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Analysis of Article 279A- Goods and Services Tax Council

Article 279A of the constitution empowers the president to constitute a joint forum of the central and states namely, Goods and Services Tax Council. Goods and Services Tax Council is a constitutional body for making recommendations to the union and state government on issues related to Goods and Service Tax. The provisions relating to GST council came into force on 12th September, 2016 and President constituted GST council on 15th September, 2016.

Constitution of GST Council: The GST council shall consist of the following members, namely:-

- a) The Union Finance Minister is the Chairperson
- b) The Union Ministers of state in charge of Revenue of Finance is the Member
- c) The Minister in charge of Finance or Taxation or any other Minister nominated by each State Government are the Members

Powers and Duties of the GST Council: The following points describes the work responsibilities and powers of the members of the GST Council

1. The GST Council shall make recommendations to the Union and the States on
 - a) The taxes, cesses and surcharges levied by the Union, the states and the local bodies which may be subsumed in the Goods and Services tax;
 - b) The goods and services that may be subjected to, or exempted from the GST;
 - c) Model GST Laws, principles of levy, apportionment of Goods and Services tax levied on supplies in the course of inter-state trade or commerce under Article 269A and the principles that govern the place of supply;
 - d) The threshold limit of turnover below which goods and services may be exempted from GST;
 - e) The rates including floor rates for specified period, to raise additional resources during any natural calamities or disaster;

f) Special provision with respect to the states of Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Uttarakhand and Himachal Pradesh (Referred as Special Category States)

g) Any other matter relating to the goods and services tax, as the council may decide

2. GST Council shall recommend the date on which the goods and services tax be levied on petroleum crude, high speed diesel, motor spirit, natural gas and aviation turbine fuel.

3. The Goods and Services tax council shall establish a mechanism to adjudicate any dispute ?

a) Between the Government of India and one or more States; or

b) Between the Government of India and any State or States on one side and one or more other States on the other side; or

c) Between two or more States, arising out of the recommendation of the council or implementation thereof.

4. While discharging the functions conferred by the article, the GST Council shall be guided by the need for a harmonized structure of goods and services tax and for the development of a harmonized national market for goods and services.

5. The **GST Council shall determine the procedure in the performance of its functions.**

Quorum for the GST Council Meetings: One-half of the total number of the members of the GST Council shall constitute the quorum at its meeting.

Voting Powers of the GST Council Meetings: Every decision of the GST Council shall be taken at a meeting, by a majority of not less than three-fourths of the weighted votes of the members present and voting, in accordance with the following principles, namely:-

a) The votes of Central Government shall have a weightage of one-third of total votes cast, and

b) The votes of all state Governments taken together shall have a weightage of two-thirds of the total votes cast, in that meeting.

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