Minutes of the meeting of the Joint Committee constituted for distribution of taxpayers between Centre and State in the State of Telangana held on 14th October, 2019.

The GST Council issued Circular No 01/2017 dated 20th September, 2017 (F.No.166/Cross Empowerment/GSTC/2017) prescribing the criterion for division of migrated GST taxpayers.

2. In the meeting held between Central GST Officers (headed by Shri Vasu Seshagiri Rao, Chief Commissioner of Customs and Central GST) and State GST Officers (headed by Shri Somesh Kumar, Special Chief Secretary (Commercial Taxes and Excise)) on 14th October 2019, it was noted that 2,674 taxpayers are yet to be allocated between Centre and State. As such, an exercise was undertaken to identify turnover for the year 2016-17 of the 2,674 taxpayers in the list placed in the SFTP server by following the detailed procedure recorded in the minutes dated 03rd January, 2018.

3. Thereafter, the data pertaining to the taxpayers migrated through Centre was sorted out Division wise and then Range wise and within Range, in the descending order of the turnover. Similarly, the data pertaining to the taxpayers migrated through State, was sorted out Division wise and then Circle wise and within Circle, further in descending order of the turnover.

4. The GST Council vide the aforesaid Circular No 01/2017 dated 20th September, 2017 had stated that out of the total number of taxpayers below Rs.1.5 Crore turnover, all administrative control over 90% of the taxpayers shall vest with the State Tax administration and 10% with Central Tax administration, and that in respect of the taxpayers with turnover of Rs.1.5 Crore and above, the taxpayers are to be distributed in the ratio of 50% each between the Central and State Tax administrations. Hence, it was mutually decided that in respect of taxpayers with turnover of Rs.1.5 Crore and above, alternate taxpayers in such sorted data would be allocated to the Centre/State (odd numbered or even numbered). Similarly, in respect of taxpayers below Rs.1.5 Crore turnover, a number of out of 1 to 10 was proposed to be identified so that the number identified would be used to allocate 10% of the taxpayers to the Centre (For example, if number 1 is picked, the taxpayers in the list with numbers 1,11,21,31....would be allocated to Centre and the remaining 90% taxpayers to State).

5. In order to select the odd numbered taxpayers or even numbered taxpayers for taxpayers with turnover of Rs. 1.5 Crore and above, and a number out of 1 to 10 for taxpayers below Rs. 1.5 Crore turnover, it was decided to adopt the lottery system as envisaged in the Memo No 26258/CT-II(1)/2017-1 dated 27th December, 2017 of the Government of Telangana. Further, it was mutually agreed that results of the lottery
undertaken on 3rd January, 2018 for the distribution Order 01/2018 would be adopted. Thus it was decided to allocate taxpayers under:

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Category of taxpayers</th>
<th>Centre</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Taxpayers with turnover of below Rs. 1.5 Crore (Number 8 was adopted for Centre)</td>
<td>Taxpayers at Sl.No8, 18, 28 and so on</td>
<td>Remaining Taxpayers</td>
</tr>
<tr>
<td>2</td>
<td>Taxpayers with turnover above Rs.1.5 Crore (Number 1 was adopted for State)</td>
<td>Taxpayers at even number</td>
<td>Taxpayers at odd number</td>
</tr>
</tbody>
</table>

6. Accordingly, the allocation order of taxpayers is prepared in the proforma prescribed by GST Council Secretariat with the following Annexures, containing the details of taxpayers further allocated to Central and State Tax administrations in the State of Telangana.

1. Annexure 1 'A' – Taxpayers with turnover above Rs.1.5 Crore allotted to Centre (48 taxpayers).
2. Annexure 1 'B' – Taxpayers with turnover above Rs.1.5 Crore allotted to State (48 taxpayers).
3. Annexure 2 'A' – Taxpayers with turnover less than Rs.1.5 Crore allotted to Centre (257 taxpayers)
4. Annexure 2 'B' – Taxpayers with turnover less than Rs.1.5 Crore allotted to State (2321 taxpayers)

(Vasa Seshagiri Rao) 14/10/19
Chief Commissioner
GST & Customs, Hyderabad Zone

(Somesh Kumar)
Special Chief Secretary
(Excise & Commercial Taxes)
Govt. of Telangana

(Dr. D. Purushotham)
Principal Commissioner
Medchal GST Commissionerate

(V. Anil Kumar)
Commissioner of State Tax
Govt. of Telangana