



Week of 21<sup>st</sup> May, 2018

## **A. CHANGES IN THE GST REGIME**

### **Intra-state e-way bill**

The e-way bill system for inter-state movement of goods has been implemented from 1st April, 2018. Various states and union territories have also notified the implementation of intra-state e-way bill within their respective territories. It has now been notified that e-way bill for intra-State movement of goods will be effective in union territories of Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Andaman & Nicobar Islands and Lakshadweep from 25th May, 2018 and in the state of Goa from 1st June, 2018.

### **GST on outdoor catering services**

The applicant is engaged in the business of catering and supplying of food, beverages (non-alcoholic drinks) and other eatables. The applicant provides these services at various places of its customers. The applicant normally charges GST at the rate of 18% classifying their services as outdoor catering. One of the customers of the applicant has given a contract of catering services, which is in a non-air-conditioned area. The customer has asked the applicant to charge GST at the rate of 12% instead of 18%. The applicant therefore sought an advance ruling on whether the rate of tax on supplies made to non-air conditioned canteen of offices would be taxed at GST of 12% or 18%.

The Gujarat AAR said that the catering service provided by the applicant to its customers who has an in-house canteen at their offices or factories where the meals, snacks, tea are consumed by employees or workers, do not alter the nature of the service provided by the applicant. The supply of services by the applicant will attract GST at the rate of 18%.

## **B. PROPOSED CHANGES AND INDUSTRY ISSUES**

### **GST on crypto currencies**

As per the media reports, the government may levy GST at the rate of 18% on crypto currency trading. The proposal, being considered by CBIC, will be tabled before the GST Council. The report also highlights that crypto currencies may be classified as intangible goods on a par with software.

## **GST on fuel**

As per the current GST framework, petrol and petroleum products are outside the ambit of GST. Therefore, they are subject to excise and VAT, credit of which is not allowed under GST. As per the media reports, bringing petrol and petroleum products under the GST ambit will provide a long term solution to the rising crude prices.

## **Glossary**

**AAR- Authority for Advanced Rulings**

**CBIC- Central Board of Indirect Taxes and Customs**

**CGST- Central goods and Services Tax**

**GSTN- Goods and Services Tax Network**

**IGST- Integrated Goods and Services Tax**

**GST Council- Goods and Services Tax Council, a constitutional body comprising of members of the Central and the State Governments to recommend changes under the existing GST regime.**

## **DISCLAIMER**

This update has been written for the general interest of our clients and professional colleagues by the **GSTUpdateTeam@ALMT** and is subject to change. This update is not to be construed as any form of solicitation. It is not intended to be exhaustive or a substitute for legal advice. We cannot assume legal liability for any errors or omissions. Specific advice must be sought before taking any action pursuant to this update. For further clarification and details on the above, you may write to the [GSTUpdateTeam@almlegal.com](mailto:GSTUpdateTeam@almlegal.com). If you would like to unsubscribe from this weekly update please send an e-mail to us at the above address with the subject unsubscribe.