

TAX RATES CUT ON 23 ITEMS, RELIEF FOR IT COS

Directives Issued to Implement GST Council's Decisions

Our Bureau

New Delhi: There is some New Year cheer for India Inc as well as consumers – the government is implementing decisions, including reducing tax rates on 23 items such as cinema tickets and power banks, taken at the GST Council meeting recently.

The government issued a clutch of directives late Monday evening that include doing away with filing physical documents for refunds, payment of 6% interest on delayed refunds and granted big relief for the IT and software outsourcing sector for contracts executed jointly with an overseas entity. Consumers

will now pay less for digital cameras, power banks, TV sets of up to screen size of 32 inches and movie tickets with the new rates coming into effect. The GST Council had on December 22 taken a number of decisions, including cut in tax rates.

BOOST FOR IT AND ITES

The IT and ITes companies would now be able to avail refunds on taxes paid on inputs used in servicing global contracts jointly with their foreign outfits.

Suppliers of services located in the country would be liable to pay integrated GST on reverse charge basis on the import of services and would be eligible for input tax credit on it.