

DRAFT RULES FOR APPOINTMENT OF TRIBUNAL'S PRESIDENT AND MEMBERS ALSO APPROVED

New GST Appellate Tribunal Soon

GST Council okays
judicial forum with a
national bench and
3 regional benches

New Delhi: A Goods and Services Tax Appellate Tribunal (GSTAT) will come into effect soon, providing a higher judicial forum for businesses to redress disputes under the new tax framework.

The GST Council approved creation of the tribunal with a national bench in Delhi and three regional benches in Chennai, Kolkata and Mumbai, said a senior government official privy to the deliberations of the council.

National bench to be in Delhi and 3 regional benches in Chennai, Kolkata and Mumbai

The GST law provides for an appeal and review mechanism for dispute resolution under the framework, which was rolled out on July 1 last year. The tribunal is the second level of appeal where pleas can be filed against orders from appellate or revisional authorities.

The council also approved draft rules for the appointment of the tribunal's president and members, and conditions of service. The president of the tribunal must have served as a judge of the Supreme Court or a high court for at least five years, according to the rules.

Industry has been awaiting creation of the appellate forum as the GST regime completes one year. "Constitution of the second level of appeal will put in place a mechanism for disposal of appe-

Second Appeal

A new GST appellate tribunal to be set up soon

GST Council has cleared setting up of the tribunal



Three regional benches at Chennai, Kolkata and Mumbai

How does it help

- ▶ Forum for the businesses for redressal of their disputes
- ▶ Hear appeal against appellate authorities or orders from revisional authorities
- ▶ It will help bring consistency by reconciling different interpretations



als arising out of the first-level appellate orders," said Bipin Sapra, partner, EY.

The move is expected to bring about consistency on issues. The new body replaces the Central Excise and Services Tax Appellate Tribunal.

"Constitution of a national bench of the GST Appellate Tribunal at four locations in India can go a long way in bringing certainty to tax positions," said Harpreet Singh, partner at KPMG India, adding that it would save dealers from different interpretations being adopted by state advance ruling authorities.

Singh said so long as the decisions of all four appellate tribunals are consistent, both the assesses and the tax officials would benefit, as the rulings would serve as legal precedents on issues under GST laws.