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**GST IS MORE EFFECTIVE AND EFFICIENT SUBSTITUTE FOR
PLETHORA OF INDIRECT TAXES: FM**

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The Union Finance Minister, Shri P. Chidambaram said that the goods and services tax (GST) is a more effective and efficient substitute for plethora of indirect taxes. The Finance Minister said that he is hopeful that the GST Bill would be passed before the end of the current financial year. The Finance Minister was addressing the Third Meeting of the Consultative Committee attached to the Ministry of Finance, here today. The subject matter of the discussion was “GST-the Way Forward”. The Finance Minister Shri P. Chidambaram further said that though there are still some issues relating to GST and its Network (GSTN) to be resolved, yet they are not insurmountable. The Finance Minister said that the objective is to put in place an effective and efficient tax system which is friendly and fair to the taxpayers. He said that once GST is implemented, it will not be adversarial to the taxpayers.

Earlier, a presentation was made on the GST Network system by the officials of Central Board of Excise and Customs.

As part of the mandate, the Empowered Group (EG) on IT Infrastructure for GST recommended the IT strategy for GST and the appropriate structure and roadmap for creation of an SPV to be called the Goods and Services Tax Network to deliver the required IT services for GST implementation. The key objectives of GSTN SPV would be to provide standard and uniform interface to the tax payers, share infrastructure and services to Central/State Governments. The common and shared infrastructure for GST would also be leveraged for providing benefits to Centre/States, even prior to roll-out of GST. The Empowered Committee of State Finance Ministers (EC) and the Union Finance Minister endorsed the recommendations of EG on the IT strategy for GST, the structure and role of GSTN SPV, as also the selection of NSDL as technology partner for incubating SPV.

The Members of the Consultative Committee participating in the discussion gave various suggestions relating to GST and its Network. They were of the view that GST is good for all stakeholders including Central and State Governments as well as traders and business communities among others. They raise various issues relating to GST Network including security of data, settlement of disputes among different stakeholders, integration of direct tax information system into the GST system and other technology related matters. Some of the members stated that firstly the issue of loss to the States be settled to the satisfaction of all States before we march forward. This is causing delay on the part of the States in accepting GST and this uncertainty may be settled once for all. Some of the members suggested that decision making process of the GST Council be made more practicable by providing decisions with two-third majority of the States rather than on consensus basis. Similarly, issues relating to dispute settlement mechanism and exclusion of certain products from the GST system among others were also raised during the discussion.

Members of Parliament who attended the today's Consultative Committee Meeting include Shri S.P.Y. Reddy, Shri Suresh C. Angadi, Shri Narahari Mahato, Shri W. Bhaushaeb Rajaram and Smt. Rajkumari Ratna Singh (all from Lok Sabha), Shri N.K. Singh, Shri Rajeev Chandrasekhar, Shri Rajkumar Dhoot, Shri Birender Singh, Shri Shantaram Naik, Dr. Ashok Sekhar Ganguli and Ishwar Lal Jain (all from Rajya Sabha). Shri S.S. Palanimanickam, Minister of State for Revenue, Shri Namo Narain Meena, Minister of State for Financial Services and Expenditure, Shri R.S. Gujral, Finance Secretary, Shri Sumit Bose, Revenue Secretary, Shri Arvind Mayaram, Secretary, DEA, Shri M.H. Khan, Secretary, Disinvestment, Smt. Parveen Mahajan, Chairman, CBEC and Smt. Poonam Saxena, Chairman, CBDT were also present among others in the aforesaid meeting.

DSM/RS/GN