

GST on tractor parts now 18%, on textiles job work 5%

PRESS TRUST OF INDIA
NEW DELHI, 5 AUGUST

The GST rates on textile job works like stitching and embroidery, and tractor parts were cut today while e-way bill provisions relating to online pre-registration of goods before transportation were relaxed.

The GST Council, headed by Union finance minister Arun Jaitley and comprising representatives of all states, decided to tax all job works in the textile sector, from embroidery to weaving, at 5 per cent instead of previously decided 18 per cent.

To make farm equipment cheaper, tractor parts would attract a Goods and Services Tax (GST) rate of 18 per cent instead of 28 per cent previously.

Government work contracts would attract 12 per cent GST with input tax credit, Jaitley said.

More than 71 lakh central and state taxpayers have migrated to the GST system and have completed registration. Another 15.67 lakh new applications for registration have been received

The Council also gave in-principle approval to anti-profiteering measures and setting up of a Screening Committee in 15 days to see if tax reductions after implementation of GST have been passed on to consumers. The council also finalised the e-way bill that mandates pre-registration of all goods worth over Rs 50,000 before they are moved for sale beyond 10 km. It will, however, not be applicable for exempted goods.