

PRESS RELEASE

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BJP IMPOSES HIGHEST EVER GST RATE IN THE WORLD

GST HITS AT LIVELIHOOD OF SHOPKEEPERS, TRADERS, MICRO & SMALL BUSINESSES, FARMERS AND COMMON MAN

UPA'S GST KEPT TAXATION CAPPED AT 18%, WAS SIMPLE & TRANSPARENT – BJP'S GST IS THE OPPOSITE

ROTI, KAPDA AND MAKAAAN HIT HARDEST BY CURRENT GST. BODY BLOW TO TEXTILE SECTOR

“BJP’s GST (Goods & Services tax) is cumbersome with 5-tier tax structure (5%, 12%, 18%, 28%, 43%) and will hit out at livelihood of shopkeepers, traders, micro & small businesses, farmers and common man of the country. In fact, BJP Government has imposed the highest-ever GST rate in the world unlike the Congress-UPA, which put a cap of 18%”, said AICC Media Incharge & senior Congress Leader, Randeep Singh Surjewala at Panipat on Saturday.

Mr. Surjewala was addressing a ‘**Traders Sammelan**’ under the aegis of ‘**VYAPAR BACHAO – DUKANDAR BACHAO**’ at Panipat to protest on the first day of implementation of GST in the country. Businessmen from the important National textile hub of Panipat, shopkeepers and traders and Presidents/Representatives of various Associations from across the State joined this protest meet organized by Shri Virender Shah, Congress candidate from Panipat alongwith former Seva Dal President, Shri Suresh Gupta and former Youth Congress President, Shri Sanjay Chokar.

Addressing the well attended meeting of traders, Mr. Surjewala said that, “GST in current form will be a body blow to the farmers, textile sector, small & medium businesses on one hand and will lead to run away inflation for all goods of mass consumption for the common man on the other”. He said that, “UPA’s GST was simple, transparent and uncomplicated taxation on goods and services, while BJP’s GST is a complicated maze of multi-tier tax structure requiring 37 Returns to be filed by every tax payer per year. In case, a tax payer is doing business in all 36 States/Union Territories, it will be 1332 Returns, which is shocking”.

Massive Taxation for Goods of Mass Consumption

Highlighting the GST provision, Mr. Surjewala questioned BJP Government’s motive of taxing all aspects of ‘Roti, Kapda and Makaan’ in an excessive fashion. Citing an example, Mr. Surjewala asked Prime Minister, Shri Narendra Modi and FM, Shri Arun Jaitley as to

what is the justification for excessive taxation of daily use items like Shampoos, Deodrant (28%), ACs/TVs/Washing Machines (28%), Furniture (28%), Computers/Multi-functional Printers (28%), Small Cars (28%), Movie Tickers above Rs.100/- (28%), EMI on Vehicle (28%), Cement (28%), Chess Board/Yoga Mat (28%), Food & Beverages (18%), Payments through Credit Cards & all Banking Services (18%), Insurance Premium & Financial Services (18%), Telephone/Cell Phone Charges (18%), Helmets (18%), Coaching Classes (18%), Tour & Travel (18%), Educational Institutes & Hospitals (18%), Entire Construction Sector (18%), Ice Cream/Hair Oil/Tooth Paste/Soap/Soups/Corn Flakes (18%), Textile/Manmade Fiber/Dyeing/Embroidery (18%), EMI on Home Loans/Consumer Durable/Medicines/Insurance (18%), Photo-Voltaic Cell (18%), Mineral Water (18%), Sanitary Napkins/Tampons for Women (12%), Dialysis/Blood Test/X-ray/Ultrasound etc. (12% to 18%), Clothes/Footwear above Rs.1000/- (12%), Tea/Coffee/Butter/Biscuit/Curd/Sweets/Juices (12% to 28%) and Wheel Chairs for Physically Challenges (5%).

Mr. Surjewala also questioned the arbitrariness in fixing certain rates. Does it make sense to tax mineral water at 18% even when caviar and prawns are taxed at 12% or even when exotic imported fruits and vegetables are taxed at 0%, he asked? Similarly, what is the justification for taxing almonds and dry fruits at 12% and cashew nuts at 5%, he questioned?

Textile Sector worst hit

Mr. Surjewala said that textile sector is the second biggest job generator after agriculture. They are the hardest hit by distorted duty structure of GST, which can wipe out the living subsistence of millions of micro, small & medium manufacturers, traders, cloth merchants and shopkeepers. Mr. Surjewala particularly questioned tax on man-made fiber and yarn, dyeing & printing and embroidery at 18%, while rate of the end product i.e. fabric is only 5%. This will be death knell for the medium, small & micro non-integrated textile players, while helping the big fish in textile sector to make huge profits. What is deeply shocking is that while Indian fabric manufacturers will pay such high taxes, BJP Government has permitted import of fabric from China, Bangladesh, Sri Lanka and other countries at 5% only, which will further erode the viability of textile sector in India, Mr. Surjewala added.

Agriculture Taxed – Anti-Farmer Face of BJP Exposed

India's farmer is already reeling under the lack of appropriate MSP and a cycle of indebtedness. Current GST seeks to further tax the farmer and agriculture sector, Mr. Surjewala said.

Fertilizers attract 0% tax in most States. 'First, BJP imposed 12% tax on fertilizer and after protest by Congress Party reduced it to 5% late last night'. Why any tax should be imposed on fertilizer, Mr. Surjewala asked?

Similarly, GST of 28% has been imposed on pesticides in a completely insensitive fashion with a view to tax the agriculture. Why has this decision been taken, Mr. Surjewala asked?

To top it, a 12% GST has been imposed on tractor and all other agricultural implements. In disguise, a 28% tax has been imposed on tyres, tubes, engines and transmission parts of tractor and all other agricultural implements making the effective tax to be 28%. This is the classical double speak of BJP, Mr. Surjewala said.

An 18% GST has been imposed on construction of cold storage and warehouses for storing agriculture produce and even mechanized food grains handling system, further taxing the agriculture sector.

GST a Wasted Opportunity in Incompetent Hands

Despite the unstinted support to the reform in political spectrum, present GST is a wasted opportunity in incompetent hands of BJP leadership. It is one more example of Modi Government's method of governance: **LONG ON TALKS AND SHORT ON DELIVERY**, Mr. Surjewala said.

This Traders Sammelan was attended by former Minister, Shri Bachan Singh Arya; former MLAs – Shri Ramesh Gupta, Shri Pawan Diwan, Shri Radhey Shyam Sharma, Shri Phool Singh Balmiki and was also addressed by Mahila Congress President, Smt. Sumitra Chauhan; PCC General Secretary, Shri Suresh Yunuspur; Haryana Kisan-Khet Mazdoor Congress President, Shri Bhupinder Singh Phogat; Haryana Krishak Samaj President, Shri Ishwar Nain as also by Presidents of various Grain Markets, Cloth Merchants/Kiryana Associations and other trade bodies from across the State.

