

GST Council likely to consider decriminalisation of GST law in 17 December meet

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- **In September, the government said that GST officers can launch prosecution against GST offenders in cases where the amount of evasion or misuse of input tax credit is more than ₹5 crore.**

The Goods and Services Tax (GST) Council scheduled to meet virtually on 17 December, is likely to discuss decriminalisation of offences under GST law, along with raising the threshold of launching prosecution to ₹20 crore, from ₹5 crore at present, news agency PTI quoted officials as saying.

In September, the government said that GST officers can launch prosecution against GST offenders in cases where the amount of evasion or misuse of input tax credit is more than ₹5 crore.

Launching of prosecution by taxmen means commencement of legal proceedings against the offender.

Among one of the proposals before the Council is to raise the threshold limit for launching criminal proceedings under GST for offences over ₹20 crore. Also, the property of offenders below the set threshold will not be attached, officials said.

Also, the GST is most likely to consider removing those penal offences which are already covered under the Indian Penal Code (IPC) from the GST Act to make it more taxpayer-friendly.

Officials added that the law committee of GST officers has finalised the changes in Section 132 of the GST Act as part of the exercise to decriminalise the law.

The GST Council is most likely approve the proposal of GST law decriminalisation, further which amendments to central GST Act is expected to be introduced in the winter session of Parliament beginning December 7. Once approved by Parliament, states would be required to amend their GST laws.

Officials further said that various suggestions have been received for lowering GST on premium for health insurance from current 18 per cent.

The GoM (Group of Ministers) on rate rationalisation is looking into various suggestions and include its recommendation in the report, officials said.

With PTI inputs.