Decision on E-way Bill

Why in news?

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Union government has proposed the roll out of GST e-way bill from 1st April 2018.

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What is GST e-way bill?

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- The e-way bill can be electronically generated (on the government portal) either by the supplier or recipient of the consignment, before the movement of goods.
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- The transporter needs to carry an electronically generated way bill, with every consignment having value exceeding INR 50,000.
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What is the need for the recent move?

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- Earlier union government planned to implement GST e-way bill from 1st February 2018, but it was abandoned after the crash of IT network involved in creation of the bills.
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- The government decided to defer its roll-out till the technical glitches, like those businesses faced while filing online returns on the GST Network initially.
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- Earlier government has decided for intra-State goods movement, all States must launch their own e-way bill systems by June 1.
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- Recently a ministerial group proposed that instead of bringing all States

and Union Territories on board together, introducing intra-State e-way Bills in four or five at a time is better.
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- Due to large-scale rationalisation of tax rates and tax avoidance ways used by registered taxpayer's tax collection has dipped, to revive the tax revenues government is urging to introduce GST e-way bills.
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What are the expected concerns?

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- Industry already has several reservations about the e-way bill regime, including the norm that such bills are generated for all goods travelling 10 km from the point of origin.
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- For businesses with operations across the country, this proposal will pose a fresh compliance headache as some States may require e-way Bills for internal movement of goods while others will not.
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What are areas expected to discussed by GST council?

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- Till Jan 2018, over one crore registered businesses filed returns, but there are wide variations across territories.
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- In Punjab, 83% taxpayers filed returns, while industrially developed States, including Maharashtra and Tamil Nadu, didn't fare as well.
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- This disparity must be factored in by the GST Council when it considers proposals for a staggered launch of the intra-State e-way bill system.
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- To boost compliance further rationalisation of multiple GST rates is also expected from GST council along with ensuring IT infrastructure.
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Source: The Hindu

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