

Jammu and Kashmir joins GST

08th July 2017

Goods and Services Tax was launched in the country from the midnight of 1st July, 2017. However, because of the special provisions applicable to the State of Jammu and Kashmir extra steps had to be taken before the State could join the GST fold.

On 6th July 2017, the State of Jammu and Kashmir took the first step towards adopting the GST regime with the President of India giving assent to the Constitution (Application to Jammu and Kashmir) Amendment Order, 2017. Resultantly, the One Hundred and First Amendment Act, 2016 to the Constitution of India that paved the way for introduction of GST in the country, became applicable to the State of Jammu and Kashmir also. Following this, on 7th July, 2017 the Jammu and Kashmir Goods and Services Tax Bill, 2017 was passed by the State legislature, empowering the State to levy State GST on intra-state supplies with effect from 8th July, 2017.

Concomitantly, the President of India has promulgated two ordinances, namely, the Central Goods and Services Tax (Extension to Jammu and Kashmir) Ordinance, 2017 and the Integrated Goods and Services Tax (Extension to Jammu and Kashmir) Ordinance, 2017 extending the domain of Central GST Act and the Integrated GST Act to the State of Jammu and Kashmir, with effect from 8th July, 2017. With this, the State of Jammu and Kashmir has become part of the GST regime, making GST truly a “one nation, one tax” regime.
