

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
LOK SABHA  
**STARRED QUESTION No. 5**

TO BE ANSWERED ON MONDAY, FEBRUARY 3, 2020/MAGHA 14, 1941 (SAKA)

**GOODS AND SERVICES TAX**

**\*5. SHRIMATI VANGA GEETHA VISWANATH:  
SHRI KOTHA PRABHAKAR REDDY:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Goods and Services Tax (GST) Council held its meeting recently and if so, the details and outcome thereof;
- (b) the views of States and the decisions which remained pending therein along with the steps being taken to ease GST rules further;
- (c) whether the cash flows of States have been seriously impacted by the unilateral decision of Union Government adopting a new pattern in transferring the devolution of States share in taxes and also transfer of States share in CGST and IGST if so, the details thereof and reasons for such situation; and
- (d) whether several States had been hit by the unending delay in release of its compensation of assured revenues of GST if so, the details thereof along with comments of Government thereupon and corrective steps being taken to release GST and other compensation on time in future along with the amount pending to each State at present?

**ANSWER**  
**MINISTER OF FINANCE**  
**(Ms. NIRMALA SITHARAMAN)**

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

**STATEMENT AS REFERRED TO IN REPLY TO PARA A TO D OF LOK SABHA STARRED QUESTION NO 5 FOR ANSWER ON 3<sup>rd</sup> FEBRUARY, 2020/MAGHA 14, 1941 (SAKA) REGARDING GOODS AND SERVICES TAX.**

**Part (a):** The 38<sup>th</sup> meeting of GST Council was held on 19<sup>th</sup> December, 2019 at New Delhi. A Press Release dated 19<sup>th</sup> December, 2019 regarding the recommendations made by the said GST Council meeting is available in public domain at <http://www.gstcouncil.gov.in/press-cbic>.

**Part (b):** The discussion and views of the States in all previous GST Council meetings (till the 37<sup>th</sup> meeting held on 20<sup>th</sup> September, 2019) as well as the implementation status of the recommendations of GST Council are well documented in the Minutes of Meeting, available in public domain at <http://www.gstcouncil.gov.in/meetings>. Based on the recommendations of the GST Council, various changes are carried out to the Central Goods and Services Tax Rules, 2017 from time to time in order to simplify procedure and improve compliance under GST. The last such change to CGST Rules, 2017 was carried out vide notification No. 02/2020 - Central Tax dated 01<sup>st</sup> January, 2020.

**Part (c):** Article 269A of the Constitution provides that the Goods and Services Tax on supplies in the course of inter-State trade or commerce shall be levied and collected by the Government of India and such tax shall be apportioned between the Union and the States. Accordingly, IGST (Integrated Goods and Service Tax) is settled (apportioned) between the Union and the States/UTs by Centre every month in terms of Sections 17 and 18 of the Integrated Goods and Services Tax Act, 2017. The details of State GST collection and IGST settlement to States since implementation of GST are as under:

<b>Financial Year</b>	<b>SGST collection (in Rs. crores)</b>	<b>IGST Settlement (in Rs. crores)</b>
2017-18	1,71,803	1,02,163
2018-19	2,78,817	1,74,948
2019-20 (upto 31 <sup>st</sup> Dec, 2019)	2,28,062	1,54,937

**Part (d):** GST (Compensation to States) Act, 2017 provides for compensation to States/UTs (UT with Legislature only) on account of revenue loss due to implementation of GST on bimonthly basis. Accordingly, the States have been paid GST Compensation on bimonthly basis with effect from July, 2017. The GST Compensation has been released till September, 2019 and the next bimonthly GST Compensation is due for October-November, 2019. The details of GST compensation released to States including UTs of Delhi and Puducherry after implementation of GST with effect from 01.07.2017 are as below:

<b>Period for which compensation has been released</b>	<b>Amount (in Rs crores)</b>
July, 2017 – March, 2018	48785.35
April, 2018 – March, 2019	81141.14
April – May, 2019	17789
June – July, 2019	27956
Aug – Sept, 2019	35298
Total	210969.49

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