

# Bill Summary

## The Union Territory Goods and Services Tax Bill, 2017

- The Union Territory Goods and Services Tax Bill, 2017 was introduced in Lok Sabha on March 27, 2017. The Bill provides for the levy of the Union Territory Goods and Services Tax (UTGST).
- **Levy of UTGST:** The centre will levy UTGST on the supply of goods and services within the boundary of a union territory.
- **Tax rates:** The tax rates of UTGST will be recommended by the GST Council. This rate will not exceed 20%.
- **Exemptions from UTGST:** The centre may exempt certain goods and services from the purview of UTGST through a notification. This will be based on the recommendations of the GST Council.
- **Assistance to search, seizure and arrest:** All officers of Police, Railways, Customs, and those officers engaged in the collection of land revenue, including village officers, and officers of central tax will assist the tax administrative officers in the implementation of this Act.
- **Applicability of provisions of Central Goods and Services Tax Act, 2017:** Several provisions of the Central Goods and Services Tax Act, 2017 apply to this Act. Such provisions include (i) time and value of supply, (ii) composition levy, (iii) registration, (iv) returns, (v) payment of tax, (vi) assessment, (vii) refunds, (viii) inspection, (ix) search and seizure, (x) advance ruling, (xi) appeals, and offences.
- **Transition to the new regime:** Taxpayers with unutilised input tax credit obtained under the current laws may utilise it under GST.

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