

## GST: E-way bill to be implemented from January 1

NEW DELHI: Bihar Finance Minister and GST Council member Sushil Modi on Friday said that the main agenda of the GST Council's 24th meeting on Saturday would be to effectively implement the e-way bill from January 1, 2018.

"Vehicles are moving from one state to another without documents as there is no border check-post now. This gives a chance to the involved parties to evade taxes. The e-way bill will effectively deal with this issue," Modi told Express over the phone. He added that the unavailability of mechanism to collect dues in intra-state transportation is one of the primary reasons why tax collections under the GST regime fell sharply in October.

The Council had earlier said there has been Rs 12,000 crore revenue decline in the goods and services tax (GST) in October. GST revenue for October had stood at Rs 83,346 crore, the lowest compared to the first three months since the implementation of the indirect tax regime from July 1. GST revenue in September was Rs 95,131 crore.

The Council assumes that the new bill will counter tax evasion due to its invoice-matching characteristic, under which all taxable supplies would be matched against supplies received.

The e-way bill also enables tax authorities to track inter-state and intra-state movement of goods. The 24th GST meeting might also see development in including bringing electricity, petroleum products and some other items under the ambit of GST in future.

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Speaking on a FICCI event here on Thursday, Modi had said "Electricity, real estate, stamp duty and petroleum products should become part of GST. This would be our (GST Council's) endeavour."

The minister also added that the Council may bring down 28 per cent tax rate. The meeting will be headed by finance minister Arun Jaitley and will be held via video conferencing. The last meeting was held in Guwahati in November where taxes on 178 items were slashed.

### How e-way bill works

To generate an e-way bill, the two parties - the supplier and transporter need to upload details on the GST Network portal. Following which, a unique e-way bill number will be made available to the supplier, the recipient and the transporter on the common portal.

The bill is required for movement of goods worth more than Rs 50,000. When goods are transported for less than 10 km within the state, the supplier or the transporter need not furnish details on the portal. The business community, however, says the new bill will increase paper work and put extra burden on them.