

**Annex-I: GST Council Meeting and Major Decisions – Timeline**

Date	Event	Major Decisions
September 15, 2016	Constitution of the GST Council	<ul style="list-style-type: none"> <li>• The President of India constituted the “GST Council” vide F. No. 31011/09/2015-SO (ST) dated 15th September, 2016.</li> <li>• GST Council can hold meetings and take decisions on various major issues such as Model law, rate of taxes, exemptions <i>etc.</i></li> </ul>
September 16, 2016	Enactment of GST Amendment Act.	<ul style="list-style-type: none"> <li>• All sections of Constitution (One Hundred and First Amendment) Act, 2016 came into force vide Ministry of Finance’ Notification No. S.O. 2986(E) dated September 16, 2016.</li> </ul>
September 22, 2016	First Meeting of GST Council	<ul style="list-style-type: none"> <li>• Threshold exemption limit decided at ₹ 10 Lakhs for North-Eastern States and ₹ 20 Lakhs for the rest of India.</li> <li>• States will have sole jurisdiction over assesseees having a turnover of ₹ 1.5 crore or less. The existing service tax assesseees will continue to be under jurisdiction of Centre.</li> <li>• The Centre will pay quarterly or bi-monthly compensation to States, in case of any revenue loss.</li> <li>• Decided 2015-16 as the base year for calculating the compensation.</li> </ul>
September 30, 2016	Second Meeting	<ul style="list-style-type: none"> <li>• The GST Council finalised five subordinate legislations relating to payment, returns, refunds, invoice and registration.</li> <li>• Consensus on area-based exemption in accordance with those granted under the current excise regime.</li> <li>• Taxes will have to be collected and it can be reimbursed from the annual budgets to the exempted categories.</li> <li>• To compensate States for 5 years for loss of revenue due to implementation of GST, the base year for the revenue of the State would be 2015-16 and a fixed growth rate of 14 per cent will be applied to it</li> </ul>

**Annex-I: GST Council Meeting and Major Decisions – Timeline (Contd.)**

Date	Event	Major Decisions
October 19, 2016	Third Meeting	<ul style="list-style-type: none"> <li>• Proposed a four-tier rate structure comprising a lower rate of 6 per cent, two standard rates of 12 per cent and 18 per cent and a higher rate of 26 per cent with an additional cess for luxury and demerit goods.</li> <li>• Cess was proposed to be used for payment of compensation to the States. However, consensus could not be reached.</li> </ul>
November 3, 2016	Fourth Meeting	<ul style="list-style-type: none"> <li>• Decided a four-tier GST rate structure of 5 per cent, 12 per cent, 18 per cent and 28 per cent.</li> <li>• Essential items including food will be taxed at zero rate.</li> <li>• The lowest rate of 5 per cent would be for common use items.</li> <li>• 12 per cent and 18 per cent would be the standard rates.</li> <li>• The highest rate would apply to luxury and de-merit goods, which will also attract an additional cess.</li> <li>• The collection from this cess as well as clean energy cess will be used for compensating states for any loss of revenue during the first five years of implementation of GST.</li> </ul>
December 2-3, 2016	Fifth Meeting	<ul style="list-style-type: none"> <li>• Consensus could not be reached on the issue of sharing of administrative powers between the centre and the states.</li> </ul>
December 11, 2016	Sixth Meeting	<ul style="list-style-type: none"> <li>• The Council discussed on the Model CGST and SGST legislation (Model GST Law) which was released in the public domain on November 26, 2016.</li> <li>• Could not reach consensus on issue of dual control of assesses.</li> </ul>
December 22-23, 2016	Seventh Meeting	<ul style="list-style-type: none"> <li>• Draft CGST and SGST Law were cleared along with compensation law.</li> <li>• No consensus was reached on issue of dual control.</li> </ul>

**Annex-I: GST Council Meeting and Major Decisions – Timeline (Contd.)**

Date	Event	Major Decisions
January 3- 4, 2017	Eighth Meeting	<ul style="list-style-type: none"> <li>• Issue of dual control remained unresolved.</li> <li>• States raised a new issue of split in tax revenue in ratio of 60:40 between states and Centre instead of equally dividing GST between Centre and states.</li> <li>• States demanded taxation rights for sales made in the high seas within 12 nautical miles of its coastline.</li> <li>• States requested to increase the number of items on which this new Cess is to be levied.</li> </ul>
January 16, 2017	Ninth Meeting	<ul style="list-style-type: none"> <li>• A broad consensus was reached for GST to be rolled out from 1st July 2017 instead of 1st April 2017.</li> <li>• The issue of dual control was broadly resolved. States will have powers to assess and administer 90 per cent of the tax payers under Rs. 1.5 crores annual turnover while the remaining 10 per cent would be controlled by the Centre.</li> <li>• Tax payers with turnover more than Rs 1.5 crores will be controlled and administered in 50:50 ratio both by the states and Centre.</li> <li>• States can levy GST within 12 nautical miles of its coastline in the high seas.</li> <li>• Any IGST disputes among states will be resolved by the Centre.</li> </ul>
February 18, 2017	Tenth Meeting	<ul style="list-style-type: none"> <li>• Formally approved Compensation law.</li> <li>• Some of the issues in three crucial draft CGST/SGT/IGST laws were discussed.</li> </ul>
March 4, 2017	Eleventh Meeting	<ul style="list-style-type: none"> <li>• Council cleared the two key draft laws of Central GST (CGST) and Integrated GST (IGST).</li> <li>• Hotels with annual turnover of less than ₹ 50 lakh will pay the lowest tax rate of 5 per cent under the GST regime.</li> </ul>

**Annex-I: GST Council Meeting and Major Decisions – Timeline (Concl.)**

Date	Event	Major Decisions
March 16, 2017	Twelfth Meeting	<ul style="list-style-type: none"> <li>• Cleared the remaining two supplementary legislations UTGST (Union Territory GST Law) and the SGST (State GST Law) needed for implementation of the goods and service tax (GST) regime.</li> <li>• Approved the bound rate of 15 per cent as peak rate for the proposed cess to be levied on certain demerit goods.</li> </ul>
March 31, 2017	Thirteenth Meeting	<ul style="list-style-type: none"> <li>• Approved the Rules relating to Input Tax Credit, Valuation, Composition and Transition.</li> <li>• Gave final approval for changes in rules for filing tax returns in the new regime, registration of entities, payment of GST, invoicing and refunds to make them compatible with GST laws.</li> </ul>

**Source:** i. <http://www.gstindiaonline.com/>  
ii. <https://gstindiaguide.com/gst-council-finalise-draft-rules-today/>  
iii. <http://www.cbec.gov.in/htdocs-cbec/gst/index>