

No IGST on Imports Under Export Promotion Schemes

Different Facets GST Council provides no exemption for a number of telecom and IT products that do not face countervailing duty now.

Keen to give a leg-up to exports, the Goods and Services Tax Council has provided outright exemption to imports under various export promotion schemes, including special economic zones, from Integrated GST.

However, no exemption has been provided for a number of telecom and IT products that do not face countervailing duty now. Exemption for these products under GST regime was sought by Apple.

A number of IT and telecom products do not face any basic customs duty as India has committed to exempt these items under the Global Information Technology Agreement. India went a step further and removed countervailing duty, levied in lieu of central excise duty, to encourage telecom manufacturing in the country.

Apple was keen on extension of CVD exemption under the GST regime. “Exemption from IGST on imports by SEZ units and developers for authorised operations will be available,” a notification said.

Re-import of goods exported under any claim ported under any claim of export promotion schemes such as drawback, reimport of cut and polished precious stones sent abroad for treatment would not face Integrated GST, which will be equal to central and state GST.

Import by staff of diplomatic missions and their families for their use would enjoy exemption under GST. Goods imported for Bhutan and Nepal and goods including trophies imported for sports events to be reimported would not face any IGST.

Exemption has been provided to goods worth `1,000 imported through postal parcels or letters and imports via passenger baggage. The GST Council at its 14th meeting had decided to exempt a host of imported items under various international commitments. The Central Board of Excise and Customs has notified the exemption list approved by the council.

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