

# GST tweaks for the small

**New Delhi:** Some rejig in GST rate structure is required to reduce the burden on small and medium businesses, revenue secretary Hasmukh Adhia has said.

The goods and services tax (GST), which amalgamates more than a dozen central and state levies such as excise duty, service tax and VAT, will take about a year to stabilise, he said.

“There is need for some rejig in rates... it is possible that some items in the same chapter are divided. There is a need for harmonisation of items chapter-wise and wherever we find there is a big burden on small and medium businesses and on common man, if we bring them down, there will be a better compliance,” Adhia said.

Nearly four months since its introduction, the new indirect tax threw up teething troubles and compliance issues, which the GST Council — the highest decision-making body of the new regime — has addressed through several rounds of changes.

To ease the hassles facing medium and small businesses in paying taxes and filing GST returns, it has tweaked various aspects of the new indirect tax regime to make it industry friendly. Also, the GST Council has rationalised the rates on over 100 commodities and made the refund process easier for exporters.

## RULE REHASH



- Harmonisation of items chapter-wise
- Bringing down the rates wherever it is found that there's a big burden on small and medium businesses

Adhia, however, said the rejig would require some calculations by the fitment committee, which will decide which items need a rationalisation of rates under the GST regime.

The GST Council has already cleared an approach paper for items to be considered for rationalisation but it is not binding and the council can always make deviations from the approach paper.

“We are very keen to do it as early as possible, it depends on how much time the fitment committee takes to work on it. They need data, calculate revenue loss. They need various comparisons. But harmonisation has to be done,” he said.

The 23rd meeting of the GST Council, chaired by Union finance minister Arun Jaitley and comprising representatives of all states, will be held in Guwahati on November 10. PII