## Composition

It's a joint forum of Centre & State and consists of following members:

- 1. Union Finance Minister as Chairman
- 2. Union Minister of State in Charge of Revenue or Finance
- 3. Minister in-charge of finance or taxation or any other minister nominated by each state govt.

They have to choose one amongst themselves to be Vice-chairman of the council.

They can also decide his term.

Union cabinet also decided to include Chairman of Central Board of Excise & Customs (CBEC) as a permanent invitee (Non-Voting) to all proceedings of the council.

101st Constitutional Amendment Act 2016 introduce this new tax regime

It inserted new Article 279 - A

That article empower president to constitute GST council by an order

## **GOODS & SERVICES TAX COUNCIL** (GST COUNCIL) Article 279 - A

**Functions** 

Council is require to make recommendations to Centre & States on following matters:

- a) Taxes, Cesses & surcharges levied by Centre, States & Local bodies would get merged in GST.
- b) Goods & Services that may be subjected to GST or exempted from GST.
- c) Model GST laws, Principles of levy, appointment of GST levied on supplies in course of inter-state Trade or Commerce and the principles that govern place of supply.

- d) Threshold limit of turnover below which Goods & Services may be exempted from GST.
- e) Rates including floor rates with bands of GST.
- f) Any special rate or rates for a specified period to raise additional resources during any natural calamity or disaster.

Working

Decisions are taken at meeting. One-Half of total number of members is quorum for conducting a meeting.

Every decision of the council is to be taken by a majority of not less than 3/4th of the weighted votes of members present & voting at meeting.

> Decision is taken in accordance with following principles:

- 1. Vote of Central Govt. shall have weightage 1/3rd of total votes cast in that meeting.
- 2. Votes of all State Govt, combine shall have weightage of 2/3<sup>rd</sup> of total votes cast in that meeting.

g) Special provisions with respect to states of

Arunachal Pradesh Manipur Sikkim Assam Tripura

Meghalaya

Mizoram

Himachal Pradesh Uttarakhand Nagaland

J&k

h) Any matter related to GST, as a council may decide