

**CHIEF MINISTER'S OFFICE  
GOVERNMENT OF TELANGANA**

**PRESS RELEASE**

**04<sup>th</sup> July, 2017**

Hon'ble Chief Minister Sri K. Chandrashekar Rao has instructed the officials concerned to organise awareness conferences all over the State to create awareness among the people and businessmen over the newly introduced Goods and Services Tax (GST) by the Centre. He wanted these conferences to be held on July 5th, 6th and 7th in 91 Circles under the Commercial taxes department and the officials clarify doubts among the traders, businessmen and general people on the GST and also inform them on how the GST is implemented? How much tax one should pay on what turn over? etc.,

The CM held a review meeting on the affects of GST here on Monday at Pragathi Bhavan. TRS Parliamentary Party leader Sri K. Keshav Rao, Government's Chief Advisor Sri Rajiv Sharma, Chief Secretary Sri SP. Singh, Senior officials Sri S. Narsing Rao, Sri Ramakrishna Rao, Sri Anil Kumar, Sri Somesh Kumar and senior officials from the Commercial department have participated.

“The Centre has decided to implement the GST through out the country. All states have to implement it and we are also implementing it. There are divergent opinions on whether implementation of the GST is profitable or not and who will suffer the loss? There is a need to get a clarification in these issues. There are some plus points on the implementation of the GST. Businessmen whose annual turnover is below Rs. 20 Lakh need not pay any tax. For those having turnover between Rs. 20 to Rs. 75 Lakh, the tax is only one percent. This is a positive aspect. All small business and trades will have turnover below Rs. 20 Lakh, and moderate businessmen will pay only one per cent tax. This aspect should be informed to the people and awareness should be created on the actual form of the GST and remove fears and apprehensions. Suggest the small traders how to do their business. Chief Secretary, Commercial taxes Commissioner, Finance Secretary and other senior officials should personally go and clarify the doubts. Prepare a comprehensive note on the GST and circulate,” the CM instructed.

The review meeting also deliberated on will the GST is good for the State, is it profitable or loss? Will it burden the people with tax and what will be its affect on the state's revenue? The officials pointed out that since Petrol, Diesel and excise are exempted from the GST; the GST will have no adverse affect on 50 percent of the state's revenue. And in the rest 50 percent, the government will get back 50 percent of the revenue back. Since the Centre has to give the State its share in the increased revenues, the

state's allocation in the Centre's funds will increase. On an average, about Rs. 2,000 to 3,000 Crore more income, the state will get per year. However, to understand the GST affect, one has to wait for the third quarter in December, the officials explained to the CM.

“Fundamentally it appears that by GST, the state has something gain not much to lose. Measures to be taken so that small businessmen are not at loss and ensure that it has no adverse affect on their lives. GST will be very useful in catching the tax evaders. This will generate more revenues which can be used for the development and welfare schemes in the State,” the CM observed.

**CPRO to CM**