

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE**

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**LOK SABHA  
STARRED QUESTION No. 270  
TO BE ANSWERED ON FRIDAY, THE 5<sup>th</sup> JANUARY, 2018  
PAUSHA 15, 1939 (SAKA)**

**“Demands of Small Traders”**

\*270. SHRI P.V. MIDHUN REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether the small traders in the country are severely hit by the Goods and Services Tax (GST) and if so, the details thereof along with the demands made by them;
- (b) whether the Government is considering the demands of small traders; and
- (c) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

**FINANCE MINISTER**

**(SHRI ARUN JAITLEY)**

(a) to (c) A Statement is laid on the table of the House.

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**STATEMENT AS REFERRED TO IN REPLY TO PARA A TO C OF LOK SABHA STARRED QUESTION NO 270 FOR ANSWER ON 5<sup>TH</sup>JANUARY 2018/ PAUSHA 15, 1939 (SAKA) REGARDING DEMANDS OF SMALL TRADERS**

(a) to (c) Implementation of GST is a complete shift from the existing indirect tax laws, and few representations have been received from small traders regarding the difficulty faced by them in adjusting to the new tax regime including additional compliance requirements. In order to address these difficulties and for constant improvement of the GST law and procedures, certain decisions have been made by the GST Council. Some of the decisions taken by the Council, which have been implemented by issuance of necessary notifications and circulars, are mentioned below:

- i. Increase in aggregate annual turnover threshold for eligibility under the composition scheme from Rs. 75 lakh to Rs. one crore for 27 States (including Jammu & Kashmir and Uttarakhand).
- ii. Increase in the aggregate annual turnover threshold for eligibility under the Composition scheme from Rs. 50 lakh to Rs. 75 lakh for Special Category States (as specified in sub-clause (g) of clause (4) of article 279A of the Constitution) other than Jammu & Kashmir and Uttarakhand.
- iii. Taxpayers having annual turnover of up to Rs.1.5 crore in the previous year provided with an option to file quarterly Returns.
- iv. Registered persons making supply of goods to make payment of tax on issuance of invoice and not at the time when advances are received.
- v. Suspension of the application of reverse charge mechanism under Section 9(4) of the CGST/SGST Acts, 2017 and Section 5(4) of the IGST Act, 2017 till 31 March, 2018 for all categories of registered persons.
- vi. Uniform rate of tax @1% under composition scheme for manufacturers and traders. The turnover of taxable goods to be considered for eligibility for the Composition scheme for traders.
- vii. Supply of exempted services by composition taxpayer will be allowed and the same will not be taken into account while computing the aggregate turnover.
- viii. Amount of late fee payable for delayed filing of return in Form GSTR-3B by a taxpayer whose tax liability for the month was 'Nil' reduced to Rs.20/- per day (Rs.10/- per day each under CGST & SGST Acts) subject to maximum Rs.5000/- each under Act from October, 2017.
- ix. The amount of late fee payable for delayed filing of return in Form GSTR-3B by other taxpayers reduced to Rs. 50/- per day (Rs. 25/- per day each under CGST & SGST Acts) subject to maximum Rs.5000/- each under Act from October, 2017.