



GimBooks

GST Updates Tracker

October 2026 edition

A practical guide to the 57th GST Council meeting: what was recommended, who may be affected, what dates were announced, and what businesses should do next.

STATUS AS OF 15 OCTOBER 2026

The Council has published recommendations and FAQs. The official FAQ says implementation will take place through relevant CBIC notifications, circulars and other instruments. Treat recommendations as proposals unless the applicable instrument has been issued and its commencement date has arrived.

Prepared for business owners, finance teams and GST practitioners

Based on official GST Council and Ministry of Finance material available on 15 October 2026.

How to read this tracker

The 57th meeting was held on 8 October 2026. This edition summarises its recommendations and uses the Council FAQ as the legal-status checkpoint.

LABEL	WHAT IT MEANS
Council recommendation	Announced by the Council; this alone does not amend the Act, Rules, notification or portal process.
Future date announced	A date is described in official material, but businesses should confirm the implementing instrument and commencement provisions before applying it.
Existing position / clarification	The FAQ explains an existing entry or treatment. Check the referenced notification and facts before relying on it.
Action now	A readiness step that can be taken without assuming a proposed legal change is already operative.

At a glance

The meeting focused mainly on process reforms covering registration, returns, refunds and adjudication, together with trade facilitation and selected goods and services clarifications. The official release does not describe this meeting as a general GST rate-reduction exercise.

AREA	MAIN ANNOUNCEMENT	STATUS TO USE
Registration	Simpler applications, faster amendments and phased system-led cancellation.	Recommendation; await CBIC instrument / portal rollout.
Returns & ITC	Better matching across GSTR-1, GSTR-3B and GSTR-2B; new statements and correction routes.	Most changes proposed; April 2027 return period cited for alternate correction mechanism.
Refunds	Automated processing, faster acknowledgements, provisional payments and expanded ITC refund eligibility.	Recommendation; specified future cut-in dates announced.
Enforcement	Proposed changes to prosecution, penalties, e-way bill interception and ITC blocking safeguards.	Legislative / rule changes required.
Small sellers	Simplified registration on e-commerce platforms; optional ARQP concept.	Scheme details and operational instruments awaited.

Scope note: This is a change tracker, not a complete GST compliance calendar or legal opinion. It covers material items from the 57th meeting; refer to the official release and FAQs for the complete text.

1. Registration, returns and ITC

Operational systems are expected to change, but the Council's recommendations require follow-up instruments and portal implementation.

TOPIC	WHAT WAS RECOMMENDED	WHO SHOULD WATCH / ACTION
Registration applications	Issue detailed document guidance and FAQs; revise REG-01 with clearer document selection and improve the portal interface.	New applicants: retain a complete, consistent document pack and monitor portal guidance.
Registration amendments	Automatic acceptance of most amendments; principal place of business (PPoB) changes remain officer-processed in the general route. Rule 14A taxpayers would have automatic acceptance, including PPoB.	Businesses changing legal or location details: continue using the current process until the amendment is notified and the portal reflects it.
Cancellation / revocation	Phased automatic cancellation when returns and dues are cleared, with conditions tied to ITC passed on and final-return filing. System-based cancellation/revocation for specified defaults was proposed.	Before applying: reconcile returns and dues; verify current REG-16 / GSTR-10 rules. Do not assume auto-acceptance is live.
E-commerce sellers	A simplified optional registration route for eligible small goods sellers, including an ECO warehouse as PPoB in another State/UT, subject to conditions.	Marketplace sellers: map state presence, turnover, ITC passed on and warehouse locations; await final eligibility and registration guidance.

Return filing and ITC reconciliation

- Proposed return improvements: enhancements to GSTR-1 / GSTR-1A / IFF; an electronic statement for reverse-charge tax paid and ITC claimed; better alignment of GSTR-3B liability with outward-supply data; invoice details in DRC-03; IMS options to accept, reject or keep documents pending; and a credit reversal/reclaim statement.
- Proposed correction route: the official release says an alternate mechanism for correcting liability and ITC is proposed from the April 2027 return period. The FAQ also describes related changes as requiring future implementation. Confirm the notification and portal instructions before using a new route.
- Readiness now: strengthen monthly reconciliation among sales register, GSTR-1 / IFF, GSTR-3B, purchase register and GSTR-2B. Record mismatch reasons and ownership; do not defer existing filing obligations while waiting for new functionality.

Affected teams: accounts payable and receivable, tax, e-commerce operations, and anyone responsible for registration master data or return preparation.

2. Refunds, ITC and dispute resolution

Several measures target working capital and reduce manual processing. The dates below are announced in the official material, but implementation still depends on the relevant instruments.

REFUND AREA	COUNCIL RECOMMENDATION / ANNOUNCED DESIGN	DATE / CONDITION
Excess cash ledger	Fully automated refund processing; no officer intervention described.	Effective only after applicable implementation.
Zero-rated and inverted-duty refunds	Acknowledgement period reduced from 15 to 10 days; deemed acknowledgement if no response; low-risk claims may receive 90% provisional sanction.	Claims remain subject to eligibility, risk controls, statutory withholding and final processing.
ITC on input services	Include eligible input-service ITC in specified inverted-duty refund calculations.	ITC availed on or after 1 Nov 2026, as stated in FAQ; requires relevant instrument.
ITC on capital goods	Include eligible capital-goods ITC for specified zero-rated and inverted-duty refunds, spread over 60 months.	ITC availed on or after 1 Apr 2027, as stated in FAQ; requires relevant instrument.
Other refund provisions	Proposed removal of the 1.5x cap for zero-rated goods turnover; ₹1,000 threshold assessed on total refund across CGST, SGST/UTGST and IGST.	Amendments to Rule 89 / Section 54 proposed.

Dispute resolution and penalties

- A comprehensive circular was recommended to standardise demand notices, adjudication and appeal orders.
- Recommendations include no show-cause notice below ₹10,000; a 5% reduced penalty for non-fraud cases where tax and interest are paid within 30 days under Section 73 or 60 days under Section 74A; removal of the minimum ₹10,000 penalty in non-fraud cases; and reducing the maximum general penalty from ₹25,000 to ₹10,000.
- The Council also recommended deeming certain voluntary-payment amounts as a “charge” when tax, interest and penalty are paid within the specified time. These are proposals requiring law / rules / circulars; do not use them to assess an open matter without checking the operative text.

Before claiming a new refund or applying a reduced penalty: check the latest CBIC notification/circular, the relevant return period, eligibility conditions and portal availability. A Council press release is not a substitute for the operative instrument.

3. Enforcement, movement of goods and small-taxpayer relief

The Council recommended a combination of taxpayer safeguards and more targeted enforcement. These proposals should not be read as changing current powers until brought into force.

AREA	PROPOSED CHANGE	PRACTICAL PREPARATION
Arrest / prosecution	Remove specified arrest provisions; raise prosecution threshold from ₹1 crore to ₹5 crore; narrow selected offences and revise punishment framework.	Maintain existing compliance controls. For notices or investigations, use current law and obtain case-specific advice.
E-way bill interceptions	Interception based on specific intelligence and Joint Commissioner-level authorisation; inspection / detention generally tied to supplier or recipient in that State, with exceptions for missing e-way bill / origin-destination documents. No confiscation of goods / conveyances in transit was recommended.	Drivers should continue carrying required e-way bill and movement documents. Review transport SOPs after final rules are published.
Blocked ITC under Rule 86A	Allow an objection and personal hearing before the officer decides on a ledger-blocking objection.	Keep invoice, payment, receipt-of-supply and reconciliation evidence organised. Verify procedure when amended rule is issued.
Late fee for small taxpayers	Waiver for delayed Section 39(1) returns for preceding-year turnover up to ₹5 crore, if filed by the end of the month in which due.	Do not assume late fee is waived yet; file on time and confirm the applicable notification and dates.
ARQP concept	In-principle concept for optional Annual Return Quarterly Payment for turnover up to ₹5 crore and exclusively B2C supplies.	Concept only; no payment or return cadence change until scheme rules and portal instructions are issued.

Other proposed compliance changes

- E-invoicing scope was proposed to extend to domestic supplies received from unregistered persons under reverse charge and imports of services for taxpayers with aggregate annual turnover of ₹5 crore or more. Await scope wording, exemptions, start date and technical guidance.
- Changes were proposed to clarify e-commerce operator tax responsibility for notified services irrespective of the business model. Businesses using platforms should review contracts and transaction flows after publication of the final amendment.
- The Council recommended changes to registration, return time limits and ITC provisions, and amendments aligning GSTAT provisions with tribunal reforms. Check the final Act / Rules and relevant commencement notifications.

Immediate operational instruction: continue following the law, notifications, portal advisories and due dates currently in force. Use this tracker to prepare for possible change, not as authority to change tax treatment today.

4. Goods and services clarifications

The Council FAQs provide item-specific explanations. Some entries describe a recommendation; others explain classification or current notification entries. Verify the exact product/service facts and relevant rate notification.

SUBJECT	OFFICIAL SUMMARY	STATUS / CHECK
Sublimation paper	FAQ says classifiable under heading 4809, with past-period regularisation recommended on “as is where is” basis.	FAQ references existing Notification 9/2025-CTR entry; check exact tariff fit and any subsequent instrument.
Toys under heading 9503	FAQ says relevant entries cover categories under heading 9503, not only the examples named.	Check the referenced rate-notification entries and product classification.
Seaweed bio-stimulants	Only bio-stimulants registered under the Fertiliser Control Order qualify for heading 3101 treatment; not all seaweed products.	FAQ explains the existing notified entry. Product registration / composition matters.
Second-hand vehicles	Margin scheme may still apply when ITC is taken on other business inputs/services; ITC on purchase of the second-hand vehicle itself is barred if using the concession.	FAQ describes existing concession notifications. Validate transaction-specific calculation.
Specified waste and scrap	TDS at 2% for registered-to-registered supplies; RCM for specified scrap supplied by an unregistered person to a registered person.	Recommendation; recipient-side registration, GSTR-7 / RCM duties depend on final instruments.
Psyllium seeds	Separate nil-rate entry recommended for fresh, chilled, frozen or dried seeds.	Await notification; do not infer product coverage for processed preparations.
Retreaded tractor tyres	Rate alignment with new tractor tyres recommended.	Await notification and effective date.

Services: watchlist

SERVICE	WHAT TO CHECK
EV passenger transport / rental	5% option with restricted ITC when battery charging cost is included, aligned with the comparable fuel-inclusive option.
E-commerce delivery	5% without ITC recommended; who pays depends on provider registration and Section 9(5) conditions.
GTA transport linked to ECO orders	FAQ says the proposed treatment would remove the Entry 21A exemption for qualifying ECO-linked goods; specified 5% without ITC or 18% with ITC options are described.
Exports / place of supply	Proposals address services through foreign branches, foreign-currency or permitted INR export payments, and location-of-recipient treatment for specified services.
Other services	Recommendations include exemptions / clarifications for specified helicopter, seed warehousing, coffee curing, SPFO, R&D;,, shipping-line imports, toll rights, highway O&M;,, and selected ITC cases.

5. Business action plan

Use the following as a readiness checklist. These steps help teams prepare without treating recommendations as effective rules.

WHEN	ACTION	OWNER / EVIDENCE
Now	Save the Council press release and FAQs; assign an owner to monitor CBIC notifications, circulars and GST portal advisories.	Tax lead / dated source log
Now	Map exposure: registration changes, e-commerce states, return reconciliations, refunds, penalty matters, transport documents and affected goods/services.	Tax + operations / impact register
Now	Keep current processes in place; continue all existing filings and payment deadlines. Flag any decision dependent on a proposed change for professional review.	Finance / exception log
Before each action	Confirm the exact enabling notification, circular or rule, commencement date, conditions and portal readiness. Save a copy with the decision record.	Tax reviewer / instrument link
After instrument	Update SOPs, ERP rules, invoice validation, return mapping, refund calculations and training only for the provisions that apply to the business.	Process owner / versioned SOP

Announced timing watchlist

DATE / PERIOD	ANNOUNCED ITEM	HOW TO TREAT IT
1 Nov 2026	Input-service ITC eligibility for specified inverted-duty refunds from this date.	Future date in FAQ; verify implementing notification before claim.
April 2027 return period	Proposed alternate correction mechanism for liability and ITC in returns.	Target return period stated in release; portal and instruments govern.
1 Apr 2027	Capital-goods ITC treatment for specified refund calculations from this date, apportioned over 60 months.	Future date in FAQ; verify instrument and claim formula.

Publication check: Recheck this tracker whenever CBIC publishes the implementing notification, circular or rule amendment. For any update, record the instrument number, issue date, commencement date, affected taxpayer category and whether portal functionality is live.

Official sources and scope

Research and legal-status review completed on 15 October 2026. The links below point to official government material.

1. GST Council press release - recommendations of the 57th meeting (8 Oct 2026)

Primary source for meeting date and the full list of recommendations.

2. GST Council FAQs on recommendations made in the 57th meeting

Item-level explanations and timing details. The final page states that changes will be implemented through relevant notifications, circulars, etc. on the CBIC website.

3. GST Council - What's New

Official index listing the press release and FAQs.

4. CBIC Tax Information Portal

Official destination identified by the GST Council FAQs for implementation instruments.

5. GST Portal - Taxpayer services / advisories

Check current portal functionality and GSTN advisories before changing operational processes.

Editorial and legal-status note

This tracker is an informational summary, not legal, tax or accounting advice. It is not a notification, circular, amendment or binding interpretation. The Council's official FAQ states that changes will be implemented through relevant notifications, circulars and other instruments uploaded on the CBIC website. Accordingly, this document labels meeting announcements as recommendations unless an existing notification is specifically identified; it does not certify that every item has been implemented. Check the latest official instrument and obtain professional advice for a taxpayer-specific position.

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