

What's New

News Flash



July 2017

Increase in Compensation cess on cigarettes proposed in the 19th meeting of the GST Council

The GST Council, in its 19th meeting, decided to increase the rate of compensation cess on cigarettes. The revised rates of compensation cess on cigarettes are as follows:

Compensation Cess Rates				
Tariff Item		Present Rate	Proposed Increase	New Rates
Non-filter				
2402 20 10	Not exceeding 65 mm	5% + INR 1591 per thousand	INR 485 per thousand	5% + INR 2076 per thousand
2402 20 20	Exceeding 65 mm but not 70 mm	5% + INR 2876 per thousand	INR 792 per thousand	5% + INR 3668 per thousand
Filter				
2402 20 30	Not exceeding 65 mm	5% + INR 1591 per thousand	INR 485 per thousand	5% + INR 2076 per thousand
2402 20 40	Exceeding 65 mm but not 70 mm	5% + INR 2126 per thousand	INR 621 per thousand	5% + INR 2747 per thousand
2402 20 50	Exceeding 70 mm but not 75 mm	5% + INR 2876 per thousand	INR 792 per thousand	5% + INR 3668 per thousand
2402 20 90	Others	5% + INR 4170 per thousand	31%	36% + INR 4170 per thousand

In the Press conference post the Council meeting, the Finance Minister also mentioned that:

- 7 million registrations have been migrated to GST and 0.5 million new registrations have been granted, in addition to another 0.25 million registration applications which were under approval process.
- The Central and the State Government have been responding to the queries raised by the trade.
- The GSTN portal is also functioning appropriately.

PwC comments

The GST Council meeting shows the intent of the Government and its flexibility to take quick decisions. While the Government has been quickly issuing clarifications on some of the procedural and operational issues relating to documentation and movement of goods, there are quite a few areas that need clarity and are subject to interpretation, such as GST rate on existing car leases etc. The Government may consider these and issue a revised FAQ, which will go a long way to promote the objective of 'ease of doing business' in GST.

If your interest lies in a specific area or subject, do advise us so we can send you only the relevant alerts. For any additional information, please reach out to your PwC relationship manager or write in to pwctrs.knowledgemanagement@in.pwc.com

With Best Regards
PwC TRS Team

About PwC

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 157 countries with more than 223,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

In India, PwC has offices in these cities: Ahmedabad, Bengaluru, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai and Pune. For more information about PwC India's service offerings, visit www.pwc.com/in

PwC refers to the PwC International network and/or one or more of its member firms, each of which is a separate, independent and distinct legal entity. Please see www.pwc.com/structure for further details.

©2017 PwC. All rights reserved

Follow us on [Facebook](#), [LinkedIn](#), [Twitter](#) and [YouTube](#).

© 2017 PricewaterhouseCoopers Private Limited. All rights reserved. In this document, "PwC" refers to PricewaterhouseCoopers Private Limited (a limited liability company in India having Corporate Identity Number or CIN : U74140WB1983PTC036093), which is a member firm of PricewaterhouseCoopers International Limited (PwCIL), each member firm of which is a separate legal entity

Our Tax & Regulatory Services [Direct Tax](#) [Indirect Tax](#) [Transfer Pricing](#) [Regulatory](#) [M & A](#)
[Tax Controversy and Dispute Resolution](#) [Financial Services](#)

NOTE : If you wish to unsubscribe receiving communications, please send in a blank email as reply to this mail with subject line "Unsubscribe".
