

# GST enrolment drive led by 4 BJP-ruled states

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Four Bharatiya Janata Party-ruled states — Madhya Pradesh, Gujarat and Chhattisgarh and Rajasthan — are leading the race in shifting those who pay the value-added tax (VAT) to the goods and services tax network (GSTN), with more than 70 per cent of the dealers enrolled.

Despite the uncertainty over the GST roll-out, the GSTN, which stands for the platform as well as the body administering it, is in the process of being made ready on April 1.

The GSTN plans to move most of the eight million taxpayers to the portal by the end of January.

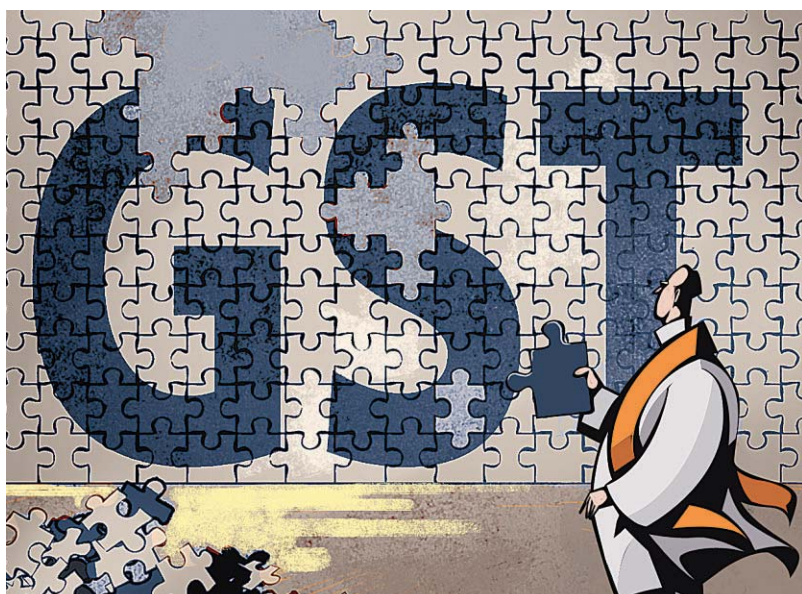
With the enrolment drive starting in all states and Union territories in phases from November 8, roughly half the VAT dealers in the country have registered with the GSTN portal. Of 5.8 million unique VAT payers, 2.6 million have listed themselves with the GSTN.

“Our idea is to complete the enrolment process by end-January. We are on course to providing backend support by April 1,” said a GSTN executive.

Madhya Pradesh and Gujarat have reported the most robust response, with 78.3 per cent and 78.1 per cent of the people concerned enrolled on the platform. Enrolment in the two states started on November 30. In Puducherry and Sikkim, the enrolment started on November 8, but the two have so far managed to get 57 per cent and 44 per cent of taxpayers, respectively, on board. It will be compulsory for dealers with an annual turnover of more than ₹20 lakh to register with the GSTN. In the Northeastern states and hilly states, it is mandatory for those with more than a ₹10 lakh turnover.

Units with an annual turnover of around ₹10 lakh are exempt from paying the VAT, and those having an annual turnover of up to ₹20 lakh will not be required to register unless they want to avail themselves of the input tax credit facility by being in the GST net.

“One-third of the taxpayers are below the exemption limit, but many of them will register to avail themselves of the input tax credit. So, we expect eight to 10 per cent people will not register, as they will utilise the exemption,” said the GSTN



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### TOP 4 STATES

	Enrolments so far (%)	Start date
Madhya Pradesh	78.30	Nov 30
Gujarat	78.10	Nov 15
Chhattisgarh	75.00	Nov 14
Rajasthan	70.75	Dec 16

Note: All figures are for 2016

### BOTTOM 4 STATES

	Enrolments so far (%)	Start date
Jammu & Kashmir	0.01	Dec 16
Arunachal Pradesh	4.90	Nov 30
Manipur	9.01	Nov 30
Meghalaya	10.00	Nov 30

Source: Goods and Services Tax Network (GSTN)

official. The laggards are Jammu & Kashmir, Assam, Arunachal Pradesh and Meghalaya, with just under a 10 per cent enrolment so far.

Jammu & Kashmir has managed just 0.01 per cent registrations.

The GSTN has given a timeline to switch all payers of the VAT, excise duty and service tax to the GSTN by March 20. Although the time given to enrol is 15 days, the GSTN has decided to keep it open-ended as of now to encourage more players to register.

“We will soon specify a deadline. But for now, we want to give everyone a chance to apply,” said a GSTN official.

Under the enrolment procedure, traders are supposed to submit their documents and fulfil the know-your-customer norms and will get the registration and unique identity — GST

identity numbers — from the GSTN.

The GST Council is yet to break the deadlock on key issues, including the division of control between the Centre and the states. Only after the Council passes the GST laws can they be tabled in Parliament and the assemblies. The next meeting is scheduled for January 16.

The enrolment for the excise duty started on January 9 and that for services tax will begin in a few days.

There are 2.2 million service taxpayers. The GSTN is a private body developing the front-end infrastructure with the help of Infosys. It will provide a common platform for registration, return filing and e-payment. It will also integrate the common GST portal with the tax administration systems of the Centre and states. It has taken a ₹550-crore loan from IDFC Bank on a government guarantee.