

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2681

ANSWERED ON:12.03.2010

IMPLICATIONS OF INTRODUCTION OF GST

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Will the Minister of FINANCE be pleased to state:

- (a) the date by which the Goods and Service Tax (GST) would come into effect;
- (b) whether the Government has studied the implications of post-GST;
- (c) if so, the complete details thereof; and
- (d) the report so far prepared by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S, PALANIMANICKAM)

- (a): It shall be the endeavour of the Government of India to persuade the State Governments and the Empowered Committee of State Finance Ministers to reach a consensus to that the GST can be introduced with effect from 01-04-2011.
- (b) & (c): The decision of Goods and Services Tax (GST) is still under finalization. The implications can be assessed only after the basic design is finalized.
- (d): Empowered Committee of State Finance Ministers(EC) has prepared and released the First Discussion paper on `Goods and Services Tax in India in November 2009. The Central Government has sent its comments on this Discussion Paper to the EC on 1-01-2010. A Joint Working Group of officers of Central Government, State Governments and Empowered Committee of State Finance Ministers has been constituted to prepare draft of the Constitutional amendments, Central GST legislation, model State GST legislation and related rules.