

# > Be GST Ready >>

GST Coming from 1<sup>st</sup> July, 2017

## gives big relief to small traders/manufacturers/restaurants

**Manufacturer/Service Provider/Trader whose annual turnover is below Rs. 20 Lakh\* need not pay any GST and need not register.**

**Those with annual turnover upto Rs. 75 Lakh\* can opt for composition scheme in which case the tax rates will be as follows:-**

### GST Rate of Composition

Traders - 1%

Manufacturers - 2%

Restaurants - 5%

- In service sector, Composition Scheme is available only for one sector – restaurants.
- The composition scheme is not available for manufacturers of tobacco and manufactured tobacco substitutes, pan-masala & ice-cream and other edible ice, whether or not containing cocoa.
- The dealers who opt for composition scheme have to file only one quarterly return with details of total turnover. Invoice with details are not necessary, bill of supply will suffice.
- Small taxpayers are not required to give HSN code in their returns.
- However, in this option, no input tax credit can be taken or passed on.
- With online registration, return, payment, refund & other processes, delays and discretions would be reduced.
- Reduced compliance burden.
- Special dispensation for job-work to help job workers in the GST regime.

\* This limit is Rs 10 Lakh for Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura,

