

## News

**New Delhi, Jun 3 (PTI)** The GST Council today cleared the pending rules, including transition provisions and returns, with all the states agreeing to July 1 roll out of the Goods and Services Tax.

"We were discussing the rules and (they) have been completed. Transition rules have been cleared and everybody has agreed for July 1 roll out," Kerala Finance Minister Thomas Isaac told reporters here.

The GST Council had last month fitted over 1,200 goods and 500 services in the tax brackets of 5, 12, 18 and 28 per cent.

Finance Minister Arun Jaitley chaired the 15th meeting of the GST Council which is scheduled to decide on tax rate of 6 items including gold, textiles and footwear.

Isaac's statement of all states agreeing to the July 1 rollout assumes significance as West Bengal Chief Minister Mamata Banerjee had said that her state will not roll out the new indirect tax regime in its present form.

Bengal Finance Minister Amit Mitra is however attending today's meeting.

Banerjee had said yesterday that her government would not support the new GST system in its present form and that her government would write to Jaitley for making changes to make it suitable for all the sections of the society.

"We will not support the GST in its present form. In its present form, it doesn't suit every section, especially the unorganised sector. They (Centre) have to rectify it... We have to continue with our fight to bring down the tax rates on certain products.

"Unless the rates are reduced, they will adversely impact the state's economy and employment," she had said.

As for the transition rules approved by Council, the industry had been demanding some relaxation of the provision of deemed credit.

The draft transition law provided that once GST is implemented a company can claim credit of up to 40 per cent of their Central GST dues for excise duty paid on stock held by businesses prior to the rollout.

Several dealers are choosing to wait and watch rather than buy and hold on to inventories. They have lobbied with the government seeking an increase in the credit limit.