

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

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**LOK SABHA**

**UNSTARRED QUESTION No. 1077**

**TO BE ANSWERED ON FRIDAY, FEBRUARY 8, 2019/Magha 19, 1940 (Saka)**

**GST Policy for Real Estate Sector**

**1077. SHRIMATI ANJU BALA:**

**SHRI L.R. SHIVARAME GOWDA:**

**SHRI TEJ PRATAP SINGH YADAV:**

Will the Minister of FINANCE be pleased to state:

(a) whether several policy changes have been recommended for implementation of Goods and Services Tax (GST) by GST Council in its recent meetings and if so, the details thereof;

(b) whether the Government has constituted Group of Ministers (GoM) on issues related to lottery and if so, the details thereof;

(c) whether the Government has also constituted Group of Ministers (GoM) for boosting the Real Estate Sector under the GST regime by providing a Composition Scheme for Residential Construction Units and if so, the details thereof; and

(d) the steps taken by the Government for simplification and better implementation of GST?

**MINISTER OF STATE FOR FINANCE  
(SHRI SHIV PRATAP SHUKLA)**

(a) Yes Madam. Various policy changes have been recommended for implementation of GST by the GST Council in its recent meetings. Some of these changes are as follows:

- i. Composition Scheme shall be made available for suppliers of services (or mixed suppliers) whose annual turnover in the preceding Financial Year is up to Rs 50 lakhs with effect from 01.04.2019.
- ii. In case of supply of goods, the threshold limit of annual turnover for exemption from registration under GST to be increased from Rs 20 lakhs to Rs 40 lakhs with effect from 01.04.2019. However, States have been given an option to keep the annual turnover threshold for registration at Rs.20 lakh or Rs.40 lakh.

- iii. In principle approval has been given to the proposal for creation of a Centralized Appellate Authority for Advance Ruling (AAAR) to deal with cases of conflicting decisions by two or more State Appellate Advance Ruling Authorities on the same issue.
- iv. In principle approval has been given to the proposal for amendment of section 50 of the Central Goods and Services Tax Act, 2017 to provide that interest should be charged only on the net tax liability of the taxpayer, after taking into account the admissible input tax credit, i.e. interest would be leviable only on the amount payable through the electronic cash ledger.
- v. Upper limit of turnover for opting for composition scheme has been raised from Rs. 1 crore to Rs. 1.5 crores with effect from 01.04.2019.
- vi. Composition dealers have been allowed to supply services (other than restaurant services), for up to a value not exceeding 10% of turnover in the preceding financial year, or Rs. 5 lakhs, whichever is higher.
- vii. A new simplified return filing system has been approved by the GST Council that shall replace the present return model under GST. It shall be introduced on a trial basis from 01.04.2019 and on mandatory basis from 01.07.2019.

(b) Yes Madam. In pursuance of the decision of the 32nd GST Council meeting, a Group of Ministers (GoM) on issues relating to lottery has been constituted on 15th January, 2019. Hon'ble Finance Minister of the Government of Maharashtra is the Convener of the GoM and Hon'ble Finance Ministers of the Government of Kerala, Assam, Goa, Arunachal Pradesh, West Bengal, Karnataka and Punjab are its members.

(c) Yes Madam. In pursuance of the decision of the 32nd GST Council meeting, a Group of Ministers (GoM) for boosting the real estate sector under GST regime has been constituted on 15th January, 2019. Hon'ble Deputy Chief Minister of Gujarat is the Convener of the GoM and Hon'ble Finance Ministers of the Government of Maharashtra, Kerala, Karnataka, Uttar Pradesh, Goa and Punjab are its members. One of its terms of reference of the GoM is to analyze the tax rate of GST, including inter-alia issues/challenges in view of proposal for boosting real estate sector under GST regime by providing a composition scheme for residential construction units

(d) Based on the recommendations of the GST Council, the Government has endeavoured for better implementation of GST through simplification of procedures via regular issuance of notifications, Circulars and carrying out relevant changes in GST Acts and rules.

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