

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:278  
ANSWERED ON:07.08.2015  
GST  
Kirtikar Shri Gajanan Chandrakant

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government proposes to introduce the Goods and Service Tax(GST) across the country w.e.f. 01 April 2016 and if so, the details thereof indicating its key features;
- (b) whether the Government has allayed the apprehension of the States in the event of implementation of GST, including compensation of revenue loss, if so, the details thereof;
- (c) whether the Government proposes to fix a ceiling on GST tax rate and if so, the details thereof; and
- (d) whether the GST is likely to benefit/satisfy all stakeholders including the manufacturing sector, traders, consumers and States, if so, the details thereof and if not, the reasons therefor?

**Answer**

The Union Finance Minister be pleased to state:-

(a) to (d) Constitution (122nd Amendment) Bill has been introduced in Lok Sabha on 19.12.2014. This Bill has been passed by Lok Sabha and is now pending with Rajya Sabha. Union Government has set a target date of 1st April, 2016 for the implementation of GST in the country. The recommendation of Select Committee of Rajya Sabha on the aforesaid Constitution (122nd Amendment) Bill has been examined and accordingly Cabinet Note dated 27 July 2015 has been moved by the Department of Revenue and approved by the Union Cabinet on 29.07.2015. The Bill is likely to be passed by the Rajya Sabha in current Monsoon Session of the Parliament. There is a provision to provide compensation to States for any revenue loss for 5 years due to implementation of GST and accordingly apprehensions of various states is being taken care of in the proposed Constitutional Amendment Bill. The rate of GST will be recommended by the GST council, which shall be constituted after the amendment of the Constitution. The implementation of GST in the country would be the biggest tax reform and is expected to benefit/satisfy all the stakeholders in the country. The government is taking all steps to implement GST in the country by providing required robust GST network infrastructure amongst all the states.