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Cabinet approves creation of GST Council and its Secretariat ; First Meeting of the GST Council to be held on 22nd and 23rd September, 2016 in national Capital.

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Bhadrapada 21, 1938

The Constitution (One Hundred and Twenty-second Amendment) Bill, 2016, for introduction of Goods and Services Tax (GST) in the country was accorded assent by the President on 8th September, 2016, and the same has been notified as the Constitution (One Hundred and First Amendment) Act, 2016. As per Article 279A (1) of the amended Constitution, the GST Council has to be constituted by the President within 60 days of the commencement of Article 279A. The notification for bringing into force Article 279A with effect from 12th September, 2016 was issued on 10th September, 2016.

As per Article 279A of the amended Constitution, the GST Council will be a joint forum of the Centre and the States. This Council shall consist of the following members namely: -

a) Union Finance Minister… Chairperson
b) The Union Minister of State, in-charge of Revenue of finance… Member
c) The Minister In-charge of finance or taxation or any other Minister nominated by each State Government… Members

As per Article 279A (4), the Council will make recommendations to the Union and the States on important issues related to GST, like the goods and services that may be subjected or exempted from GST, model GST Laws, principles that govern Place of Supply, threshold limits, GST rates including the floor rates with bands, special rates for raising additional resources during natural calamities/disasters, special provisions for certain States, etc.

The Union Cabinet in its meeting held on 12th September, 2016 approved setting-up of GST Council and setting-up of its Secretariat. The Cabinet inter alia took decisions for the following:

(a) Creation of the GST Council as per Article 279A of the amended Constitution;
(b) Creation of the GST Council Secretariat, with its office at New Delhi;
(c) Appointment of the Secretary (Revenue) as the Ex-officio Secretary to the GST Council;
(d) Inclusion of the Chairperson, Central Board of Excise and Customs (CBEC), as a permanent invitee (non-voting) to all proceedings of the GST Council;
(e) Create one post of Additional Secretary to the GST Council in the GST Council Secretariat (at the level of Additional Secretary to the Government of India), and four posts of Commissioner in the GST Council Secretariat (at the level of Joint Secretary to the Government of India).

The Cabinet also decided to provide for adequate funds for meeting the recurring and non recurring expenses of the GST Council Secretariat, the entire cost for which shall be borne by the Central Government. The GST Council Secretariat shall be manned by officers taken on deputation from both the Central and State Governments.

The Finance Minister Shri Arun Jaitley has also decided to call the First Meeting of the GST Council on 22nd and 23rd September 2016 in New Delhi. It is a matter of satisfaction for the Government that the steps required in the direction of implementation of GST are being taken ahead of the schedule so far.

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