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Title: Regarding GST provisions.

PROF.SAUGATA ROY (DUM DUM): Chairman of the Empowered Committee of State Finance Ministers on the GST, Finance Minister of West Bengal wrote to Union Finance Minister a day ahead of vote on the Bill, against the change in Article 270, appearing in Clause 10 of the proposed amendments to the Bill. His objection was that it would deprive States of the share of the IGST revenue of unclaimed credits in transactions, not forming part of the "divisible Pool" of tax revenues. The IGST (Integrated Goods and services Tax) is proposed to be collected by the Centre on all Inter-State supplies of goods and services and would roughly be equal to CGST (Central GST) plus SGST (State GST). Since GST is a destination - based tax, all SGST on the final product will accrue to the consuming State. The amendment pertaining to it, "has never been discussed in the EC (Empowered Committee) as such there is no consensus on it." Further, he requested that it should be dropped. Finance Minister of West Bengal also sought a further clarification that States will be paid "full" compensation for a period of five years for revenue losses on account of the transition to the GST.