

# Industry should not seek tax exemption: CBIC chief

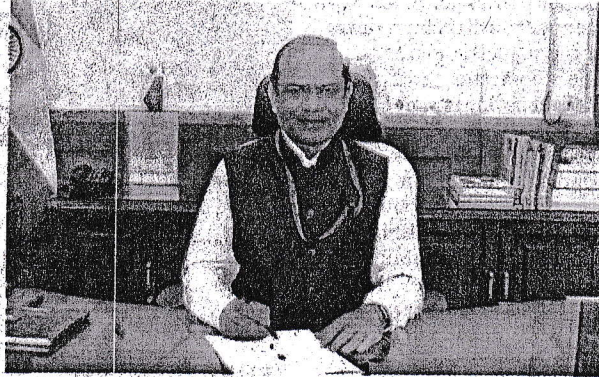
**SKEWING THE EQUATION.** Says waiver for a category affects the input tax credit chain

**Our Bureau**  
New Delhi

The Chairman of Central Board of Indirect Taxes & Customs (CBIC) Sanjay Kumar Agarwal, on Wednesday, urged the industry not to seek tax exemption or lower duty as it affects the simplification process of GST.

He also said that tax department will soon send advisories to businesses that are non-compliant on issuing e-invoices to B2B customers.

"The industry should do some introspection. They should not demand for exemption for a particular category as it affects the input tax credit chain," said Agarwal while addressing a conference on Ease of Doing Business or-



**NEW APPROACH.** Businesses with a turnover of over ₹5 crore are required to issue e-invoices from August 1, said Agarwal

ganised by Department for Promotion of Industry and Internal Trade (DPIIT) and CII here. Further, he added that if there is need for simplification, then there should not be demand for exemption. On the e invoice, he

said: "From August 1, businesses with a turnover of over ₹5 crore are required to issue e-invoices.

"There I would like to mention that those who had to file e-invoices as per law, there the compli-

ance level is not very high. We will be sending advisory to such taxpayers to issue e-invoices. We do not want to adopt an approach, which is intimidating, so we want to initially adopt soft approach and nudge them to issue e-invoices."

## **E-INVOICING**

CBIC has started making e-invoice mandatory for businesses in a staggering manner beginning 2020. E-invoicing was initially implemented for large companies with a turnover of more than ₹500 crore, and within three years the threshold has been lowered to ₹5 crore.

The details furnished in e-invoices are auto populated in monthly and quarterly GST returns.