%)

• GST Council makes recommendation on the following:

- i) Taxes to be subsumed ^{merge}
- ii) Goods / services to be exempted from GST
- iii) Apportionment of IGST
- iv) Special Rate for specified period
- v) Threshold ^{Exemption} limit of Turnover
- vi) Special Provision for special category state
- vii) and so on.

Example - 1

Total member - 33

Member Present = 30

CC - 2 member

Yes

SC - 28 member

15 - Yes

13 - No

Whether Decision approved or Not?

Solution:-

$$C.C \text{ Share} = 33.33\%$$

$$S.C \text{ Share} = \frac{66.67}{28} \times 15 = 35.71\%$$

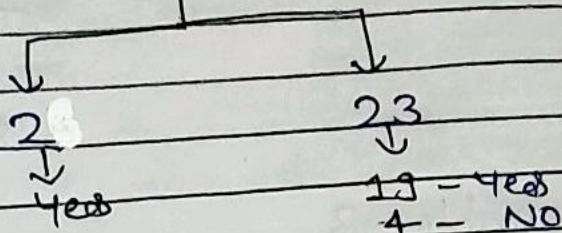
$$\text{Total Votes in favour} = 33.33 + 35.71\% = 69\%$$

∴ Decision will not approved as votes in favour less than 75%.

Example-2

Total member = 33

Member Present = 25



Decision Approved or Not?

Solution:-

This answer is based on article - 279A

Provision:-

As per A-279A, minimum 50% Quorum must be required for the meeting and 75% or more voting must be favour for approval of decision. In 75% voting, C.C. share is 1/3rd and S.C. share is 2/3rd.

Facts of Question:-

In given question Total member is 33 and 25 members are present. In which 2 member of C.C. & 23 member of S.C. Both member of C.C. agree and 19 member out of 23 member of S.C. are agree.

Conclusion:-

As per the above provision, Decision will be approved since voting in favour more than 75%.

Teacher's Sign.....

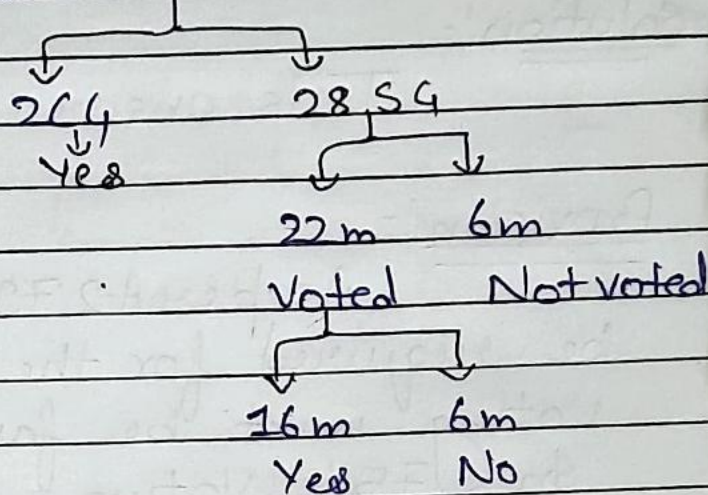
Calculation:-

$$\begin{array}{l} \text{C.G Yes 2 members} \quad 33.33\% \\ \text{S.G Yes 19 members} \quad \frac{66.67}{25} \times 19 = 55.07\% \\ \hline \text{Total Voting} \quad 88.40\% \\ 88.40 > 75\% \end{array}$$

Example - 3

Total members = 33

Members Present = 30



Whether decision approved or Not?

Solution:-

$$\text{C.G} = 33.33\%$$

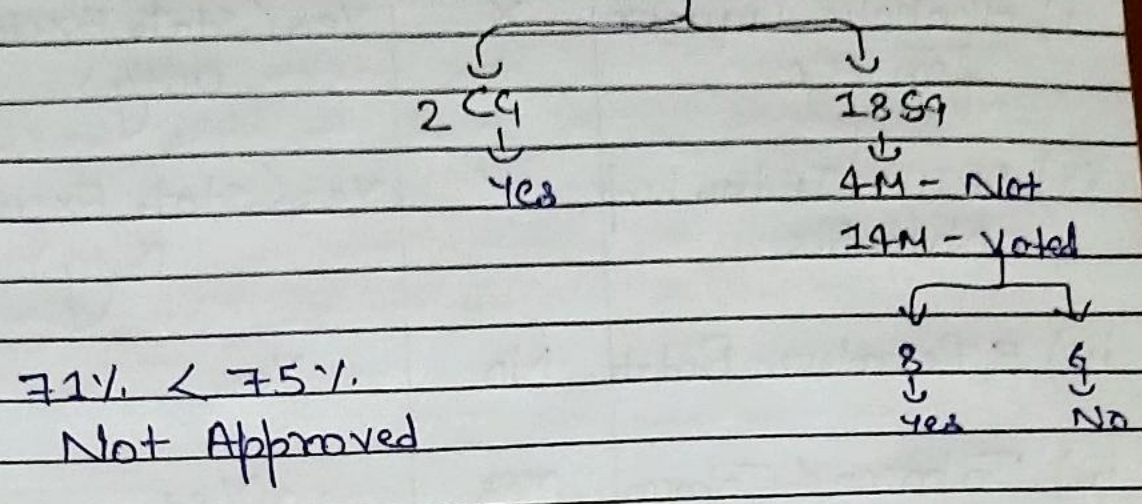
$$\text{S.G} = \frac{66.67}{22} \times 16 = 48.48\%$$

$$81.81\% > 75\%$$

Decision Approved

Example - 4

Total Members = 33
 Members Present = 20



★ TAXES NOT SUBSUMED UNDER GST

Central level

State level

- i) Import Duty
- ii) Export Duty
- iii) Basic Custom Duty
- iv) Anti-Dumping Duty
- v) Safeguard Duty
- vi) Excise duty on 5 PP & Tobacco & A. liquor

- i) Road & Passengers Tax
- ii) Toll Tax
- iii) Municipal Tax
- iv) Stamp Duty
- v) Electricity Duty
- vi) Professional Tax
- vii) Mardhi Tax

• FOCUS AREA

Tobacco & Tobacco products also in addition to excise duty, subject to GST. There is double taxation.

• IMPORTANT POINTS

Goods	GST	Excise Duty	VAT	CST
i) Alcoholic liquor for H.C	X	Yes (State Excise Duty)	✓	✓
ii) OPIUM / Indian hemp Narcotics	✓	Yes (State Excise Duty)	X	X
iii) 5 Petroleum Products	No	Yes	Yes	Yes
iv) Tobacco & Tobacco Products	Yes	Yes	X	X
v) Other Goods	Yes	X	X	X

★ BENEFITS OF GST

• Benefit to Govt

- i) Unified Common National Market
- ii) Boost to Exports
- iii) Boost to "Make in India"
- iv) Increase in Revenue
- v) Reduction in Unemployment.

• To Trade / Businessman

- i) Simpler Taxation System

- ii) Easy / less Compliance
- iii) Easy of doing business
- iv) Increase in the Revenue of business

- To Consumers

- i) Reduction in Price of Goods / Services
- ii) Reduction in Cascading
- iii) Reduction in Double Tax
- iv) Transparency