

FICCI welcomes the policy announcement of deferment of Tax Collection at Source (TCS) Provision Under GST
Tax Collection at Source under GST would have slowed down e-commerce, economic growth and job creation

New Delhi, 27 June 2017: Commenting on the Tax Collection at Source (TCS) **Dr. A. Didar Singh, Secretary General, FICCI said,** “E-Commerce is one of the flourishing sectors of the country and has remained as a core part of the Government’s Start up India, Make in India, Digital India and Skilled India programs. The sector is needed to be nurtured with right policy frameworks and guidelines in order to make it more productive. FICCI welcomes the policy announcement of deferment of Tax Collection at Source (TCS) Provision Under GST”.

“TCS would have a direct impact on the sellers of the marketplace, who are generally small in nature with a turnover in the range of INR50 lakhs to INR10 crores per annum. TCS could have disrupted the cash flow, thereby disrupting the level playing field between online selling and offline selling, and discourage sellers particularly SMEs from selling online. This carries the risk of slowing down the growth of e-commerce with consequential negative impact on economic growth, job creation, infrastructure investments and possibly tax collections itself”, **Dr Didar Singh elaborated further.**

FICCI has been persistently indulged in policy advocacies on several fronts towards removal of the clause in the greater interest of the booming sector and appreciates the move of the Government which would help in bringing in simplicity in the operations of the e-commerce industry players.

FICCI MEDIA DIVISION