



Ministry of Finance

Implementation of various decisions taken by the GST Council for the MSME Sector; Issue of Notifications there of

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The GST Council in its 32nd Meeting held on 10th January, 2019, inter-alia, had taken the following decisions to be effective from 1st April, 2019 (01.04.2019):

- **Higher Exemption Threshold Limit for Supplier of Goods:** There would be two Threshold Limits for exemption from registration and payment of GST for the Suppliers of Goods i.e. Rs. 40 lakhs and Rs. 20 lakhs. States would have an option to decide about one of the limits. The Threshold for Registration for Service Providers would continue to be Rs. 20 lakhs and in case of Special Category States Rs. 10 lakhs.
- **Composition Scheme for Services and Mixed Suppliers:** A Composition Scheme shall be made available for Suppliers of Services (or Mixed Suppliers) with a tax rate of 6% (3% CGST + 3% SGST) having an Annual Turnover in preceding Financial Year upto Rs 50 lakhs.
- **Increase in Turnover Limit for the Existing Composition Scheme:** The Limit of Annual Turnover in the preceding Financial Year for availing Composition Scheme for Goods shall be increased to Rs. 1.5 crore. Special Category States would decide about the Composition Limit in their respective States.

The following Notifications have been issued to implement the above decisions:

- Notification No. 10/2019 – Central Tax, dated the 7th of March, 2019 for higher exemption Threshold Limit for Supplier of Goods;
- Notification No. 02/2019 – Central Tax (Rate), dated the 7th of March, 2019 for Composition Scheme for Services and Mixed Suppliers, which would be optional to the taxpayers;
- Notification No. 14/2019 – Central Tax, dated the 7th of March, 2019 for Increase in Turnover Limit in case of existing Composition Scheme.

These Notifications shall come into effect from the 1st of April, 2019.

DSM/RM/KA

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