



CA INTERMEDIATE

GST EXPRESS

Chart Book

FOR QUICK REVISION



CA. YASHVANT MANGAL



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Applicable for
May 2024
& Nov. 2024



GST Express Chart Book **on** **GOODS AND SERVICES TAX**

For
CA Intermediate - May 24 / Nov. 24

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(FCA, CS, B.Com.)

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“Talent wins games, but teamwork and intelligence win Championships”

My heartfelt thanks to my intelligent and dedicated team – Ashutosh Gandhi, CA. Sakshi Mor Suraj Singh Rathore, Dharmesh Paneri, Kavita Sahu, Kartik Sahu, Yuvraj Singh, Neetu Menaria, Ram, Isha, Depti, B L Kumhar and Lala Jat.

!! Jai Mata Di !!

With Blessings of Lord Hanuman
Dedicated to my parents

Smt. Sushma Mangal & Sh. Ghanshyam Mangal

And

Aunt & Uncle

Smt. Pushpa Mangal & Lt. Sh. Radheshyam Mangal

“

My Special Thanks to

Ankita Mangal

CA. Rohit Mangal

And

All my Friends

”

With Love

This Book is dedicated to my Son

“Yedhant Mangal”

Who boost my Confidence with his charming eyes & smile

INTRODUCTION

Taxes subsumed in GST

CENTRAL LEVIES

- (1) Central Excise Duty and Additional Excise Duties
- (2) Service Tax
- (3) Excise Duty under Medicinal and Toilet Preparation Act
- (4) CVD and Special CVD
- (5) Central Sales Tax
- (6) Surcharges and Cesses in so far as they relate to supply of goods and services.

STATE LEVIES

- (1) State surcharges and Cesses in so far as they relate to supply of goods and services.
- (2) Entertainment Tax (except those levied by local bodies)
- (3) Tax on lottery, betting and gambling
- (4) Entry Tax (All Forms) and Purchase Tax
- (5) VAT/Sales Tax
- (6) Luxury Tax
- (7) Taxes on advertisements.

Benefits of GST

1. Benefits to economy

- ◆ Creation of unified national market
- ◆ Boost to 'Make in India' initiative
- ◆ Enhanced investment and employment

2. Simplified tax structure

- ◆ Ease of doing business
- ◆ Certainty in tax administration

3. Buoyancy to the Government Revenue

4. Easy tax compliance

- ◆ Automated procedures with greater use of IT
- ◆ Reduction in compliance costs

5. Advantages for trade and industry

- ◆ Benefits to industry
- ◆ Mitigation of ill effects of cascading
- ◆ Elimination of multiple taxes and double taxation
- ◆ Benefits to small traders and entrepreneurs

Constitutional Provisions

Article 265: It prohibits arbitrary collection of tax. It states that "no tax shall be levied or collected except by authority of law".

Article 246: It gives the respective authority to Union and State Gov. for levying tax. Whereas Parliament may make laws for the whole of India or any part of the territory of India, the State Legislature may make laws for whole or part of the State.

Seventh Schedule to Article 246:

| | | |
|----------|-----------------|---|
| List-I | Union List | Parliament (CG) has the exclusive right to make laws. |
| List-II | State List | SG has the exclusive right to make laws. |
| List-III | Concurrent List | CG & SG have power to make laws. |

Article 246A: CG, SG have power to make laws with respect to GST. Centre has the exclusive power to make laws with respect to GST in case of inter State supply of goods and/or services.

Article 269A: GST on supplies in the course of inter-State trade or commerce shall be levied and collected by the Gov. and such tax shall be apportioned between the Union and the States.

GST Council: Article 279A : The Union Finance Minister is the Chairman of this Council and Ministers in charge of Finance/Taxation or any other Minister nominated by each of the States & UTs with Legislatures are its members.

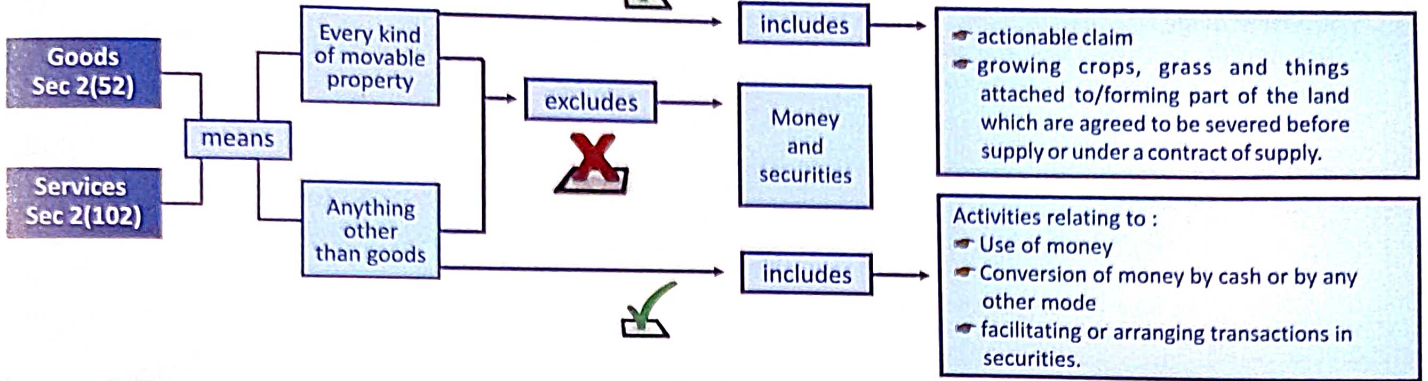
"Abhi to IDT Shuru Hui hai..."

LEVY OF GST

Taxable Event



SUPPLY (Section 7)

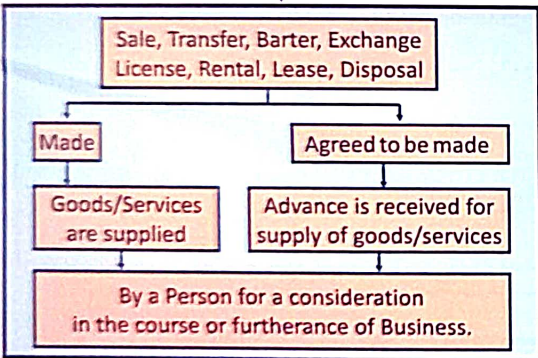


SUPPLY **INCLUDES**

Supply for consideration in course or furtherance of business [Section 7(1)(a)]

Importation of services for consideration whether or not in course or furtherance of business [Section 7(1)(b)]

Supply without consideration [Section 7(1)(c) + Schedule I]



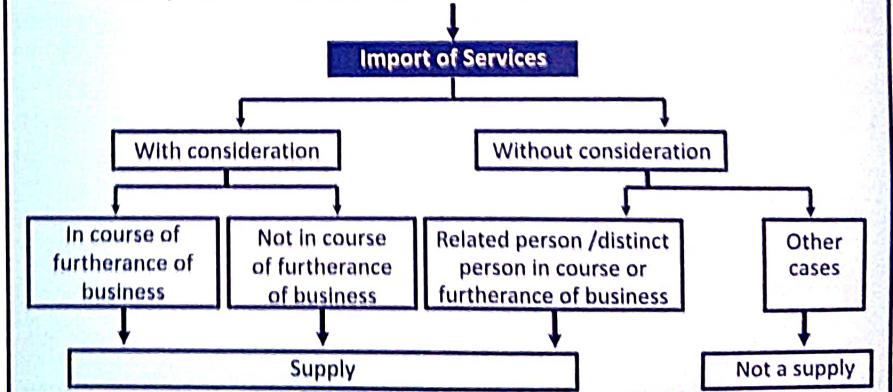
| Levy and collection of CGST / IGST | | |
|---|---|--|
| Particulars | CGST [SEC. 9(1)] of CGST Act, 2017 | IGST [SEC. 5(1)] of IGST Act, 2017 |
| Levied on | Intra State supplies of goods/services/both | Inter State supplies of goods/services/both |
| Maximum Rates | CGST = 20% | IGST = 40% IGST rate= CGST rate + SGST rate |
| Supply outside purview of GST | Alcoholic liquor for human consumption | |
| Collected and paid by | Taxable person | |
| Supplies on which GST would be levied w.e.f. a notified date [Sec. 9(2)/5(2)] | <ul style="list-style-type: none"> Petroleum Crude High Speed Diesel Motor Spirit (commonly Known As Petrol) Natural Gas Aviation Turbine Fuel | |

Note: Customs duties shall not be levied on import of "Online Money Gaming (OMG)", but, IGST will be levied on import of "OMG" u/s 5(1) of the IGST.

The activities or transactions, by a person, other than an individual, to its members or constituents or vice-versa. [Section 7(1)(aa)]



Supply includes importation of services, for a consideration whether or not in the course or furtherance of business

- Permanent transfer or disposal of business assets where input tax credit has been availed on such assets.
- Supply of goods or services or both between related persons or between distinct persons when made in the course or furtherance of business: (Provided that gifts not exceeding Rs. 50,000 in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both.)
- Supply of goods -
 - by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal; or
 - by an agent to his principal where the agent undertakes to receive such goods on behalf of the principal.
- Import of services by a person from a related person or from any of his other establishments outside India, in the course or furtherance of business.



Notwithstanding anything contained in any other law for the time being in force or any judgment, decree or order of any Court, tribunal or authority, the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one such person to another.

Activities to be treated as supply of goods or supply of services [Section 7(1A)+ Schedule II]

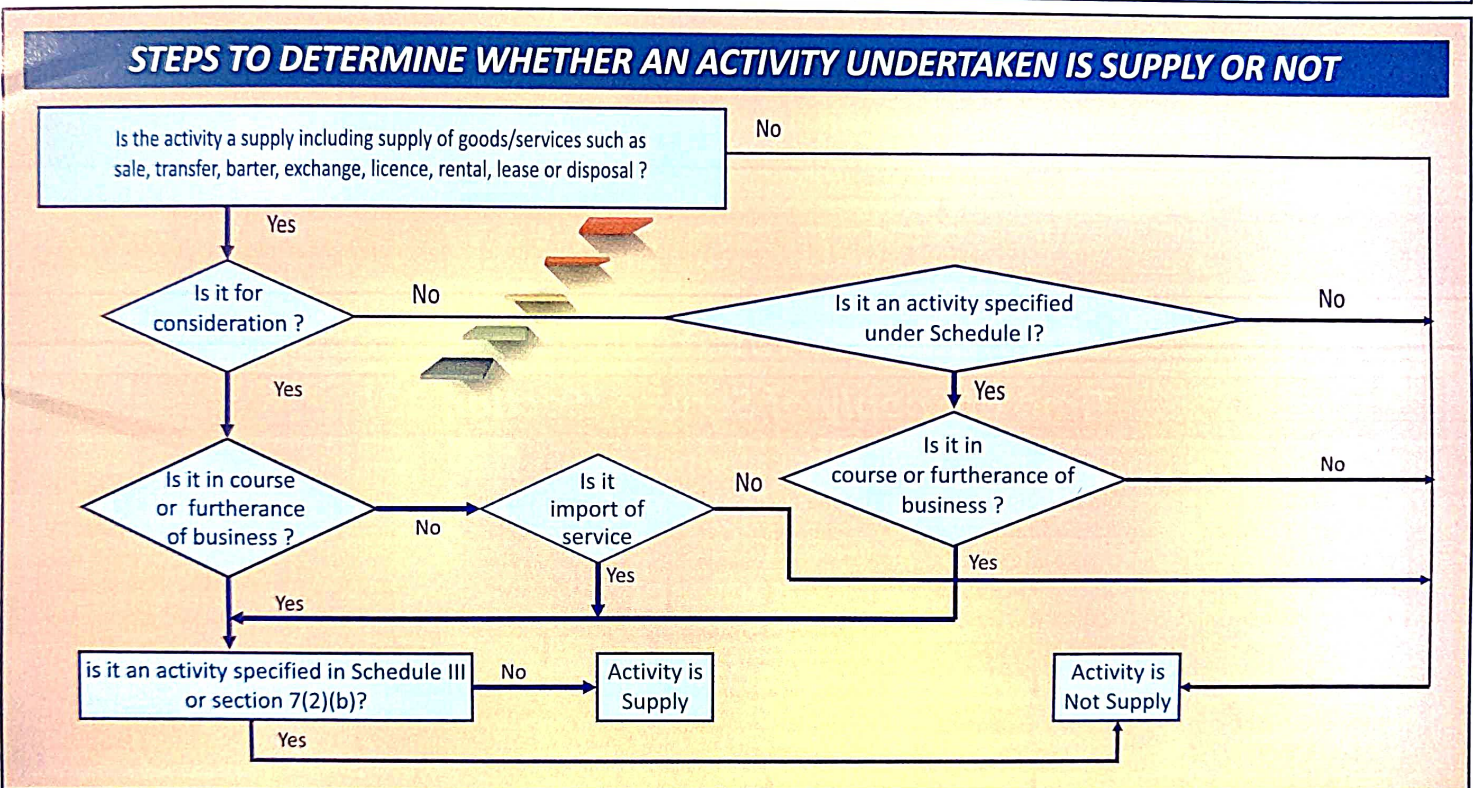
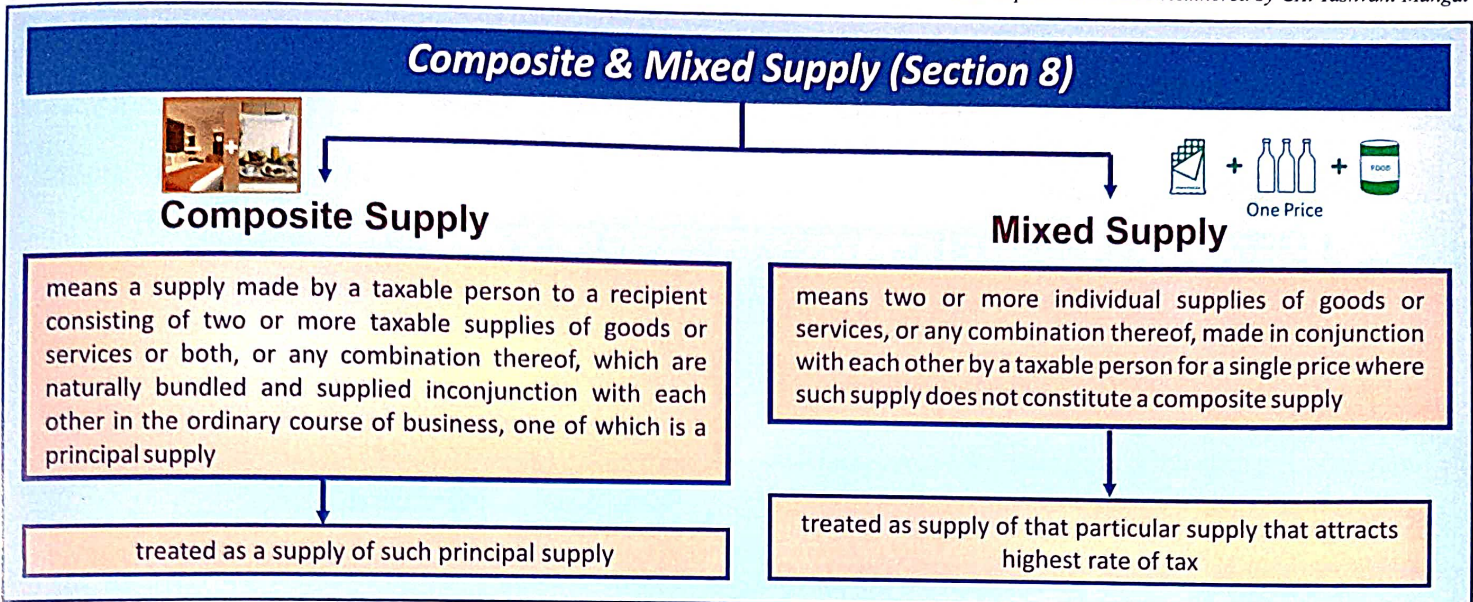
| Sr. | Transaction | Type | |
|-----|---|---|---|
| 1 | Transfer  | (a) Title in goods / Title in goods which shall pass at a future date (b) Right in goods/undivided share in goods without transfer of title in goods | → Supply of Goods → Supply of Services |
| 2 | Land and Building  | (a) Lease, tenancy, easement, licence to occupy land Building (b) Lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly | → Supply of Services |
| 3 | Treatment or Process | (a) Applied to another person's goods (Eg : Job workers) | → Supply of Services |
| 4 | Transfer of Business Assets | (a) Goods forming part of assets of a business are transferred or disposed off by or under the directions of the person carrying on the business (b) Goods forming part of assets of any business carried on by a person who ceases to be a taxable person, shall be deemed to be supplied by him, in the course or furtherance of his business, immediately before he ceases to be a taxable person Exceptions: 1. Business is transferred as a going concern to another person 2. Business is carried on by a personal representative who is deemed to be a taxable person (c) Goods held/used for business are put to private use or are made available to any person for use, for any purpose other than a purpose of the business, by/under the direction of a person carrying on the business | → Supply of Goods → Supply of Services |
| 5 | Declared Services | (a) Renting of immovable property (b) Construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier (c) Temporary transfer or permitting use or enjoyment of any Intellectual Property Right (IPR) (d) Development, design, programming, customisation, adaptation, upgradation, enhancement, implementation of IT Software (e) Agreeing to obligation to refrain from an act, or to tolerate an act or situation, or to do an act (f) Transfer of right to use any goods for any purpose | → Supply of Services |
| 6 | Composite supplies | (a) Works contract [construction, repairs etc. of immovable property, wherein transfer of property in goods is involved] (b) Restaurant and Outdoor Catering Services - food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption) | → Supply of Services |

SUPPLY  EXCLUDES



1. Services by an employee to the employer in the course of or in relation to his employment.
 2. Services by any Court or Tribunal
 3. (a) Functions performed by the MP, MLA, Members of Panchayats, Municipalities and Other local authorities
(b) Duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity
(c) Duties performed by any person as a Chairperson/a Member/ a Director in a body established by the CG or SG or local authority.
 4. Services of funeral, burial, crematorium or mortuary including transportation of the deceased.
 5. Sale of land and, subject to paragraph 5(b) of Schedule II, sale of building.
 6. Actionable claims, other than specified actionable claims.
- Note: "Specified Actionable Claim" means the actionable claim involved in or by way of betting, casinos, gambling, horse racing, lottery or online money gaming. Rate of GST = 28%.

1. Services provided by CG, SG, UT or any local authority by way of any activity in relation to a function entrusted to a Panchayat under article 243G or to a Municipality under article 243W.
2. Service provided by SG by way of grant of alcoholic liquor license, against consideration in the form of license fee or application fee.



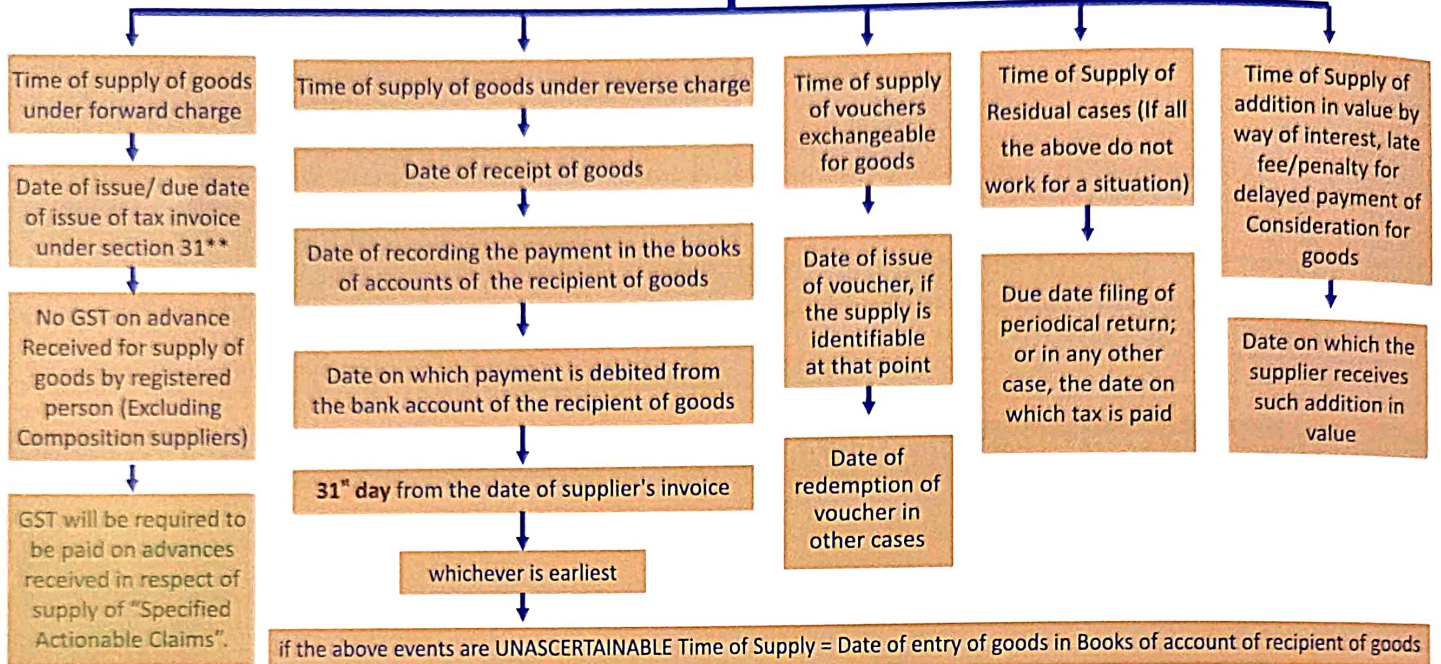
Clarifications

- Supply of goods/services/both by an unincorporated AOP/BOI (JV) to a member thereof (or vice versa) shall be treated as supply of goods/services/both. 'Cash calls' in the nature of Capital Contributions made by members to raise the funds for JV will not be taxable under GST. Perquisites provided by the employer to the employee in terms of contractual agreement entered into between the employer and the employee, will not be subjected to GST when the same are provided in terms of the contract between the employer and employee.
- Land may be sold either as it is or after some development such as levelling, laying down of drainage lines, water lines, electricity lines, etc. It is clarified that sale of such developed land is also sale of land and is covered by Sr. No. 5 of Schedule III of the CGST Act, 2017 and accordingly does not attract GST.
- However, it may be noted that any service provided for development of land, like levelling, laying of drainage lines (as may be received by developers) shall attract GST at applicable rate for such services.
- If loading/unloading, packing/unpacking, etc. incidental services are provided along with GTA services and if charges for the same are included in the invoice issued by GTA, then, these services, being composite supply, will be classified under GTA Service. However, if such incidental services are provided as separate services and charged separately, whether in the same invoice or separate invoices, they shall be treated as separate supplies.
- Retreading of tyres is a composite supply, the process of retreading is a supply of service & where owner of the retreaded tyre sells the retreaded tyres, then, it is a supply of goods.
- Bus body building is composite supply. The principal supply in this case is "Supply of Service".
- Printing contracts are composite supplies. In case of printing of books, pamphlets, brochures, annual reports & the like, principal supply is supply of service. And, in case of printing of envelopes, letter cards, printed boxes, tissues, napkins, wall papers, etc., principal supply is supply of goods.
- The supply of books shall be treated as supply of goods.
- Admission charge or entry fee charged for admission into casino, betting/gambling services being provided by casinos and horse racing is supply of service & GST is leviable on the Bet value.

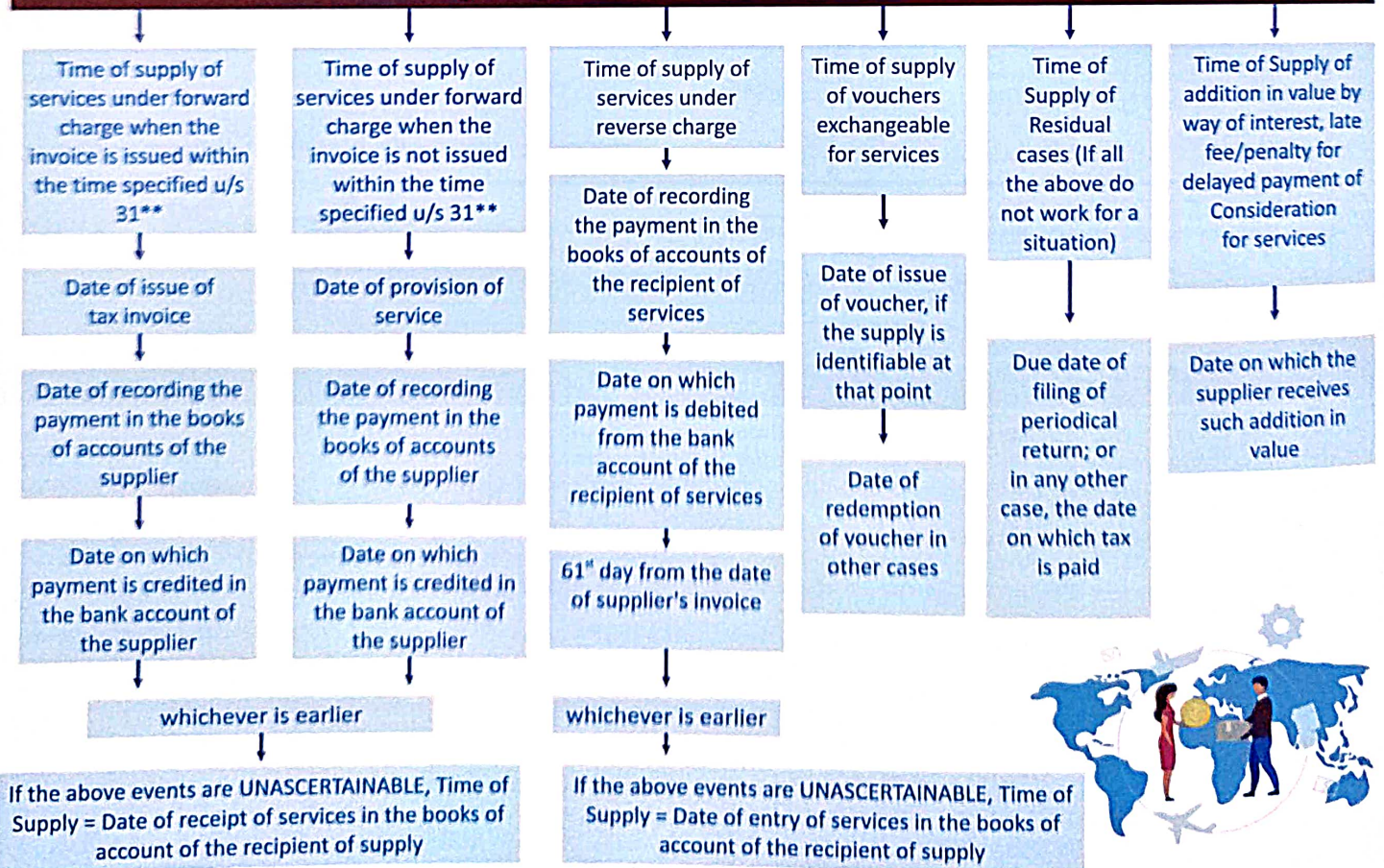


TIME OF SUPPLY

Time of Supply of Goods (Section 12)



Time of Supply of Service (Section 13)



**Time limit for issue of invoices [Sec. 31]

SUPPLY of GOODS

Before or at the time of,-

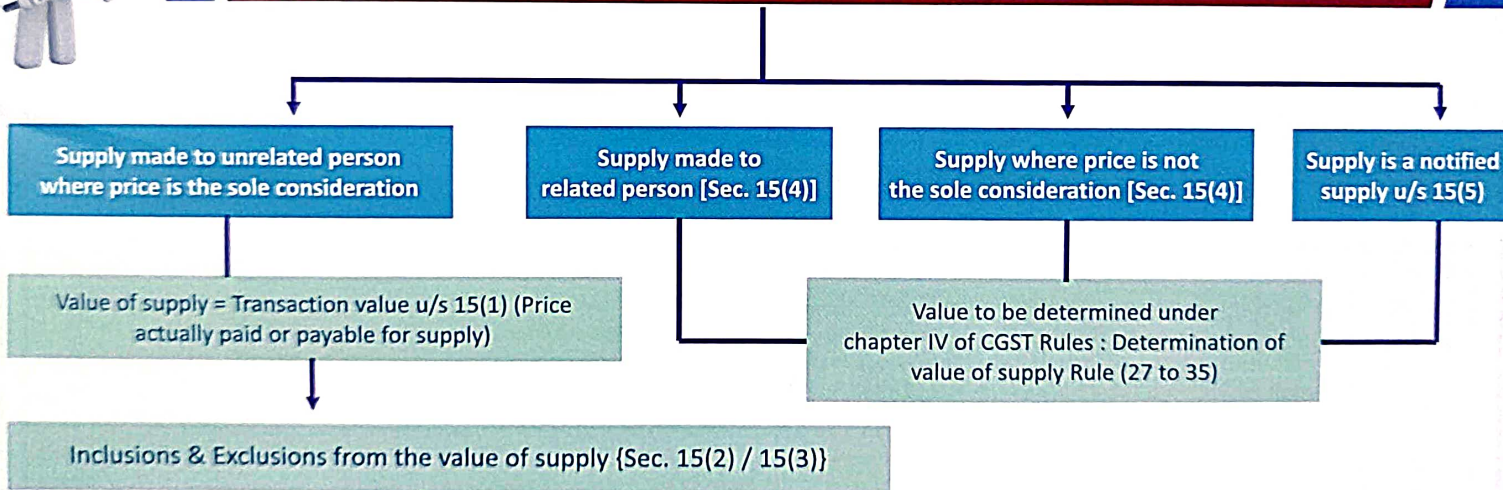
- (a) removal of goods for supply to the recipient, where the supply involves movement of goods, or
- (b) delivery of goods or making available thereof to the recipient, in any other case
- In case of continuous supply of goods, the invoice should be issued - before or at the time of issuance of periodical statement or receipt of periodical payment.
- In case of goods sent or taken on approval for sale or return, invoice should be issued- before or at the time of supply or 6 months from the date of removal, whichever is earlier.

SUPPLY of SERVICES

- Before or after the provision of service but within 30 days [45 days in case of insurance companies/banking and financial institutions including NBFCs] from the date of supply of services.
- In case of cessation of supply of services before completion of supply, the invoice (to the extent of supply made before such cessation) should be issued at the time when the supply ceases.
- In case of continuous supply of services, the invoice should be issued either -
 - (i) on/ before the due date of payment or
 - (ii) before/ at the time when the supplier of service receives the payment
 - (iii) on/ before the date of completion of the event when the payment is linked to completion of an event.
- In case of insurance / banking /telecom companies / financial institutions including NBFCs/ notified supplier of services making taxable supplies between distinct persons (like inter-branch transaction), invoice may be issued - before or at the time of recording such supply in the books of account or before the expiry of the quarter during which the supply was made.

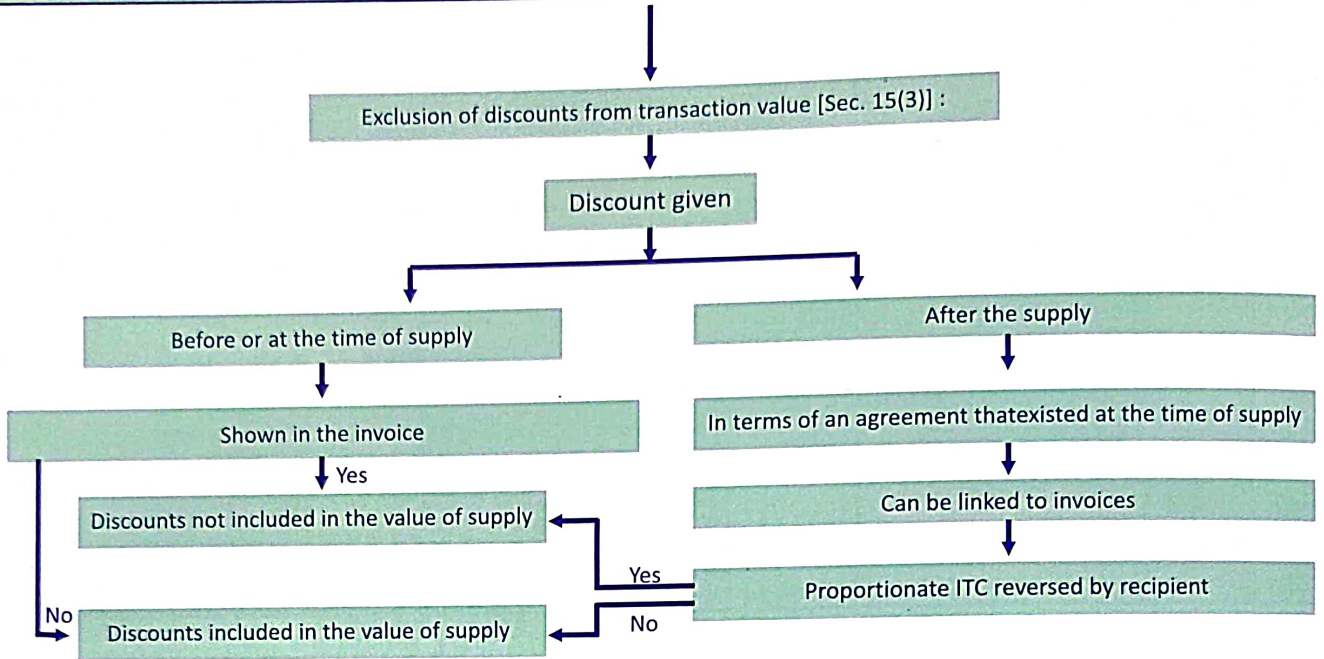


VALUE OF SUPPLY



| Item | +/- |
|--|------------|
| Item | Add/Less |
| Consultancy Charges in relation to installation | Add |
| Design, drawing and engineering charges | Add |
| Testing Charges | Add |
| Freight (from sellers premise to buyers premise) | Add |
| Insurance Charges | Add |
| Interest/penalty charged by seller for delayed payment | Add |
| Interest/penalty charged by seller for delayed payment but waived later on | Do not Add |
| Inspection Charges | Add |
| Loading and weighment charges | Add |
| Primary Packing charges | Add |
| Protective Packing charges | Add |

| | |
|--|------------|
| Subsidy (directly in relation to price) from Central government or State government | Do not Add |
| Subsidy (directly in relation to price) from any other person | Add |
| Taxes/levies charged separately by the supplier (other than CGST/SGST/UTGST/IGST/GST CESS) | Add |
| Discount allowed at the time of supply [15(3)] | Less |



INPUT TAX CREDIT

Eligibility and Conditions for taking ITC [Section 16]



every registered person shall be entitled to ITC charged on inward supply of goods and/or services. [Sec. 16(1)] → which are used or intended to be used in the course or furtherance of the business. [Sec. 16(1)]

if ALL the following 6 conditions are fulfilled: {Section 16(2)}

| | |
|---|--|
| He has valid tax invoice/debit note/prescribed tax paying document {Sec. 16(2)(a)} | Rule 36(4): Recipient can avail ITC only if Invoices or Debit Notes are furnished by the supplier in GSTR-1/IFF and it appears in GSTR-2B of the recipient (without any additional or provisional ITC). The restriction of availment of ITC u/r 36(4) is not applicable in respect of IGST paid on import, documents issued under RCM, credit received from ISD etc. which are outside the ambit of Sec. 37(1). |
| Auto-Population of ITC in GSTR-2B {Sec. 16(2)(aa)} | [Section 16(2) First Proviso If Goods received in lots: ITC available only on receipt of last lot] |
| He has received goods and/or service {Sec. 16(2)(b)} "Bill to Ship to" Model for goods & services also included | Second Proviso If recipient fails to pay value + tax of goods and/or services, whether wholly or partly, to the supplier within 180 days of the issuance of invoice, proportionate ITC (to the extent of payment not made) to be reversed or paid with interest @18% (if ITC utilised). On payment subsequently, the ITC could be re-availed without any time limit. Exception: Supplies on which tax is payable under reverse charge. |
| The details of ITC in respect of the said supply communicated to such registered person u/s 38 has not been restricted {Sec. 16(2)(ba)} | Rule 37A : If the recipient has availed the ITC on the basis of GSTR-2B, but, subsequently, if the supplier does not pay the Tax to the government by filing GSTR-3B till the 30 th September following the end of financial year in which the ITC in respect of such invoice or debit note has been availed, then, the recipient shall be required to reverse the ITC while furnishing a return in FORM GSTR-3B on or before the 30 th November following the end of such financial year. If not reversed, then, such amount shall be payable by the said person along with interest thereon u/s 50 (if ITC is utilized). Further, the recipient can re-avail the aforesaid ITC (without any time limit specified u/s 16(4)), if the said supplier subsequently furnishes the return in FORM GSTR-3B for the said tax period. |
| GST on such supply has been paid to the government {Sec. 16(2)(c)} | If depreciation claimed on GST component of capital goods, then, ITC not allowed [Section 16(3)] |
| He has furnished return u/s 39 {Sec. 16(2)(d)} | ITC on Invoices or debit notes pertaining to a particular FY can be availed any time till 30 th November of next FY or actual date of filing of the annual return, whichever is earlier [Section 16(4)] |

Conditions of use of amount available in ECrL [Rule 86A]

- (1) The Commissioner or an officer authorised by him having reasons to believe that ITC available in the ECrL has been fraudulently availed or is ineligible in as much as-
 - a) the ITC has been availed on the strength of tax invoices or debit notes, etc. -
 - issued by a registered person who has been found non-existent or not to be conducting any business from any place for which registration has been obtained; or without receipt of goods or services or both; or
 - the ITC has been availed on the strength of tax invoices or debit notes, etc. in respect of any supply, the tax charged in respect of which has not been paid to the Gov.; or
 - b) the registered person availing the credit of input tax has been found non-existent or not to be conducting any business from any place for which registration has been obtained; or
 - c) the registered person availing any credit of input tax is not in possession of a tax invoice or debit note, etc., may not allow debit of such amount in ECrL for discharge of any liability or for claim of any refund of any unutilised amount.
- (2) The Commissioner, or the officer authorised by him may, upon being satisfied that conditions for disallowing debit of ECrL as above, no longer exist, allow such debit.
- (3) Such restriction shall cease to have effect after the expiry of a period of 1 year from the date of imposing such restriction.

Restrictions on use of amount available in ECrL [Rule 86B]

The registered person (R.P.) shall not use the amount available in ECrL to discharge his liability towards output tax in excess of 99% of such tax liability, where the value of taxable supply other than exempt supply and zero-rated supply, in a month exceeds Rs. 50,00,000. However, Restriction shall not apply where—

- (a) the said person / the proprietor / karta / the MD / any of its two partners, whole-time Directors, Members of Managing Committee of Associations or Board of Trustees, have paid more than Rs. 1,00,000 as income tax in each of the last 2 F.Y. for which the time limit to file return of income has expired; or
- (b) the R.P. has received a refund amount of more than Rs. 1,00,000 in the P.F.Y. on account of unutilised ITC [i.e., Zero Rated Supply made without Payment of tax]; or
- (c) the R.P. has received a refund amount of more than Rs. 1,00,000 in the P.F.Y. on account of unutilised ITC [i.e., cases of Inverted Duty Structure]; or
- (d) the R.P. has discharged his liability towards output tax through the electronic cash ledger for an amount which is in excess of 1% of the total output tax liability, applied cumulatively, upto the said month in the C.F.Y; or
- (e) the R.P. is a Gov. Dept., a PSU, a LA or a statutory body.

Further, the officer may remove the said restriction after such verifications and such safeguards as he may deem fit.

Blocked Credits (Ineligible Credits) [Section 17(5)]



(a) ITC Related to Motor Vehicles, Vessels and Aircrafts

1. ITC on passenger Motor Vehicles (capacity upto 13 persons including driver) (Vehicles – engine capacity exceeding 25 CC) not allowed

except when used for making following taxable supplies:

- (a) further supply of such motor vehicles, or
- (b) transportation of passengers, or
- (c) imparting training on driving such motor vehicles



2. ITC on Vessels and Aircrafts not allowed except when used

- (a) for transportation of goods;
- (b) for making the following taxable supplies, namely:-
 - (i) further supply of such Vessels or Aircraft; or
 - (ii) transportation of passengers; or
 - (iii) Imparting training on navigating such vessels; or
 - (iv) imparting training on flying such aircraft.



3. ITC of following services used for Motor Vehicles, Vessels or Aircrafts not allowed :

- (i) General insurance;
- (ii) Servicing, repair & maintenance; and
- (iii) Leasing, renting or hiring of motor vehicles, vessels or aircrafts.

except

where Motor Vehicles, Vessels, Aircrafts are eligible for ITC, then aforementioned services will also be eligible for ITC.

“General Insurance Service” and “Servicing, Repair and Maintenance Service” are availed by

- (i) a manufacturer of motor vehicles, vessels or aircrafts, in respect of a motor vehicles, vessels or air crafts manufactured by such person;
- (ii) an Insurer in respect of motor vehicles, vessels or aircrafts insured or reinsured by such person, then, these 2 services will be eligible for ITC.

(b) (i) food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, leasing, renting or hiring of motor vehicles, vessels or aircraft, except when used for the purposes specified, life insurance and health insurance and **EXCEPT WHEN,**

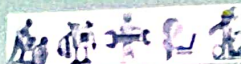
An inward supply of these is used for making an outward taxable supply of the same category or as an element of a taxable composite or mixed supply.

- (ii) Membership of a club, health and fitness centre
- (ii) Travel benefits to employees on vacation such as LTC or home travel concession

ITC will be allowed if it is obligatory for an employer to provide these goods/services [covered under sub-clauses (i), (ii) & (iii) of clause (b)] to its employees, under any law for the time being in force.

(c) Works contract services for construction of an immovable property **EXCEPT WHEN**

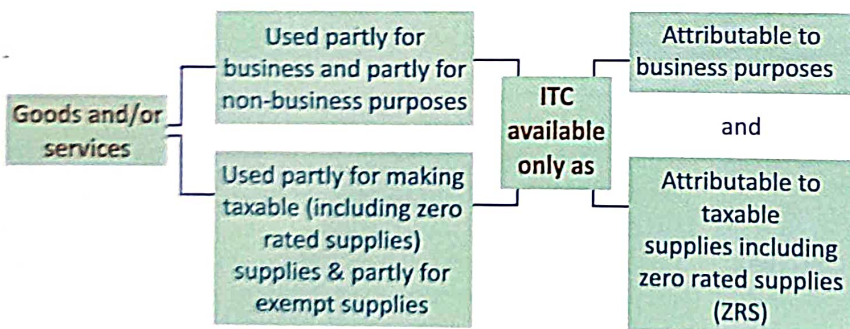
- It is input service for further supply of works contract service.
 - Immovable property is plant and machinery.
- (d) Inward supplies received by a taxable person for construction of an immovable property (other than plant and machinery) on his own account even when such supplies are used in the course or furtherance of business (construction includes repairs, etc. which are capitalized to the immovable property).
- (e) Inward supplies on which tax has been paid under the composition scheme.
- (f) Inward supplies received by a NRTP **except** goods imported by him.
- (fa) Goods or services or both received by a taxable person, which are used or intended to be used for activities relating to his obligations under corporate social responsibility.
- (g) Goods and / or services used for personal consumption.
- (h) Goods that are lost, stolen, destroyed, written off or disposed of by way of gift or free samples
- (i) GST paid under sections 74, 129 and 130.



Clarifications

- "Leasing" referred in Sec. 17(5)(b)(i) refers to leasing of motor vehicles, vessels and aircrafts only and not to leasing of any other items.
- **Free samples and gifts:** do not qualify as 'supply' under GST, except if it is cover under Sch. I. No ITC Allowed as per sec. 17(5)(h).
- **Buy one get one free offer:** Taxability of such supply will be dependent upon as to whether the supply is a composite supply or a mixed supply. ITC allowed.
- **Discounts including 'Buy more, save more' offers:** Discounts shall be excluded to determine the value of supply provided they satisfy the parameters of sec. 15(3) including the reversal of ITC by the recipient.
- **Secondary Discounts:** Financial / commercial credit note(s) can be issued by the supplier having no impact over GST liability, Secondary discounts shall not be excluded while determining the value of supply.

Apportionment of Credits [Section 17]

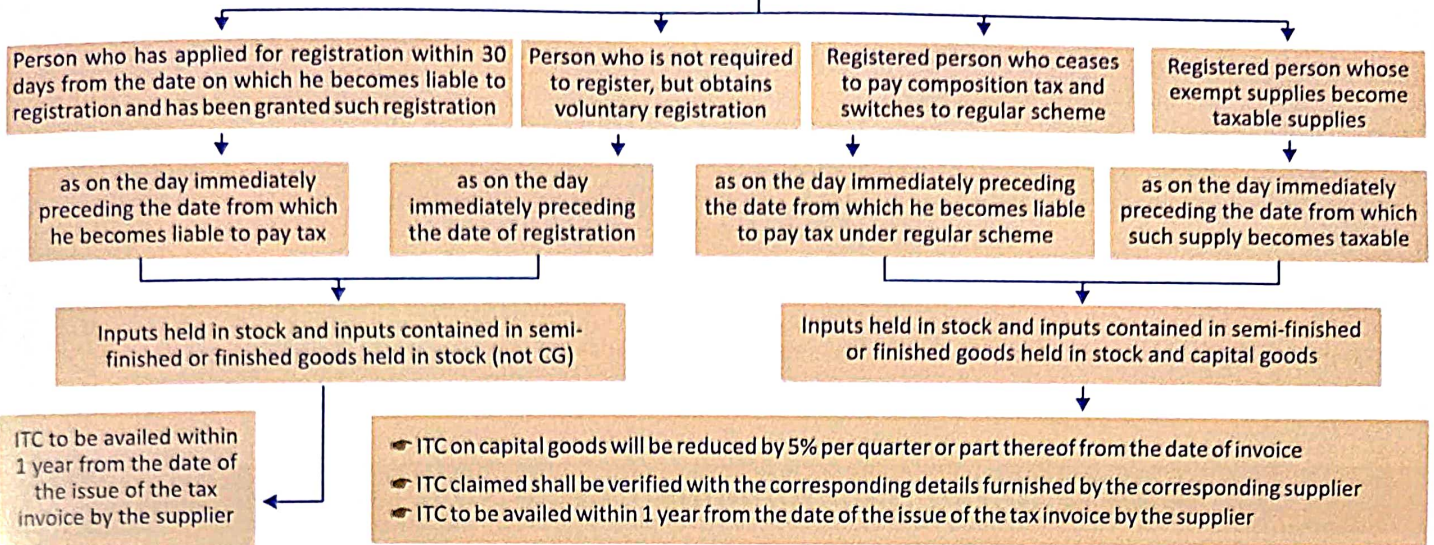


Optional method for banks (including NBFC) [Rule 38]
 i.e. Avail 100% of eligible ITC of Inputs, Input services & CG and then, reverse 50% of the ITC availed.
 Restriction of 50% shall not apply to the tax paid on supplies received from another registration within the same entity.
 Inward supplies covered u/s 17(5) or used for non business purposes are not eligible for ITC at all.
 Option once exercised cannot be withdrawn during remaining part of the year.

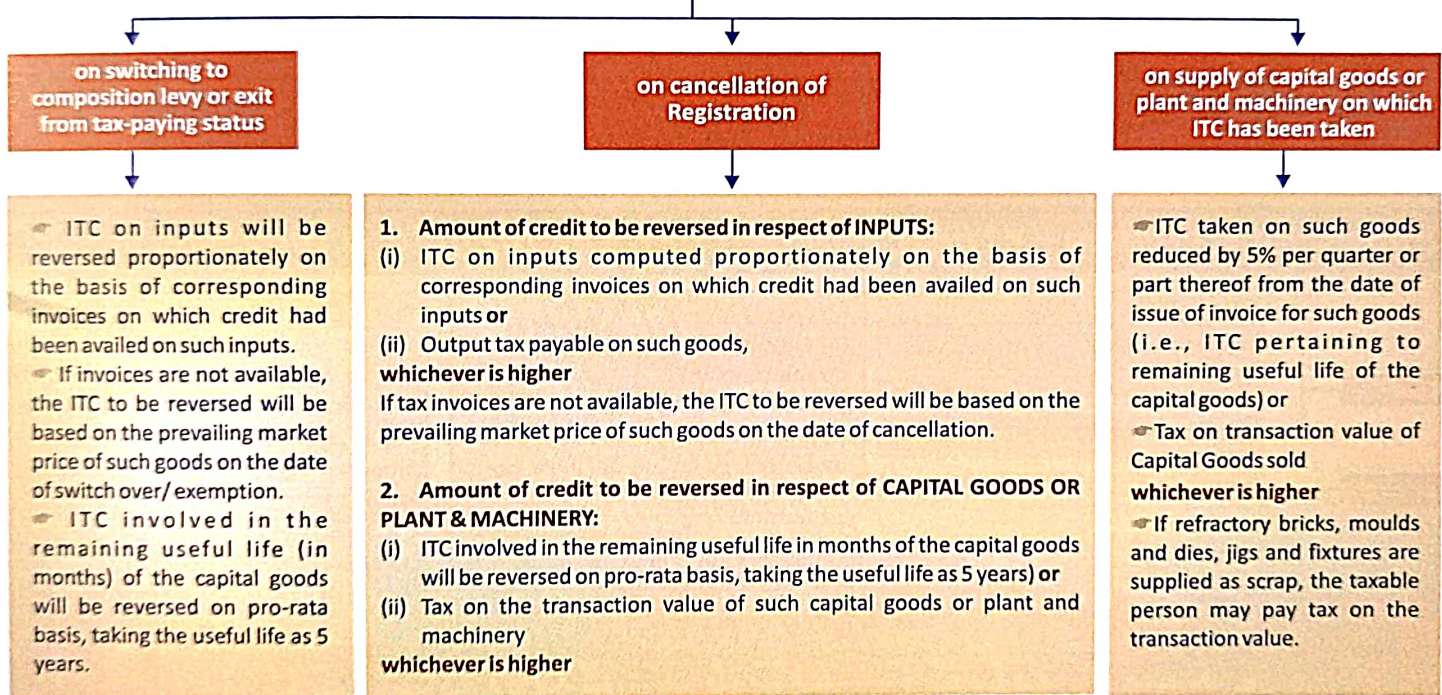
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Credit in Special Circumstances [Section 18]

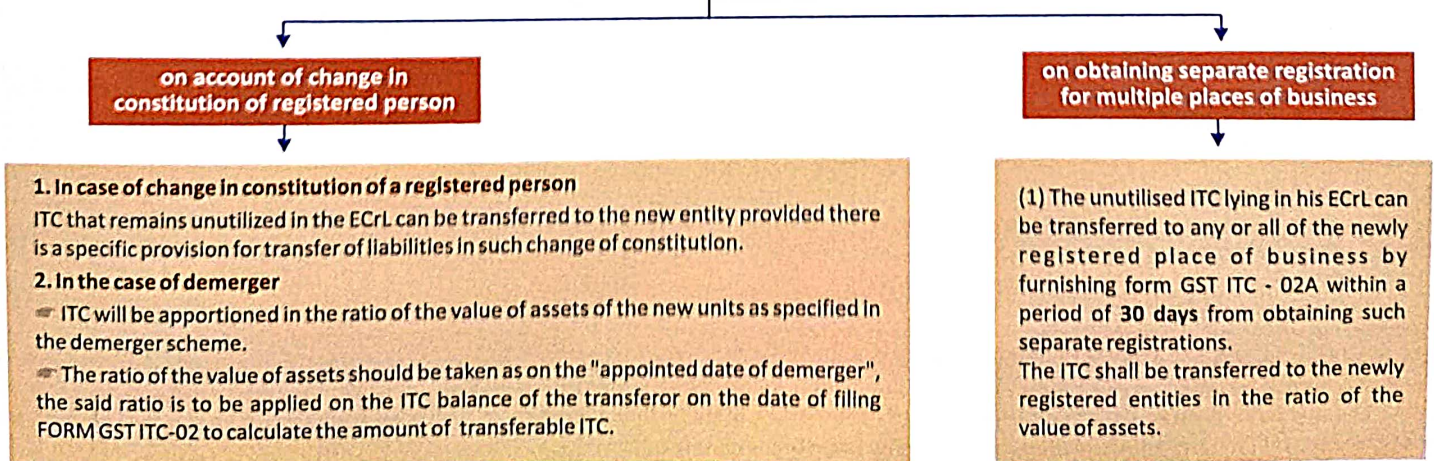
Entitlement of ITC



Reversal of ITC



Transfer of ITC



COMPOSITION LEVY

Rates of Tax

| Category | Rate |
|--|---|
| Manufacturers (other than ice cream, pan masala, cold drink, tobacco, Fly ash aggregates, blocks, bricks, tiles, etc.) | (0.5% + 0.5%) = 1% of the turnover in the state or UT [i.e., 1% of Entire turnover, whether taxable or exempt.] |
| Restaurant & Outdoor catering services | (2.5% + 2.5%) = 5% of the turnover in the State or UT [i.e., 5% of Entire turnover, whether taxable or exempt.] |
| Other Eligible Suppliers (i.e. Traders) | (0.5% + 0.5%) = 1% of the T.O. of taxable supplies of the goods/ services in the state or UT [i.e., 1% of turnover of only Taxable goods or services, not exempt goods or services.] |
| Service suppliers opted for composition scheme u/s 10(2A) | (3%+3%) = 6% of the turnover of supplies of goods or services in the state of UT [i.e., 6% of Entire turnover, whether taxable or exempt.] |

Procedure for opting for the Scheme

| Category of persons | How to exercise option | Effective date of composition levy |
|---|--|---|
| New registration under GST | Intimation in the registration form | From the effective date of registration |
| Registered person opting for composition levy | Intimation in prescribed form before beginning of the F.Y. | Beginning of the F.Y. |

Turnover (of Preceding F.Y.) limit

| | |
|-----------------|--|
| Goods | For Special Category States** except Assam, Himachal Pradesh and J&K = 75 Lakh |
| | For remaining States = 1.5 crore |
| Services | 50 Lakh |

Special Category States**

Arunachal Pradesh, Mizoram, Tripura, Manipur, Nagaland, Meghalaya, Sikkim, Uttarakhand

Aggregate Turnover

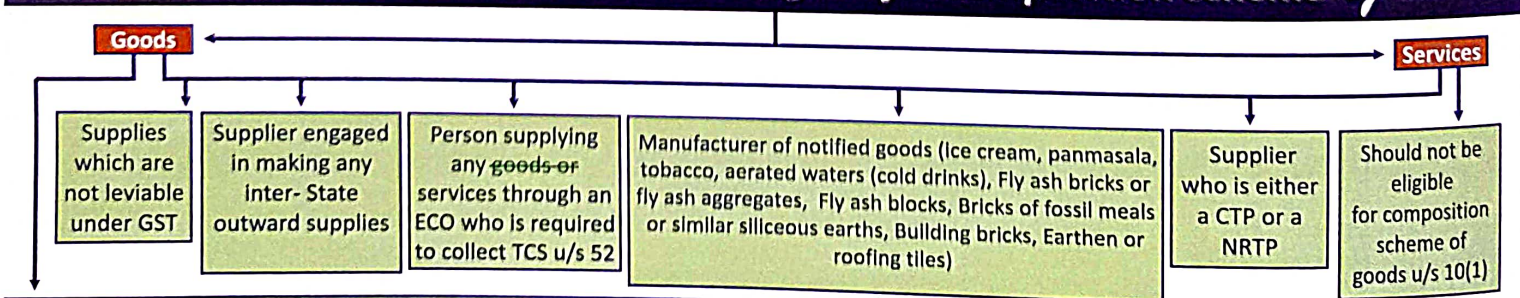
All Taxable supplies
 (+) Exempt Supplies (Including Non-taxable supplies)
 (-) inward RCM supplies
 (-) (CGST, SGST, UTGST, IGST, GST Cess) to be computed on all India basis having same PAN.

“aggregate turnover” shall include the value of supplies made by such person from the 1st day of April of a financial year up to the date when he becomes liable for registration but shall not include the amount of interest or discount earned on loans, advances or deposits extended.

“turnover in State or turnover in UT” shall not include the value of supplies, namely:-

- (1) supplies from the first day of April of a financial year up to the date when such person becomes liable for registration under this Act; and
- (2) amount of interest or discount earned on loans, advances or deposits extended.

Registered person who is not eligible for composition scheme



• A person who is engaged in supply of service except restaurant & outdoor catering service. However, if an eligible person (i.e. supplier of goods or restaurant & outdoor catering service supplier) who has opted for composition scheme may supply services (other than restaurant & outdoor catering service), of value not exceeding Rs. 5,00,000/- or 10% of turnover in a State or Union territory in the preceding financial year, whichever is higher (interest or discount on loans/advances/deposits will not be taken in computing this limit)

• Here, while computing turnover in a State/UT, interest or discount on loans/advances/deposits will not be taken into account.

Validity of composition levy

- The option to pay tax under composition scheme lapses from the day on which his aggregate turnover during the current F.Y. exceeds the specified limit (Rs. 1.50 crore/Rs. 75 lakh/Rs. 50 lakh).
- Further, he is required to file an intimation for withdrawal from the scheme in prescribed form **within 7 days** of the occurrence of such event.
- Such person shall be allowed to avail the ITC in respect of the stock of inputs on capital goods held by him on the date of withdrawal and furnish a statement, **within 30 days** of withdrawal of the option, containing the details of such stock held in prescribed form on the common portal.

Other Points

1. Composition supplier shall pay tax under sec. 9(3)/9(4) on inward supply under RCM at normal applicable rates
2. Bill of supply shall be issued instead of tax invoice
3. Composition scheme supplier cannot collect tax from the recipient of supply
4. ITC shall not be availed by composition supplier
5. Composition scheme to be adopted uniformly by all the registered persons having same PAN
6. There is no restriction on Composition Supplier to procure goods from inter state suppliers
7. Penalty shall be imposed in case of irregular avilment of composition scheme as per section 73 or 74
8. Mention "Composition Taxable Person, not eligible to collect tax on supplies" at the top of the bill of supply issued
9. Mention "Composition Taxable Person" at the prominent place at his place of business

Clarifications

- A bakery, where eating place is attached, will treated as restaurant.
- Service provided by way of cooking and supply of food, by Cloud Kitchens/Central Kitchens are covered under "Restaurant Service".
- Where ice-cream parlors sell already manufactured ice-cream and do not cook/prepare ice-cream for consumption like a restaurant, it is supply of ice cream as goods and not as a service, even if the supply has certain ingredients of service.

Himmat mat khona
abhi bahut aage jana hai,
Jinhone kaha tha
tere bas ki nahi,
unhe bhi kar ke dikhana hai.

RCM & ECO




GST shall be paid by the recipient of goods/service/both on reverse charge basis

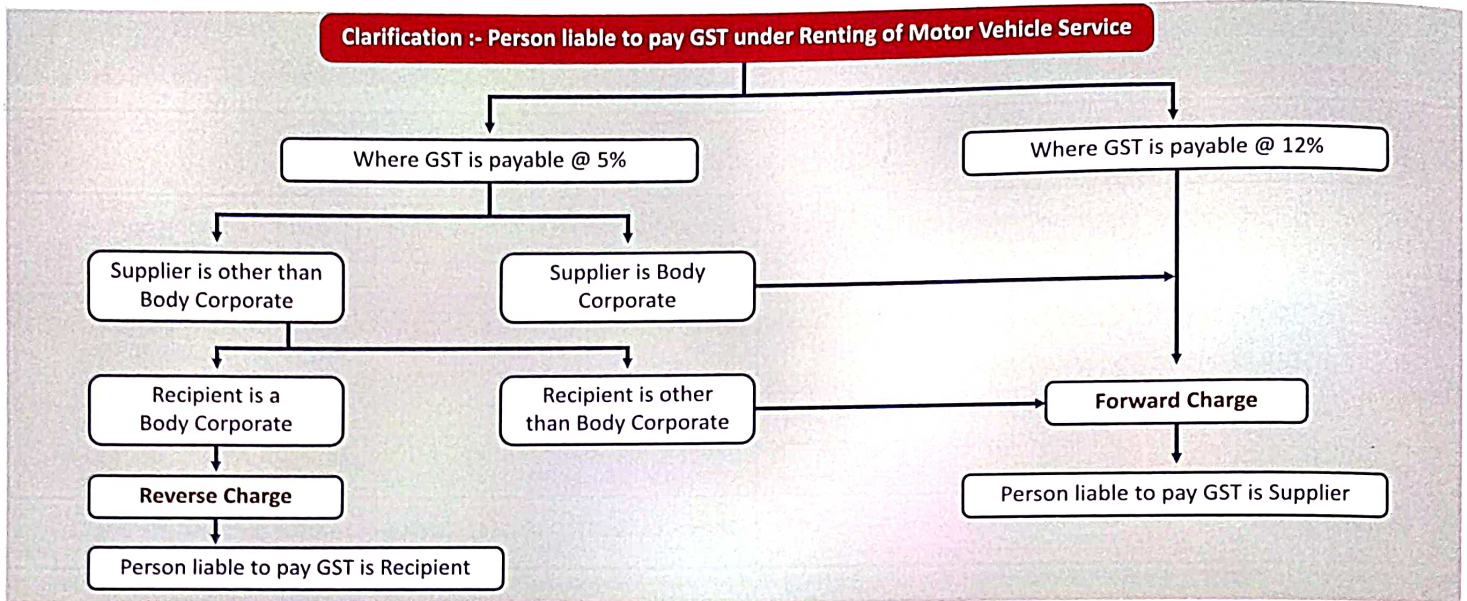
Supply by an unregistered supplier to notified registered person (Sec. 9(4))

1. Supply of such goods and services or both which constitute the shortfall from the minimum value which is required to be purchased by a promoter for construction of project, in a financial year or part of the financial year till the date of issuance of completion certificate or first occupation, whichever is earlier
2. Cement
3. Capital goods

Supply of goods/service/both notified by the government (Sec. 9(3))

| Category of Supplier of Service | Recipient of Service |
|--|--|
| <p>Services by a good transport agency (GTA) in respect of transportation of goods by road</p> <p>However, RCM on GTA service shall not apply where GTA has taken registration under GST and exercised the option to pay GST under FCM; and the GTA has issued a tax invoice to the recipient charging GST at the applicable rates and has made requisite declaration on such invoice issued by him. Further, the option exercised by GTA to itself pay GST under FCM during a Financial Year shall be deemed to have been exercised for the next and future financial years unless the GTA files a declaration to revert under RCM on or after the 1st January to 31st March of the PFY.</p> | <p>Factory, Society, Co-operative society, GST registered person, body corporate, partnership firm including AOP, registered casual taxable person located in the taxable territory</p> <div style="text-align: center;"> <p>GST on GTA Services</p> <pre> graph TD A[GST on GTA Services] --> B[If the Recipient** is other than 7 specified categories of persons (e.g. Unregistered Individual end Consumer)] A --> C[If the Recipient** is one of the 7 specified categories of persons] B --> D[GST is Exempt] C --> E[GST is Chargeable] E --> F[GTA (service supplier) has the Choice] F --> G[Take registration under GST and opt to pay GST under FCM] F --> H[Otherwise] G --> I[Applicable Rate of CST] I --> J[5% (without any ITC on IN, CG & INS used by GTA)] I --> K[12% (with ITC on IN, CG & INS used by GTA)] H --> L[**Recipient will be liable to pay GST under RCM] L --> M[Applicable Rate of GST = 5%] </pre> </div> <p>** Recipient of GTA service is the person who pays/is liable to pay freight for transportation of goods by road in goods carriage, located in the taxable territory.</p> |
| <p>Services provided by an individual advocate including a senior advocate or firm of advocates by way of legal services, directly or indirectly</p> | |
| <p>Services supplied by an arbitral tribunal to a business entity</p> | |
| <p>Services supplied by the CG, SG, UT or LA to a business entity excluding -</p> <ol style="list-style-type: none"> (1) renting of immovable property, and (2) Services specified below - <ol style="list-style-type: none"> (i) services by the Department of Posts and the Ministry of Railways (Indian Railways) (ii) services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport; (iii) transport of goods or passengers <p>[Provisions of RCM, in so far as they apply to the CG and SG, shall also apply to the Parliament, State Legislatures, Courts and Tribunals]</p> | <p>Any business entity located in the taxable territory</p> |

| | |
|--|--|
| Services supplied by the CG excluding the Ministry of Railways (Indian Railways), SG, UT or LA by way of renting of immovable property to a registered person | Registered Person under GST |
| Service by way of renting of residential dwelling to a registered person | Registered Person under GST |
| Services provided by way of sponsorship to any body corporate or partnership firm | Any body corporate or partnership firm located in the taxable territory |
| Services supplied by any person by way of Transfer of Development Rights (TDR) or Floor Space Index (FSI) (including additional FSI) for construction of a project by a promoter | Promoter |
| Long term lease of land (30 years or more) by any person against consideration in the form of upfront amount/ Periodic rent for construction of a project by a promoter | |
| Director | The co. or a body corporate located in the taxable territory |
| Insurance agent | Any person carrying an insurance business, located in taxable territory |
| Recovery agent | A banking company or a financial institution or a NBFC, located in the taxable territory |
| Supply of services by music composer, photographer, artist or the like by way of transfer or permitting the use or enjoyment of a copyright relating to original dramatic, musical or artistic works | Music company, producer or the like, located in the taxable territory |
| Supply of services by an author by way of transfer or permitting the use or enjoyment of a copyright relating to original literary works to a publisher. | Publisher located in the taxable territory (except where Author opts for FCM) |
| Members of Overseeing Committee to RBI | Reserve Bank of India (RBI) |
| Services supplied by individual Direct Selling Agents (DSAs) other than a body corporate, partnership firm or LLP | A banking company or a NBFC, located in the taxable territory |
| Business facilitator (BF) | A banking company, located in the taxable territory |
| Agent of business correspondent (BC) to business correspondent (BC) | A business correspondent, located in the taxable territory |
| <p>Security services (services provided by way of supply of security personnel) provided to a registered person by any person other than body corporate:</p> <p>However, nothing contained in this entry shall apply to,-</p> <p>(i) (a) a Department or Establishment of the CG, SG, UT or</p> <p>(b) Local Authority; or</p> <p>(c) Governmental Agencies;</p> <p>which has taken registration only for the purpose of deducting TDS u/s 51 and not for making a taxable supply of goods or services</p> <p>(ii) a registered person paying tax under Composition Scheme</p> |  <p>A registered person, located in the taxable territory</p> |
| Renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient, provided to a body corporate, by any person other than body corporate, who does not issue invoice charging GST @ 12% | Any body corporate located in the taxable territory |
| Lending of securities | Borrower |



Clarification

However, where the body corporate avails the passenger transport service for specific journeys or voyages and does not take vehicle on rent for any particular period of time, the service would fall under Heading 9964 (i.e. transport of passengers) and the body corporate shall not be liable to pay GST on the same under RCM.

| Additional Services under RCM for IGST purpose | | |
|--|--|---|
| S.No. | Category of Supply of Service | Recipient of Service |
| 1. | Any service supplied by any person who is located in a non taxable territory to any person, other than non-taxable online recipient. | Any person located in the taxable territory, other than non taxable online recipient. |

Tax payable by the ECO on Notified service (Sec. 9(5))

- (i) services by way of transportation of passengers by a radio-taxi, motorcab, maxicab, motor cycle or any other motor vehicle except omnibus ; (e.g. OLA, Uber, Rapido, etc.);
 - (ia) services by way of transportation of passengers by an omnibus except where the person supplying such service through ECO is a company;
 - (ii) services by way of providing accommodation in hotels, inns, guest houses etc. **except** where the person supplying such service through ECO is liable for registration (e.g. Tripadvisor, goibibo, etc.);
 - (iii) services by way of house-keeping, such as plumbing, carpentering, etc., **except** where the person supplying such services through ECO is liable for registration (e.g. urbanclap.com, zimmbber.com, etc.);
 - (iv) Supply of restaurant service other than the service supplied by restaurant, eating joints etc. located at specified premises. (e.g. Swiggy, Zomato, etc.) [Specified premises means premises providing hotel accommodation service having declared tariff of any unit of accommodation above Rs. 7,500 per unit per day or equivalent.]
- ☛ It is important to note here that the above provision shall apply only in case of supply of these notified services.

| | | | |
|----|--|---|---|
| 1. | If the ECO is located in taxable territory | → | Person liable to pay tax is the ECO |
| 2. | If the ECO does not have physical presence in the taxable territory | → | Person liable to pay tax is the person representing the ECO |
| 3. | If the ECO has neither the physical presence nor any representative in the taxable territory | → | Person liable to pay tax is the person appointed by the ECO for the purpose of paying the tax |

PLACE OF SUPPLY (IGST ACT, 2017)

SEC. 7 : INTER STATE SUPPLY

Supply of goods/services where the LOS and the POS are in -

- two different States/UT; or
- a State and a UT.

Supply of goods or services or both, -

- in the taxable territory, not being an intra-State supply and not covered elsewhere in this section,

shall be treated to be a supply of goods or services or both in the course of inter-State trade or commerce.

SEC. 8 : INTRA STATE SUPPLY

Supply of goods/services where the LOS and the POS are in the same State/UT shall be treated as intra-State supply of goods /services.

SEC. 9 : SUPPLIES IN TERRITORIAL WATERS

Notwithstanding anything contained in this Act, -

- where the LOS is in the territorial waters, the location of such supplier; or
- where the POS is in the territorial waters, the POS, shall be deemed to be in the coastal State or Union territory where the nearest point of the appropriate baseline is located.

SEC. 10 : PLACE OF SUPPLY OF GOODS [Other than Export or Import]

| Section | Nature of Supply | Place of Supply (POS) |
|-----------|--|--|
| 10(1)(a) | Supply involves movement of goods | Location of goods at the time at which movement terminates |
| 10(1)(b) | Goods delivered to a third person on direction of the Buyer [Bill to Ship to Model] | Principal place of business of Buyer |
| 10(1)(c) | Supply does not involves movement of goods | Location of goods at the time of delivery to the recipient |
| 10(1)(ca) | Supply made to unregistered person | Location of recipient recorded in the invoice (even if name of the State of recipient is recorded); and location of the supplier where the address of the recipient is not recorded in the invoice |
| 10(1)(d) | Where goods are assembled or installed at site | Place of installation or assembly |
| 10(1)(e) | Goods supplied on board a conveyance like a vessel, aircraft, train or motor vehicle | Place where such goods are taken on - board the conveyance |

PLACE OF SUPPLY OF SERVICES



where LOS & LOR Is In India [Sec. 12]









General Provision [Sec. 12(2)]

- If Registered Recipient (B2B) → POS is LOR
- If Unregistered Recipient (B2C)
 - Address on Record exists → POS is LOR
 - Address on Record doesn't exists → POS is LOS

Specific Provisions



| Sec. 12 | Nature of Service | Place of Supply |
|---------|---|---|
| (3) | Immovable property related - services including accommodation in hotel/ boat/ vessel & ancillary services  | Location at which the immovable property or boat or vessel is located or intended to be located If located outside India: LOR Each such State in proportion to the value of services provided in each State Proportionate value in case of multiple States  |
| | | [Rule 4] |
| | Type of service in relation to immovable property | Factor which determines the proportionate value of service supplied in different States/UTs |
| | Lodging accommodation by hotel, inn, guest house etc. and its ancillary services | Number of nights stayed in such property. Time spent by the boat or vessel in each such State/UTs. |
| | Lodging accommodation by a house boat or vessel and its ancillary services. | Area of the immovable property lying in each State/UTs. |
| | All other services provided in relation to immovable property and its ancillary services | |

| | | |
|------|--|--|
| (4) | Restaurant & catering services, personal grooming, fitness, beauty treatment, health service | Location where the services are actually performed  |
| (5) | Training and performance appraisal | B2B: Location of such registered person B2C: Location where the services are actually performed |
| (6) | Admission to an event or amusement park and ancillary services | Place where the event is actually held or where the park or the other place is located  |
| (7) | Organisation of an event including ancillary services and assigning of sponsorship to such events | B2B: Location of such registered person B2C: Location where the event is actually held <ul style="list-style-type: none"> ☛ If the event is held outside India: LOR ☛ Proportionate value in case of multiple States Rule 5: In the absence of a contract or agreement, the proportionate value of services made in different States/UTs (where the event is held) is determined by the application of GAAP. |
| (8) | Transportation of goods, including mails or courier  | B2B: Location of such registered person B2C: Location at which such goods are handed over for their transportation <ul style="list-style-type: none"> ☛ If the goods are transported outside India: Location of the destination of goods- |
| (9) | Passenger transportation  | B2B: Location of such registered person B2C: Place where the passenger embarks on the conveyance for a continuous journey <ul style="list-style-type: none"> ☛ Return Journey - treated as separate journey ☛ Where the right to passage is given for future use and the point of embarkation is not known at the time of issue of right to passage, POS of such service shall be determined in accordance with the general provision |
| (10) | Services on board a conveyance | Location of the first scheduled point of departure of that conveyance for journey |
| (11) | Telecommunication services including data transfer, broadcasting, cable and direct to home television services to any person  | Services involving fixed line, leased and internet leased circuits, dish antenna etc: Location of such fixed equipment Post-paid mobile/ internet services: Location of billing address of the recipient Pre-paid mobile/ internet/DTH services provided: <ul style="list-style-type: none"> ☛ <u>Through selling agent/re-seller/distributor:</u> Address of such person in the records of supplier at the time of supply ☛ <u>By any person to final subscriber:</u> Location where pre-payment is received or place of sale of vouchers ☛ <u>When payment made through electronic mode</u> - LOR in records of supplier Other cases: Address of the recipient in the records of the supplier and if the same is not available, LOS Proportionate value in case of multiple States Rule 6: In the absence of a contract or agreement, the value of services supplied in different States/UTs (where the leased circuit is installed) is determined in proportion to the number of points lying in each such State/UT (Any intermediate point or place in the circuit will also constitute a point provided that the benefit of the leased circuit is also available at that intermediate point). |
| (12) | Banking and other financial services including stock broking | LOR of services in the records of the supplier and if the LOR of services is not available then LOS of services  |
| (13) | Insurance services | B2B: Location of such registered person B2C: LOR of services in the records of the supplier  |
| (14) | Advertisement services to the CG, SG, a statutory body or a LA meant for the States or UT | Each of States / UT where the advertisement is broadcasted / displayed / run / disseminated Proportionate value In case of multiple States  |

EXEMPTIONS UNDER GST

Health Care Related Services

- Health care services
 - by a clinical establishment, an authorised medical practitioner or paramedics
 - by way of transportation of a patient in an **ambulance**
 - **veterinary clinic** for animals or birds



- 'Health care services' means any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognized system of medicines in India and includes services by way of transportation of the patient to and from a clinical establishment, but, does not include hair transplant or cosmetic or plastic surgery, except when undertaken to restore or to reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma. [It also includes IVF]
- Hiring of senior dr./ consultant/technicians independently by hospital, retention money, Hospital room rent, food supplied to the admitted patient are also exempt [However, if any clinical establishment charges room rent exceeding Rs. 5000 per day, then, room rent will be chargeable to GST. But, charges for ICU /CCU / ICCU / NICU will be exempt from GST irrespective of charges.]
 - Services by way of **artificial insemination of livestock** (other than horses)
 - Charitable activities** provided by entity registered u/s 12AA or 12AB of income tax act 1961
 - Services by an **old age home** run by CG, SG or registered entity u/s 12AA or 12AB to its residents (aged 60 years or more) against consideration **upto 25,000/- per month per member** (including boarding, lodging and maintenance)
 - Services by **rehabilitation professionals** by way of rehabilitation, therapy or counseling and such other activity
 - Services by way of **public conveniences**

Banking Related Services

1. Services by way of-
 - (a) extending deposits, loans or advances in so far as the consideration is represented by way of **interest or discount** (other than interest involved in credit card services);
 - (b) inter se sale or purchase of **foreign currency amongst banks or authorized dealers** of forex or amongst banks and such dealers.
 2. Services provided by a banking co. to **BSBD** acc. holders under **PMJDY**.
 3. Services by an acquiring bank, to any person in relation to settlement **upto 2,000/-** in a single transaction transacted through credit card, debit card, charge card or other payment card service.
- Circular :** Incentives paid by MeitY to acquiring bank under the Incentive

scheme for promotion of RuPay Debit Cards and low value BHIM-UPI transactions are in the nature of subsidy and thus, not taxable.

4. Services -
 - (a) BF or a BC to a banking company with respect to accounts in its rural area branch;
 - (b) any person as an intermediary to a BF or a BC with respect to services mentioned in entry (a); or
 - (c) BF or a BC to an insurance co. in a rural area.

[The banking co. is liable to pay GST on the entire value of service charge /fee charged to customers whether or not received via BF or the BC.]

Services Relating to Agriculture

- Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agriculture produce (A.P.) by way of-
 - (a) **agricultural operations** directly related to production of any A.P. including cultivation, harvesting, threshing, plant protection or testing;
 - (b) **supply of farm labour**;
 - (c) **processes carried out at an agricultural farm** including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations **which do not alter the essential characteristics** of A.P. but make it only marketable for the **primary market**;
 - (d) **renting or leasing of agro machinery or vacant land**;
 - (e) **loading, unloading, packing, storage or warehousing** of A.P.;
 - (f) **agricultural extension services**;
 - (g) services by any **APMC** or Board or services provided by a **comm. agent** for sale or purchase of A.P.



- loading, unloading, packing, storage or warehousing** of rice.
- Warehousing of minor forest produce.**
- Storage or warehousing of **cereals, pulses, fruits and vegetables.**
- Carrying out an **intermediate production process as job work** in relation to agricultural.
- Pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics.
- Transport of A.P., milk, salt and food grain including flour, pulses and rice by **GTA, rail or vessel.**
- Artificial Insemination of livestock (other than horses).
- Right to use natural resources to an individual farmer for the purpose of agriculture provide by CG, SG, UT, Local authority.
- Services supplied by electricity distribution utilities for extending **electricity** distribution network upto the **tube well of the farmer or agriculturalist** for agricultural use.
- Services provided by the **National Centre for Cold Chain Development.**

Education Related Services

1. **Services provided by an educational institution**
 - to its students, faculty and staff (any service)
 - by way of conduct of entrance examination against consideration in the form of **entrance fee**



2. **Services provided to an educational institution****
 - (i) transportation of students, faculty and staff;
 - (ii) catering, including any mid-day meals
 - (iii) security or cleaning or house-keeping services performed in such edu. inst.
 - (iv) services relating to admission to, or conduct of examination
 - (v) **supply of online educational journals or periodicals**

**For preschool education and education up to higher secondary school or equivalent (only 1 to 4 - Exempt)

**For education as a part of a curriculum for obtaining a qualification recognised by any law (only 4th & 5th - Exempt)

**For education as a part of an approved vocational education course (only 4th - Exempt)

3. GST is exempt on services provided by Central or State Boards (including the boards such as NBE) by way of conduct of examination for the students, including conduct of entrance examination for admission to educational institution.
GST is also exempt on input services relating to admission to, or conduct of examination, such as online testing service, result publication, printing of notification for examination, admit card and questions papers etc., when provided to such boards.
Circular : GST is exempt on services provided by any authority, board or body set up by the CG or SG including National Testing Agency for conduct of entrance examination for admission to educational institutions
4. Serving of food to anganwadi shall also be covered by said exemption, whether sponsored by govt. or through donation from corporates.
5. The exemption is wide enough to cover the amount or fee charged for admission or entrance, or amount charged for application fee for entrance, or the fee charged from prospective students for issuance of eligibility certificate to them in the process of their entrance/admission to the educational institution. Services supplied by an educational institution by way of issuance of migration certificate to the leaving or ex- students are also covered by the exemption.
6. long duration programs (one year or more) conducted by the IIM are also covered under this exemption.
7. DG Shipping approved maritime courses conducted by Maritime Training Institutes of India are also covered under this exemption.
8. Services by way of giving on hire motor vehicle for transport of students, faculty and staff, to a person providing services of transportation of students, faculty and staff to an educational institution providing services by way of pre-school education and education upto higher secondary school or equivalent.
9. Services provided by training providers under **Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDUGKY)**
10. Services of assessing bodies by way of **assessments under the Skill Development Initiative Scheme**
11. Services provided to the CG, SG, UT under any **training programme** for which 75% or more of the **total expenditure** is borne by the CG, SG, UT
12. **Training or coaching in (a) recreational activities** relating to arts or culture by an individual; or (b) sports by registered charitable entities u/s 12AA or 12AB

Entertainment and Sports Related Services

1. **Services by way of admission to**
 - a museum, national park, wildlife sanctuary, tiger reserve or zoo.
 - a protected monument
 - circus, dance, or theatrical performance including drama or ballet; award function, concert, pageant, musical performance or any sporting event or planetarium, where the consideration is **not more than Rs. 500 per person**
2. **Services by an artist by way of a performance in folk or classical art forms of**
 - music, dance or theatre → where the consideration is upto **Rs. 1,50,000** (if performance provided by such artist as a **brand ambassador - no exemption**)
3. **Services provided by a tour operator to a foreign tourist in relation to a tour conducted wholly outside India.**
4. **Tour operator service**, which is performed partly in India and partly outside India, supplied by a tour operator to a foreign tourist, to the extent of the value of the tour operator service which is performed outside India (in proportion to the number of days or 50% off value of entire tour, WIL).
5. **Services provided to a recognized sports body (RSB) by** (a) an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organized by a RSB ; or (b) another RSB
6. **Services by way of sponsorship of sporting events organized by -**
a national sports federation, Association of Indian Universities, the Central Civil Services Cultural and Sports Board, the Indian Olympic Association, Panchayat Yuva Kreedaa Aur Khel Abhiyaan Scheme.
7. Services provided by and to FIFA and its subsidiaries directly or indirectly related to any of the events under **FIFA U-17 Women's World Cup 2020** to be hosted in India, whenever rescheduled.
8. Services by way of right to admission to the events organized under **FIFA U-17 Women's World Cup 2020**, whenever rescheduled.
9. Services [certified by Director (Sports), Ministry of Youth Affairs and Sports] provided by and to AFC and its subsidiaries directly or indirectly related to any of the events under **AFC Women's Asia Cup 2022** to be hosted in India.
10. Services by way of right to admission to the events organized under **AFC Women's Asia Cup 2022**.



Construction Related Services

1. **Pure labour contracts of construction, erection, commissioning, or installation of original works pertaining to a single residential unit otherwise than as a part of a residential complex.**
2. **Pure labour contracts of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of a civil structure or any other original works under the Housing for All (Urban) Mission or Pradhan Mantri Awas Yojana.**
3. Supply of TDR, FSI including additional FSI, Long Term Lease of land by a landowner to a developer if the **constructed flats are sold before issuance of completion certificate** and tax is paid on them. And, if flats are sold afterwards, then, GST shall be payable @ 1% (affordable houses) and 5% (other cases).



Transportation Related Services

1. Transportation of passengers, with or without accompanied belongings, by:

- Railways other than first class or an A.C. coach
- Metro, monorail or tramway
- Inland waterways
- Public transport, other than predominantly for tourism purpose, in a vessel (includes private ferry used for passenger transport from one island to another)
- Metered cabs or auto rickshaws (including e-rickshaws) [not exempt, if services are supplied through an ECO notified u/s 9(5)]
- Air in economy class, embarking from or terminating in the state of Arunachal Pradesh, Assam Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, at Bagdogra located in West Bengal
- Non A.C. contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire [not exempt, if services are supplied through an ECO notified u/s 9(5)] [does not include hiring of non -A.C. contract carriage]
- Stage carriage other than A.C. stage carriage [not exempt, if services are supplied through an ECO notified u/s 9(5)]
- Air to the CG, embarking from or terminating at a Regional Connectivity Scheme airport, against consideration in the form of viability gap funding.

2. Transportation of goods:

- By road except GTA or courier agency [does not include renting of transport vehicles]
- By inland waterways
- By an aircraft from a place outside India upto the customs

station of clearance in India

- from one place in India to another -
 - By rail or a vessel or a GTA - relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap; defence or military equipments; newspaper or magazines; agricultural produce, milk, salt and food grain including flours, pulses and rice; and organic manure
- By GTA to CG, SG, UT, local authorities, gov. agencies, which has taken registration only for the purpose of deducting TDS.
- 3. Services provided by a GTA, to an unreg. person (including an unreg. CTP), other than factory, society, co-operative society, body corporate, partnership firm, reg. CTP.
- 4. Supply of services associated with transit cargo to Nepal & Bhutan (landlocked countries). [includes return of empty containers also]
- 5. Services by way of giving on hire (or rent) -
 - (a) to a state transport undertaking, a motor vehicle meant to carry more than 12 passengers; or
 - (aa) to a local authority, an Electrically operated vehicle meant to carry more than 12 passengers; or
 - (b) to GTA, a means of transportation of goods; or
 - (c) motor vehicle for transport of students, faculty and staff, to a person providing transportation services to school.
- 6. Service by way of access to a road or a bridge on payment of toll charges [includes overloading charges and higher toll charges from vehicles not having fastag]
- 7. Satellite launch services supplied by ISRO, Antrix Corporation Limited or New Space India Limited.
- 8. Services by way of granting National Permit to a goods carriage to operate through-out India/contiguous States.

Renting of Immovable Property Related Services

1. Services by way of renting of residential dwelling for use as residence except where the residential dwelling is rented to a registered person.

This entry shall cover services by way of renting of residential dwelling to a registered person where, -

- (i) the registered person is proprietor of a proprietorship concern and rents the residential dwelling in his personal capacity for use as his own residence; and
- (ii) such renting is on his own account and not that of the proprietorship concern.

2. Services by a person by way of

- (a) conduct of any religious ceremony
- (b) renting of precincts of a religious place meant for general public.

However, nothing contained in entry (b) of this exemption shall apply to -

- (i) renting of rooms where charges are 1,000 or more per day;
- (ii) renting of premises, community halls, kalyan mandapam or open area, and the like where charges are 10,000 or more per day;
- (iii) renting of shops or other spaces for business or commerce where charges are 10,000 or more per month.

3. Upfront amount payable for granting long term lease of 30 years, or more of industrial plots or plots for development of infrastructure for financial business, provided by the SG Industrial Development Corporations or Undertakings or by any other entity having 20% or more ownership of CG, SG, UT directly or through an entity which is wholly owned by them. [Additional charges for preferential location are also eligible for exemption]



Insurance Related Services

1. General Ins. schemes -

Hut Ins. Scheme; Cattle Ins. under Swarnajayanti Gram Swarozgar Yojna; Scheme for Ins. of Tribals; Janata Personal Accident Policy and Gramin Accident Policy; Group Personal Accident Policy for Self-Employed Women; Agricultural Pumpset and Failed Well Ins.; Premia collected on export credit Ins.; Restructured Weather Based Crop Ins. Scheme (RWICIS); Jan Arogya Bima Policy; Pradhan Mantri Fasal Bima Yojana (PMFBY); Pilot Scheme on Seed Crop Ins.; Central Sector Scheme on Cattle Ins.; Universal Health Ins. Scheme; Rashtriya Swasthya Bima Yojana; Coconut Palm Ins. Scheme; Pradhan Mantri Suraksha Bima Yojna; Niramaya Health Ins. Scheme and Bangla Shasya Bima.

2. Life Ins. schemes -

Janashree Bima Yojana; Aam Aadmi Bima Yojana; Life micro-Ins. product as approved by the IRDA having max. amount of cover of 2,00,000/-; Varishtha Pension Bima Yojana; Pradhan Mantri Jeevan Jyoti Bima Yojana; Pradhan Mantri Jan Dhan Yojana and Pradhan Mantri Vaya Vandana Yojana.

- 3. Services provided to the CG, SG, UT under any Ins. scheme for which total premium is paid by the CG, SG, UT.
- 4. Re-Ins. of the Ins. schemes specified in points 1, 2 & 3 above.
- 5. Collection of contribution under the Atal Pension Yojana.
- 6. Collection of contribution under any pension scheme of the SG.
- 7. Services of life Ins. business provided by way of annuity under NPS.
- 8. Services of life Ins. business provided by the Army, Naval and Air Force Group Ins. Funds to its members, Naval Group Ins. Fund to the personnel of Coast Guard and Central Armed Police Forces Ins. funds to their members.

Government Related Services

1. Services by CG, SG, UT or LA, **excluding** –
 - (a) services by the **Department of Posts** and the Ministry of Railways (Indian Railways)
 - (b) services in relation to an **aircraft or a vessel**, inside or outside the precincts of a port or an airport;
 - (c) **transport of goods/passengers**;
 - (d) **any service, other than** services covered under (a) to (c) above, **provided to business entities.**
- 1A. Services by the Department of Posts by way of post card, inland letter, book post and ordinary post (envelopes weighing less than 10 grams).
2. Services provided by the CG, SG, UT or LA, to a business entity with an aggregate T/O upto such amount in the preceding F.Y. which makes it eligible for exemption from registration.
[This exemption is not applicable, when the services are renting of immovable property, or are covered in (a,b,c) of point 1].
3. Services provided by CG, SG, UT or LA - where the **consideration for such services does not exceed 5,000** [not applicable on (a,b,c) of point 1].
in case of **continuous supply of service** where the consideration charged for such service does not exceed **5,000 in a F.Y.**
4. Services provided by the CG, SG, UT or LA **to another CG, SG, UT or LA** [not applicable on (a,b,c) of point 1].
5. Services provided by the CG, SG, UT or LA by way of **issuance of passport, visa, driving licence, birth certificate or death certificate.**
6. Services provided by the CG, SG, UT or LA by way of
 - (a) **registration** required under any law for the time being in force;
 - (b) **testing, calibration, safety check or certification** relating to protection or safety of workers, consumers or public at large, including fire license, required under any law for the time being in force.
[Seed testing and certification is a multi-stage process and qualifies as composite supply of seed testing and certification, which is exempt.]
7. Services by the Employees State Ins. Corp. (**ESIC**) to persons governed under the ESIC Act, 1948.
8. Services provided by the Employees Provident Fund Organisation [**PF**] to the persons governed under PF Act, 1952.
9. Services by **Coal Mines Provident Fund Organisation** to persons governed by the respective Act, 1948.
10. Services by **NPS Trust** to its members against consideration in the form of administrative fee.
11. Services by way of providing information under **RTI**.
12. Services by gov. authority by way of any activity in relation to **any function entrusted to a municipality or a Panchayat under article 243W or 243G of the Constitution.**
13. Supply of service **by a Gov. Entity** to CG, SG, UT or LA or any person specified by them **against consideration** received from CG, SG, UT or LA **in the form of grants.**
14. Services provided by the CG, SG, UT by way of **Merchant Overtime charges.**
15. Services provided by the CG, SG, UT, LA by way of **tolerating non-performance of a contract.**
16. Services provided by the CG, SG, UT, PSU by way of **guaranteeing the loans** taken by such undertakings or PSUs from the banking co. / financial institutions.
17. Services supplied by a SG to **ERCC** by way of assigning the right to collect royalty on behalf of the SG on the mineral dispatched by the mining lease holders.
However, if the GST deposited by mining lease holders on royalty is < GST exempted for ERCC, then, the exemption shall be restricted to such amount as is equal to the GST paid by the mining lease holder and ERCC shall liable to pay difference amount of GST.
18. **Transmission or distribution of electricity** by an electricity transmission or distribution utility.
19. Services by a **foreign diplomatic mission** located in India.
20. Services by a **Kumaon Mandal Vikas Nigam Limited & Haj Committee** in respect of a **religious pilgrimage** facilitated by the Gov. under bilateral arrangement.
21. **Pure services** (excluding works contract service or other composite supplies involving supply of any goods) provided to the CG, SG, UT, LA by way of any activity in relation to **any function entrusted to a Panchayat or Municipality under article 243G or 243W of the Constitution.**
22. **Composite supply** of goods and services (in which the value of supply of goods constitutes not more than 25% of the value of the said composite supply) provided to the CG, SG, UT, LA by way of any activity in relation to any function entrusted to a Panchayat or Municipality under article 243G or 243W of the Constitution. [Includes services provided to Indian Army or any other govt. ministry/deptt.]
23. Services provided to a Governmental Authority by way of - (a) Water supply; (b) Public health; (c) Sanitation conservancy; (d) Solid waste management; and (e) Slum improvement and upgradation.
24. Service provided by **Fair Price Shops to CG, SG or UT** against consideration in the form of **commission or margin.**
25. Services provided by recognised **TBI, STEP or bio-incubators.**
26. Services provided by an **incubatee** up to a total T.O. of **50 lakh** in a F.Y. if the total T.O. had not exceeded 50 lakh during the preceding F.Y. and a period of 3 years has not elapsed from the date of entering into an agreement as an incubatee.

Circulars

- ☛ Services provided by **Police or security** agencies of Government to PSUs/corporate entities/sports events held by private entities are not exempt from GST. Further, the recipients are required to pay tax under RCM on the amount of consideration paid to Government for such supply of services.
- ☛ Accommodation services provided by Air Force Mess and other similar messes, such as, Army mess, Navy mess, Paramilitary and Police forces mess to their personnel or any person other than a business entity are exempt.

Miscellaneous Services

1. Services by way of **transfer of a going concern**, as a whole or an independent part thereof.
2. Legal services provided by-
 - (a) an arbitral tribunal;
 - (b) a partnership firm of advocates or an individual as an advocate other than a senior advocate, by way of legal services; or
 - (c) a senior advocate
 - (i) to any person other than a business entity [Exempt in case of (a,b,c)]
 - (ii) to a business entity with an agg. T/O upto such amount in PFY which makes it eligible for exemption from reg. [Exempt in case of (a,b,c)]
 - (iii) the CG, SG, UT, L.A. Gov. Authority or Gov. Entity [Exempt in case of (a,b,c)]
 - (iv) to an advocate or partnership firm of advocates providing legal services [Exempt only in case of (b)].
3. Services by way of **collecting or providing news** by an independent journalist, Press Trust of India or United News of India.
4. Services of **public libraries** by way of lending of books, publications or any other knowledge-enhancing content or material.
5. Services by an **organiser** to any person in respect of a **business exhibition held outside India.**
6. Service by an unincorporated body or a reg. non profit entity to its own members by way of reimbursement of charges or share of contribution -
 - (a) as a trade union;

- (b) for the provision of carrying out any activity which is already exempt from GST; or
- (c) up to an amount of 7,500 per month per member for sourcing of goods or services from a third person for the common use of its members in a housing society or a residential complex.
- 7. Services provided by an **unincorporated body or reg. non profit entity** where consideration in the form of membership fee is upto an amount of **1,000/-** per member per year or where activities are relating to the welfare of industrial or agricultural labour / farmers.
- 8. Services by an intermediary of financial services located in a multi services SEZ with IFSC status to a customer located outside India for international financial services in currencies other than INR.

Circulars

Agreement to do or refrain from an act should not be presumed to exist: Payments such as liquidated damages for breach of contract, Penalty imposed for violation of laws such as traffic violations, or for violation of pollution norms or other laws, penalties under the mining act for excess stock found with the mining company, forfeiture of salary or payment of amount as per the employment bond for leaving the employment before the minimum agreed period, penalty for cheque dishonor, etc. are not a consideration for tolerating an act or situation. Such amounts are for preventing breach of contract or non-performance and are thus mere 'events' in a contract. Further, such amounts do not constitute payment (or consideration) for tolerating an act, because there cannot be any contract: (a) for breach thereof, or (b) for violation of laws, or (c) for holding more stock than permitted under the mining contract, or (d) for leaving the employment before the agreed minimum period, or (e) for doing something leading to the dishonour of a cheque. Such payments are merely flow of money and are not a consideration for any supply. Hence, such activities will not constitute "supply" and will not be chargeable to GST.

Late payment fees or surcharge: The facility of accepting late payments with interest or late payment fee, fine or penalty is a facility granted by supplier naturally bundled with the main supply. Since, it is ancillary to and naturally bundled with the principal supply such as of electricity, water, telecommunication, cooking gas, insurance etc., it should be assessed at the same rate as the principal supply.

Fixed Capacity charges for Power: The minimum fixed charge or part of it is not a charge for tolerating the act of not scheduling or consuming the minimum contracted or available capacity or a minimum threshold. Both the components of the price, the minimum fixed charges/capacity charges and the variable/energy charges are charged for sale of electricity and are thus not taxable as electricity is exempt from GST.

Cancellation charges: The amount forfeited in the case of non-refundable ticket for air travel or security deposit or earnest money forfeited in case of the customer failing to avail the travel, tour operator or hotel accommodation service or such other intended supplies are elements of composite supply and should be assessed at the same rate as applicable to the service contract, say air transport or tour operator service, or other such services.

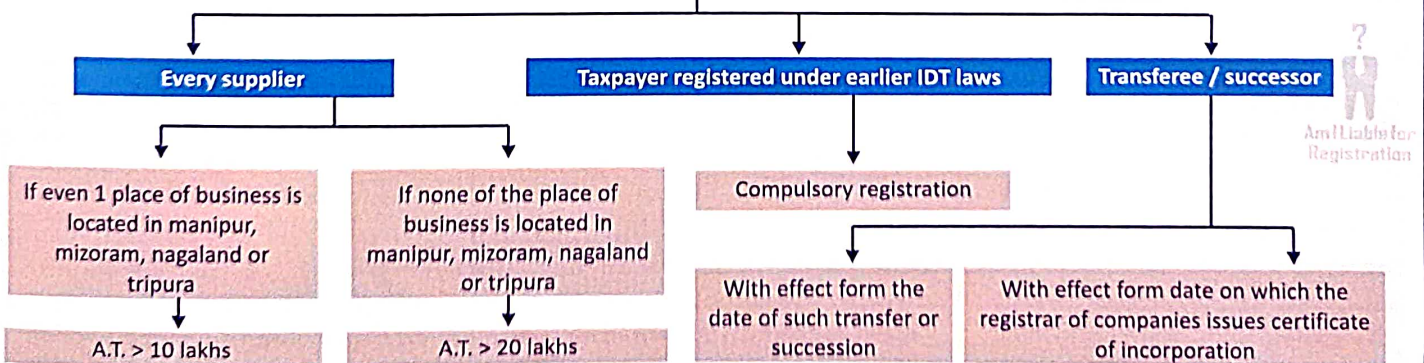
☛ Services provided by the guest anchors in lieu of honorarium attract GST liability.

☛ No Claim Bonus (NCB) (i.e. discount) given by insurance company to the insured cannot be considered as consideration for any supply. Further, NCB (i.e. discount) is a permissible deduction u/s 15(3)(a) for the purpose of calculation of value of supply of the insurance services provided by the insurance company to the insured.

REGISTRATION



Person liable for registration (Sec. 22)



- ☛ **Aggregate Turnover**
Includes, Taxable Supplies, Exports, Exempt Supplies, Interstate Supplies.
Excludes CGST, IGST, SGST, GST Cess, UTGST, Value of Inward supplies on which tax is payable under RCM.
To be Computed on all India basis of persons having same PAN
- ☛ If no taxable supply is made from the place of business located in Manipur, Mizoram, Nagaland or Tripura, then, the A.T. for registration shall be 20 lakhs (Not 10 lakhs).
- ☛ A person is required to obtain registration with respect to his each place of business in India from where a taxable supply has taken place.
- ☛ A supplier is not liable to obtain registration in those states from where he is exclusively supplying of goods or services or both which are not taxable under GST.

Compulsory Registration (Sec. 24)



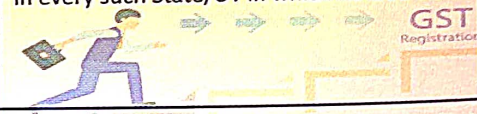
- persons making any inter-State taxable supply of goods;
- casual taxable persons making taxable supply;
- persons who are required to pay tax under RCM;
- person who are required to pay tax u/s 9(5);
- NRTP making taxable supply;
- persons who are required to deduct tax u/s 51 whether or not separately registered ;
- persons who make taxable supplies on behalf of other taxable persons whether as an agent or otherwise;
- ISD, whether or not separately registered ;
- persons who supply goods or services or both, other than supplies u/s 9(5) through such ECO who is required to collect TCS u/s 52;
- every ECO who is required to collect TCS u/s 52;
- every person supplying OIDAR services from a place outside India to a person in India, other than a registered person;
- every person supplying online money gaming from a place outside India to a person in India; and
- such other person or class of persons as may be notified by the Govt.

Persons not liable for Registration [Sec. 23]

- (i) Person engaged exclusively in supplying goods/services/both not liable to tax or wholly exempt from tax
- (ii) Agriculturist to the extent of supply of produce out of cultivation of land
- (iii) Persons making only reverse charge supplies
- (iv) Supplier of services supplying services through an ECO, having A.T. upto Rs. 20 Lakhs in a FY
- (v) Supplier of goods supplying goods through an ECO, if such supplier is having A.T. upto Rs. 20 Lakhs in the PFY & CFY, subject to the following conditions, namely:—
 - (a) Such persons shall not make any inter-State supply of goods;
 - (b) Such persons shall not make supply of goods through ECO in more than one State or UT;
 - (c) Such persons shall be required to have a PAN;
 - (d) Such persons shall, before making any supply of goods through ECO, declare on the common portal their PAN, address of their POB and the State or UT in which such persons seek to make such supply;
 - (e) Such persons have been granted an enrolment number on the common portal on successful validation of the PAN;
 - (f) Such persons shall not be granted more than one enrolment number in a State or UT; and
 - (g) Where such persons are subsequently granted registration, the enrolment number shall cease to be valid from the effective date of registration.
- (vi) Any person, who is engaged exclusively in supply of goods where A.T. does not exceed Rs. 40 lakhs, except, -
 - (1) persons required to take compulsory registration;
 - (2) persons engaged in making supplies of Ice cream and other edible ice, whether or not containing cocoa; Pan masala; Tobacco & manufactured tobacco substitutes; Fly ash bricks; fly ash aggregates; fly ash blocks; Bricks of fossil meals or similar siliceous earths; Building bricks; or Earthen or roofing tiles.
 - (3) persons engaged in making intra-State supplies in the States of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, Telangana, Tripura, Uttarakhand; and
 - (4) persons opting Voluntary Registration, or such registered persons who intend to continue with their registration under the said Act.

| | |
|---|--|
| States with threshold limit of Rs. 10 lakh for both goods and services | Manipur, Mizoram, Nagaland, Tripura |
| States with threshold limit of Rs. 20 lakh for both goods and services | Arunachal Pradesh, Meghalaya, Sikkim, Uttarakhand, Puducherry, Telangana |
| States with threshold limit of Rs. 20 lakh for services and Rs. 40 lakh for goods | Jammu & Kashmir, Assam, Himachal Pradesh, All other States |

Procedure for Registration [Sec. 25, 26 and 27]

| Particulars | When | Where |
|--|---|--|
| Person who is liable to be reg. under Sec. 22 or Sec. 24 | within 30 days from the date on which he becomes liable to registration | in every such State/UT in which he is so liable  |
| CTP or NRTP | at least 5 days prior to the commencement of business | |
| Every person who makes a supply from the territorial waters of India | within 30 days from the date on which he becomes liable to registration | in the coastal State/UT where the nearest point of the appropriate base line is located |

| Where an applicant submits application for registration | Effective date of registration is |
|---|---|
| within 30 days from the date he becomes liable to reg. | the date on which he becomes liable to reg. |
| after 30 days from the date he becomes liable to reg. | date of grant of reg. |
| Voluntarily | date of grant of reg. |

Registration Certificate granted to CTP/ NRTP will be valid

- (a) Period specified in the registration application, or
- (b) 90 days from the effective date of registration [extendible further by 90 days], whichever is earlier

CTP/NRTP are required to make an advance deposit of tax of an amount equivalent to the estimated net tax liability of such person for the period for which the registration is sought.

•Registration needs to be taken State-wise, A business entity having its branches in multiple States will have to take separate State-wise registration.

•Once a person obtains voluntary registration, he has to pay tax even though his aggregate turnover does not exceed 20 lakh/ 10 lakh.

Aadhaar Authentication

While applying for registration, Individual, Authorised signatory of all types, Managing & Authorised Partners and Karta of an HUF, shall undergo Aadhaar Authentication.

Aadhaar Authentication for Registered Person [Rule 10B]

The registered person, other than a person notified u/s 25(6D), who has been issued a certificate of registration shall, undergo authentication of the Aadhaar number in order to be eligible for the following purposes:

1. For filing of application for revocation of cancellation of registration
2. For filing of refund application u/r 89
3. For refund u/r 96 of the IGST paid on goods exported out of India

Sec. 25(6D): Aadhaar Authentication Not Required for a person who is, -

1. not a citizen of India; or
2. a Department or establishment of the CG or SG; or
3. a local authority; or
4. a statutory body; or
5. a PSU; or
6. a person applying for UIN (i.e. any specialized agency of the UNO, etc.).

Procedure For Registration

Every Person liable to get registered and person seeking voluntary registration shall, before applying for registration, declare his Permanent Account Number (PAN), State/UT in Part A of FORM GST REG-01 on GST Common Portal (www.gst.gov.in).

The PAN shall be validated online by the common portal from the CBDT database and shall also be verified through separate OTPs sent to the mobile number and e-mail address linked to the PAN.

Temporary Reference Number (TRN) is generated and communicated to the applicant on the validated mobile number and e-mail address.

Using TRN, applicant shall electronically submit application in Part B of application form, along with specified documents at the Common Portal.

Rule 8(4A): Where an applicant, other than a person notified u/s 25(6D), opts for authentication of Aadhaar number, he shall, while submitting the application, undergo authentication of Aadhaar number and the date of submission of the application in such cases shall be the date of authentication of the Aadhaar number, or 15 days from the submission of the application in Part B of FORM GST REG-01, whichever is earlier.

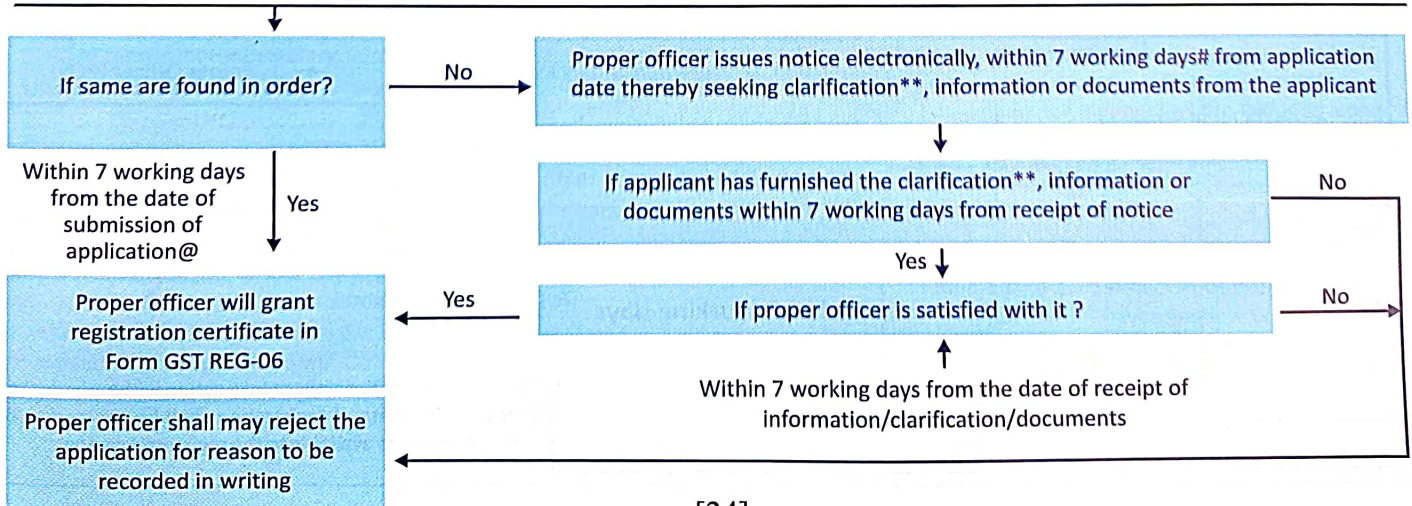
Further, if the applicant is applying for GST registration in the State of Gujarat or Puducherry, then, the following additional procedure needs to be followed by the applicant:

Every registration application made by a person, who has opted for authentication of Aadhaar number and is identified on the common portal, based on data analysis and risk parameters, shall be followed by biometric-based Aadhaar authentication and taking photograph of the applicant along with the verification of the original copy of the documents uploaded with the application in FORM GST REG-01 at one of the Facilitation Centres and the application shall be deemed to be complete only after completion of the process laid down under this proviso.

On receipt of such application, an acknowledgement in the prescribed form shall be issued to the applicant electronically. A CTP applying for registration get a TRN for making an advance deposit of tax in his electronic cash ledger and an acknowledgement is issued only after said deposit.

Application shall be forwarded to the proper officer.

Proper officer examines the application and accompanying documents



****Clarification includes modification / correction of particulars declared in the application for registration, other than PAN, state, mobile no. and e-mail address**

@ However, where -

- (a) a person fails to undergo authentication of Aadhaar number as specified in rule 8(4A) or does not opt for authentication of Aadhaar number; or
 - (aa) a person, who has undergone authentication of Aadhaar number as specified in rule 8(4A), is identified on the common portal, based on data analysis and risk parameters, for carrying out physical verification of places of business; or
 - (b) the P.O., with the approval of an officer authorised by the Commissioner not below the rank of Assistant Commissioner, deems it fit to carry out physical verification of places of business,
- the registration shall be granted within 30 days of submission of application, after physical verification of the place of business ~~in the presence of the said person~~, in the manner provided u/r 25 and verification of such documents as the P.O. may deem fit. [Proviso to Rule 9(1)]

#However, where-

- (a) a person, fails to undergo authentication of Aadhaar number as specified in rule 8(4A) or does not opt for authentication of Aadhaar number; or
 - (aa) a person, who has undergone authentication of Aadhaar number as specified in rule 8(4A), is identified on the common portal, based on data analysis and risk parameters, for carrying out physical verification of places of business; or
 - (b) the P.O., with the approval of an officer authorised by the Commissioner not below the rank of Assistant Commissioner, deems it fit to carry out physical verification of places of business,
- the notice may be issued not later than 30 days from the date of submission of the application.

Deemed Approval of Application [Rule 9(5)]

If the proper officer fails to take any action, -

- (a) within a period of 7 working days from the date of submission of the application in cases where the person is not covered under proviso to sub-rule (1); or
 - (b) within a period of 30 days from the date of submission of the application in cases where a person is covered under proviso to sub-rule (1); or
 - (c) within a period of 7 working days from the date of the receipt of the clarification, information or documents furnished by the applicant under sub-rule (2),
- the application for grant of registration shall be deemed to have been approved.

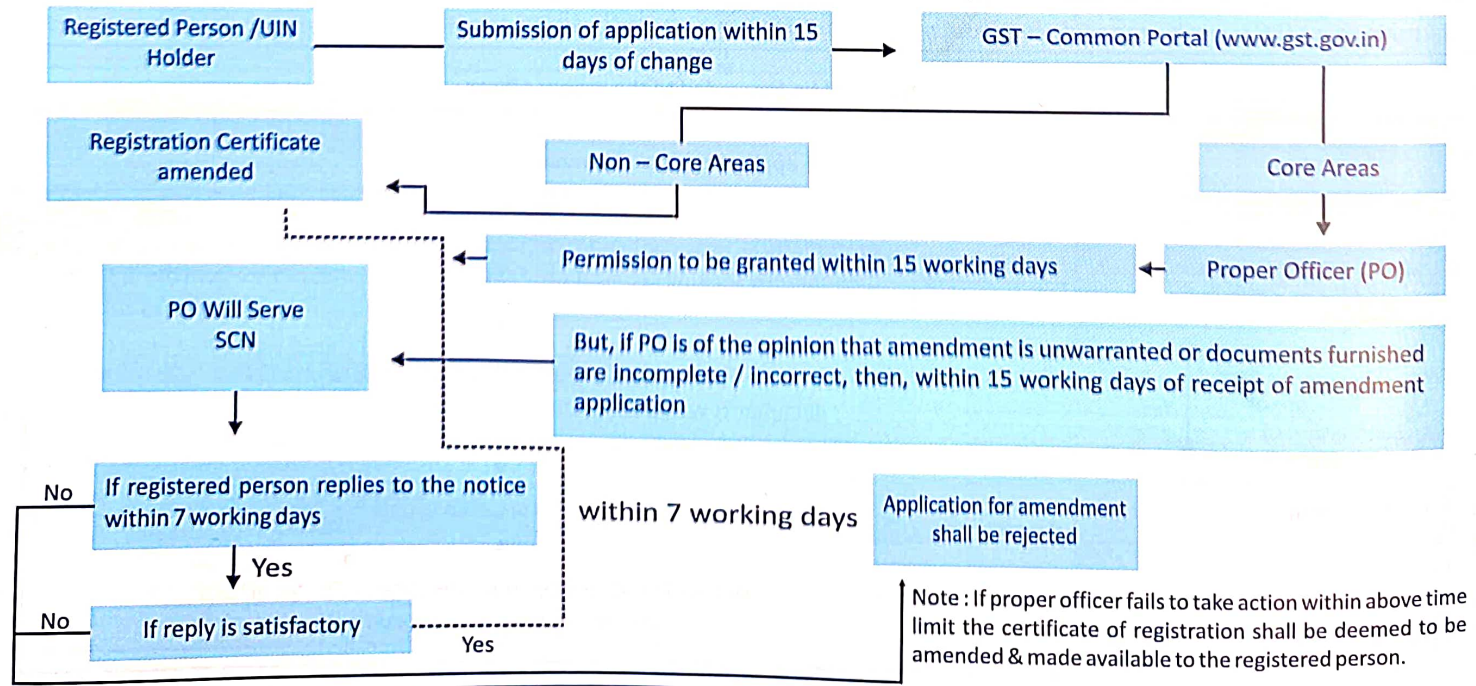
Physical verification of business premises in certain cases [Rule 25]

- (1) After the grant of registration, the P.O. may physically verify the POB and the verification report, etc. shall be uploaded within 15 working days following the date of such verification.
- (2) In the circumstances specified in the proviso to rule 9(1), the P.O. shall physically verify the POB before the grant of registration and the verification report, etc. shall be uploaded at least 5 working days prior to the completion of the time period specified in the said proviso.

Furnishing of Bank A/c Details [Rule 10A]

After RC is granted, the registered person shall furnish information with respect to details of bank a/c within 30 days from the date of grant of RC, or before furnishing the details of outward supplies in FORM GSTR-1 or using IFF, WIE. However, this relaxation does not apply to the Persons who have been granted RC for TDS/TCS & Persons who have been granted registration Compulsorily / Suo-Motu by P.O.

Amendment of Registration [Sec. 28]



CANCELLATION OF REGISTRATION [Sec. 29]

Voluntary Cancellation applied by regd. person

Sou-motu Cancellation by P.O.

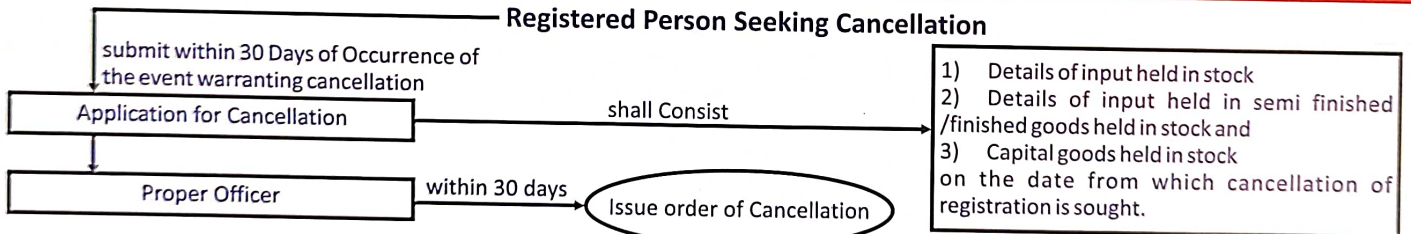
- 1 Transfer of business or discontinuation of business
- 2 Change in the constitution of business
- 3 The taxable person is no longer liable to be registered or intends to opt out of voluntary reg.

- (I) A registered person who has opted for composition levy, has not furnished the return for a financial year beyond 3 months from the due date of furnishing the said return
- (II) Non-commencement of business within 6 months from date of registration by a person who has registered voluntarily
- (III) Where registration has been obtained by means of fraud, willful misstatement or suppression of facts

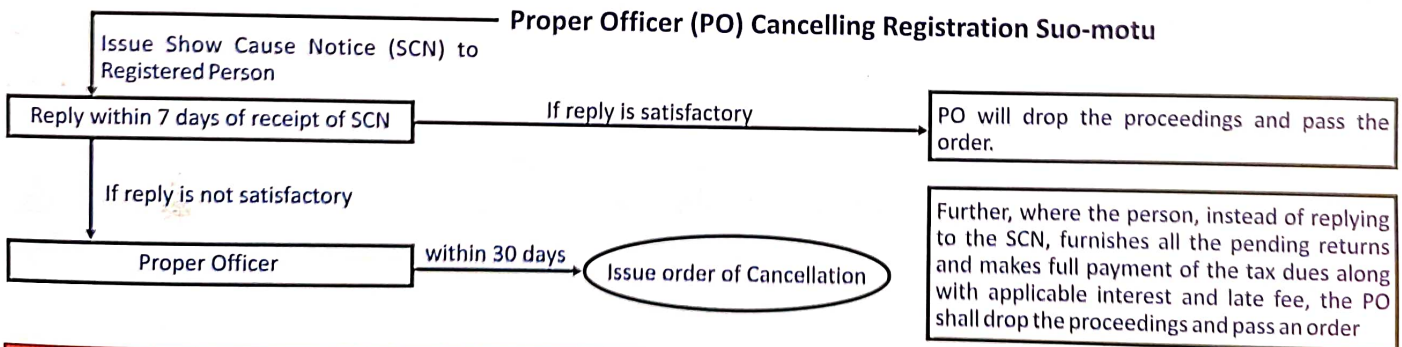
- (IV) (a) He does not conduct any business from the declared place of business; or
- (b) He issues invoice/bill without supply of goods/services/both in violation of the provisions of this Act, or the rules made thereunder; or
- (c) If he violates the provisions of section 171 of the CGST Act (i.e. provisions relating to anti-profiteering measure); or
- (d) If he violates the provisions of Rule 10A [i.e. Furnishing of Bank Account Details]
- (e) avails input tax credit in violation of the provisions of Sec. 16
- (f) furnishes the details of outward supplies in FORM GSTR-1 under section 37 for one or more tax periods which is in excess of the outward supplies declared by him in his valid return under section 39 for the said tax periods; or
- (g) violates the provision of rule 86B.
- (h) a registered person (who is required to furnish returns on monthly basis) has not furnished returns for a continuous period of 6 months; or
- (i) a registered person (who is required to furnish returns on quarterly basis) has not furnished returns for a continuous period of 2 tax periods.

PROCEDURE FOR CANCELLATION OF REGISTRATION

Registered Person Seeking Cancellation



Proper Officer (PO) Cancelling Registration Suo-motu



Revocation of cancellation of registration [Sec. 30]

- Any registered person, whose registration is cancelled by P.O., may subject to the provisions of rule 10B, apply to P.O. for revocation of cancellation within 90 days from date of service of order.
- Further extendible by 180 days by Comm. or JC/Add. Comm/above rank authorized officer (i.e. 90+180 days).
- However, in case registration was cancelled for failure of registered person to furnish returns, before applying for revocation the person has to rectify the defaults (by filing all pending returns, making payment of all dues in terms of such returns alongwith interest, penalty, late fee, etc.) for which the registration was cancelled by the officer.

Clarification in respect of CTP

The amount of advance tax which a CTP is required to deposit while obtaining registration should be calculated after considering the due eligible ITC. Further, in case of long running exhibitions (for a period more than 180 days), the taxable person cannot be treated as a CTP and it would be required to obtain registration as a normal taxable person.

Clarification in respect of transfer of input tax credit in case of death of sole proprietor

1. The transferee or the successor shall be liable to be registered with effect from the date of such transfer or succession.
2. The legal heirs can file application for cancellation of registration.
3. If the business is continued by any person being transferee or successor of business, it shall be construed as transfer of business. the registered person can transfer the unutilized ITC lying in his ECRL to the transferee.
4. The transferee / successor shall be liable to pay any tax, interest or any penalty due from the transferor in cases of transfer of business due to death of sole proprietor.

TDS & TCS

Tax Deduction at Source (TDS) [Sec. 51]

Person liable to deduct tax at source

- CG/SG depart. or establishment
 - Local Authority
 - Govt. Agency
 - Registered Society established by CG, SG or LA
 - PSU
 - an authority or a board or any other body, set up by an Act of Parliament or a State Legislature or established by any Govt. with 51% or more participation by way of equity or control, to carry out any function.
- Note : No TDS on Transactions between above persons.



Tax deduction is not required

- Total value of taxable supply ≤ Rs. 2.5 Lakh under a contract.
- Contract value > Rs. 2.5 Lakh for both taxable supply and exempted supply, but the value of taxable supply under the said contract ≤ Rs. 2.5 Lakh.
- Receipt of goods / services which are exempted from GST.
- Goods on which GST is not leviable.
- Where the LOS and POS is in a State/UT which is different from the State/UT where the deductor is registered.
- All activities specified in Schedule III, irrespective of the value.
- Tax is to be paid on RCM by the recipient.
- Payment is made to an unregistered supplier.
- Payment relates to "Cess" component.

Threshold limit

Total value of taxable supply under a contract > 2.5 lakhs, exclusive of gst

TDS is calculated on the amount which is paid to the supplier each time

Tax rate 1% = CGST 2% = IGST

Tax Collection at Source (TCS) [Sec. 52]

Every ECO (not being an agent), shall collect TCS (@1% IGST, 0.5% CGST) of the net value of taxable supplies made through it by other suppliers where the consideration with respect to such supplies is to be collected by the ECO.

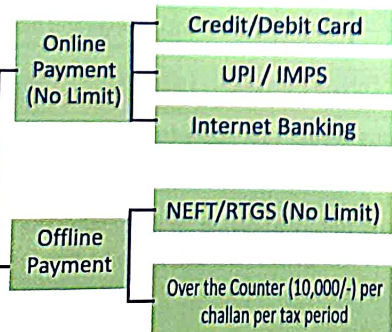
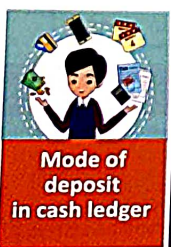
Net Value of the Taxable Supplies = Aggregate value of taxable supplies of goods and /or services [other than notified services u/s 9(5) by all registered persons through ECO] (-) Taxable supplies returned to suppliers

- TCS is not required to be collected on exempt supplies.
- TCS is not collectible where RCM is applicable.
- TCS is not collectible in case of supply by unregistered persons
- TCS is collectible in case of supply of goods by composition taxable persons
- The amount of TCS/TDS gets credited in the electronic cash ledger of the supplier when tax collector/ deductor files their statement/return.

Where multiple ECOs are involved in a single transaction of supply of goods or services or both through ECO platform, the compliances u/s 52, including collection of TCS, is to be done by the supplier-side ECO who finally releases the payment to the supplier for a particular supply made by the said supplier through him.

PAYMENT OF TAX

Electronic Cash Ledger



- Manual or physical Challans are not allowed. It is mandatory to generate Challans online on the GST Portal.
- There is single Challan prescribed for all taxes, fees, penalty, interest, and other payments.
- E-challan validity is for 15 days.
- In this ledger all deposits made in cash, TDS/TCS will reflect and it can be use for making ANY PAYMENT.
- Funds available in any minor head of any major head can be transferred to any other minor head of any other major head.
- Further, funds can also be transferred from any minor head of CGST or IGST to any of the minor head of the CGST or IGST of the distinct person also, if there is no unpaid liability in the Electronic Liability register of the transferor.

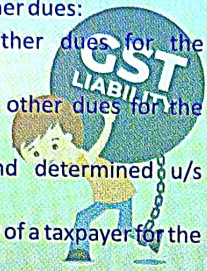
Electronic Credit Ledger

Order of utilisation of ITC available in ECrL :

| ITC Available | First Set off (Output Liability) | Next Set off (Output Liability) | Not allowed to Set off | Impact of Rule 88A and related provisions |
|---------------|----------------------------------|---|------------------------|---|
| IGST | IGST | CGST/SGST/UTGST (in any order/proportion) | NA | IGST credit is to be utilised first against IGST liability then against CGST/SGST/UTGST liability in any order. Taxpayer has to exhaust ITC of IGST first followed by CGST/SGST/UTGST credit. |
| CGST | CGST | IGST | SGST and UTGST | |
| SGST | SGST | IGST | CGST | |
| UTGST | UTGST | IGST | CGST | |

Electronic Liability Register

- Order of discharge of tax and other dues:
 - Self -assessed tax and other dues for the previous tax periods
 - The self -assessed tax and other dues for the current period
 - All dues including demand determined u/s 73/74.
- It will reflect the total tax liability of a taxpayer for the particular month.



Order of utilisation of ITC for payment of liabilities:

- For payment of liability of IGST - First ITC of IGST, then, ITC of CGST and then, ITC of SGST/UTGST will be utilised.
- For payment of liability of CGST - First ITC of IGST, and then, ITC of CGST will be utilised. But, ITC of SGST/UTGST will never be utilised for payment of liability of CGST.
- For payment of liability of SGST/UTGST - First ITC of IGST, and then, ITC of SGST/UTGST will be utilised. But, ITC of CGST will never be utilised for payment of liability of SGST/UTGST.

EI. credit ledger can be used to make payment of **ONLY OUTPUT TAX** (whether self-assessed or as a consequence of any proceeding) and not other amount like RCM liability, interest, penalty, fees, etc.

Interest on Delayed Payment of Tax [Sec. 50]

When Interest is Payable ?

Interest is payable in following 2 circumstances:

- Delay in payment of tax, in full or in part, within the prescribed period. [Sec. 50(1)]
- Utilisation of wrongly availed Input Tax Credit. [If ITC is wrongly availed, but, not utilized, then, interest will not be payable]

Rate of Interest

- 18% in case of belated payment of tax i.e. on failure to pay tax (or part of tax) to the Government's account
- 18% on utilisation of wrongly availed input tax credit

Computation of Period for Calculation of Interest

In case of belated payment of tax: The period of interest will be from the date following the due date of payment to the actual date of payment of tax.

In case of utilisation of wrongly availed ITC : The period starting from the date of utilisation of such wrongly availed ITC till the date of reversal of such credit or payment of tax in respect of such amount.

The ITC wrongly availed shall be construed to have been utilised, when the balance in the electronic credit ledger falls below the amount of ITC wrongly availed, and the extent of such utilisation of ITC shall be the amount by which the balance in the electronic credit ledger falls below the amount of ITC wrongly availed.

Further, the date of utilisation of such ITC shall be taken to be,

- the date, on which the return is due to be furnished under section 39 or the actual date of filing of the said return, whichever is earlier, if the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, on account of payment of tax through the said return; or
- the date of debit in the electronic credit ledger when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, in all other cases.

Amount on which interest is payable

In case of belated payment of tax:

The interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, shall be payable only on that portion of the tax which is paid by debiting the electronic cash ledger (i.e. only on net cash tax liability payable after adjusting ITC).

Exceptions: The benefit of this provision is not available in following 2 cases (i.e. in such cases, interest will be payable on the gross total tax liability):

- (i) If return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period.
- (ii) If any tax liability of a particular tax period is declared in the return for any subsequent tax period.

Further, the aforesaid provision of interest payable on net cash tax liability shall be applicable retrospectively from 01.07.2017.

In case of utilisation of wrongly availed ITC : The interest shall be payable on the amount by which the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed.

Note: The payment of interest in case of belated payment of tax should be made voluntarily i.e. even without a demand.

Clarification on charging of interest in cases of wrong availment of IGST credit and reversal thereof:

Since, the amount of ITC available in electronic credit ledger, under any of the heads of IGST, CGST or SGST, can be utilized for payment of liability of IGST, it is the total ITC available in electronic credit ledger, under the heads of IGST, CGST and SGST taken together, that has to be considered for calculation of interest u/r 88B of CGST Rules and for determining as to whether the balance in the electronic credit ledger has fallen below the amount of wrongly availed ITC of IGST, and to what extent the balance in electronic credit ledger has fallen below the said amount of wrongly availed ITC.

Further, ITC of compensation cess available in electronic credit ledger cannot be taken into account while considering the balance of electronic credit ledger for the purpose of calculation of interest u/r 88B(3) of CGST Rules in respect of wrongly availed and utilized IGST, CGST or SGST credit.

ACCOUNTS & RECORDS (SEC. 35)

Who is required to maintain and at which place

- Every registered person
- At principal place of business and at respective additional place of business.
- Unless otherwise proved, documents or any books of accounts found at any other place other than mentioned in certificate of registration are deemed to be books of accounts of registered person.
- Where the auctioneer claims ITC in respect of the supply made to him by the principal before the auction of tea, coffee, rubber, etc. goods and the said goods are supplied only through auction then, such principal & auctioneer are allowed to maintain the books of accounts relating to additional places of business (i.e. common warehouse where auction takes place) at their principal place of business.

Records to be maintained

- The goods/services imported/exported,
- Details of tax paid under RCM
- Advance received & adjusted register
- Particulars of names and complete addresses of suppliers and recipients of goods or services
- Particulars of the complete address of the premises where goods are stored, including goods stored during transit along with the particulars of the stock stored therein.

Composition person not to maintain following two records and documents

- Commodity wise stock of goods and
- Details of Tax payable and paid, ITC, register of tax invoice, credit notes, debit notes, delivery challan.

Manner of maintenance

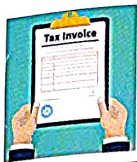
- Electronic Form – Authenticated by DSC
- Accounts shall be maintained at all Place of Businesses
- Not to be erased or overwritten
- Books or Volumes shall be serially numbered
- Adequate Backup shall be taken for Electronic records
- Audit Trail shall be produced when Proper Officers (PO) demands

Period of Retention (Section 36)

- **A/cs not a subject Matter of Appeal**
72 months from due date of annual return to which that accounts & records relate.
- **A/cs subject matter of Appeal or any proceedings**
72 months from due date of annual return
Or
1 year after final disposal of proceeding, whichever is later

Failure to maintain the accounts

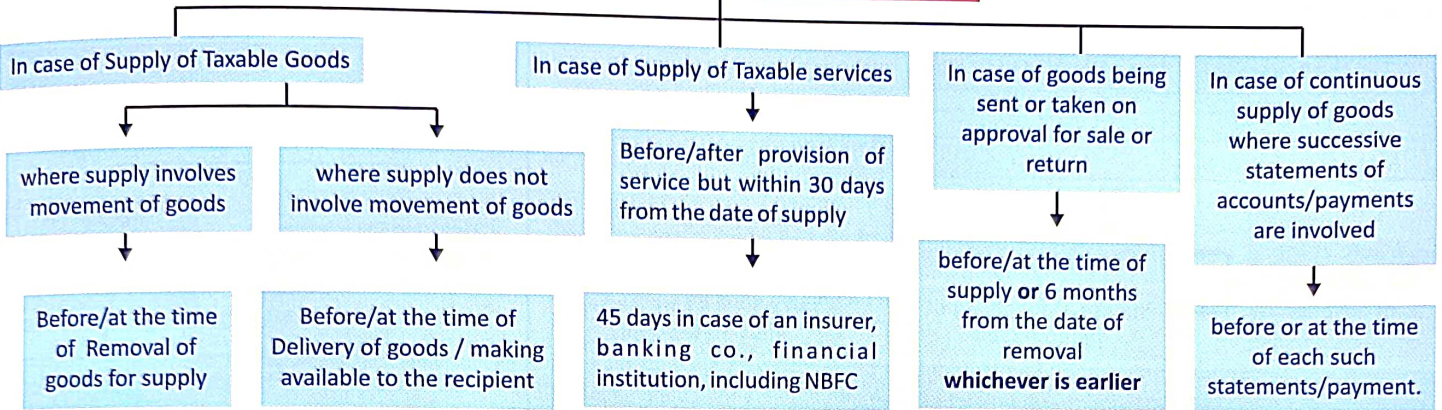
The P.O. shall determine the amount of tax payable on the goods/services/both that are not accounted for, as if such goods/services/both had been supplied by such person and the provisions of sec. 73/74 shall apply.



TAX INVOICE

Tax Invoice [Sec. 31]

Registered Taxable Person shall Issue Tax Invoice



Continuous Supply of Services

| Where | The invoice shall be issued |
|--|---|
| due date of payment is ascertainable from the Contract | on or before the due date of payment |
| due date of payment is not ascertainable from the Contract | before or at the time when the supplier of service receives the payment |
| payment is linked to the completion of an event | on or before the date of completion of that event. |

- * No invoice required if value of goods/services/both < 200, if recipient is unregistered and does not require such invoice.
- * in case of supply of services by way of admission to exhibition of cinematograph films in multiplex screens, invoice is required to be issued irrespective of its value.
- * Further, in cases involving supply of online money gaming or in cases where any taxable service is supplied by or through an ECO or by a supplier of OIDAR services to a recipient who is un-registered, irrespective of the value of such supply, a tax invoice issued by the registered person shall contain the name of the State of the recipient and the same shall be deemed to be the address on record of the recipient.

REVISED TAX INVOICE:

- Every registered person who has been granted registration with effect from a date earlier than the date of issuance of certificate of registration to him, may issue Revised Tax Invoices.
- Revised Tax Invoices shall be issued within 1 month from the date of issuance of certificate of registration.

Invoice in case of export of goods or services → The invoice shall carry an endorsement "Supply meant for export on payment of IGST" or "Supply meant for export under bond or LUT without payment of IGST", as the case may be.

Where registered person supplying taxable as well as exempted goods/services/both to unregistered person, a single invoice-cum-bill of supply may be issued. [Further, the said single "invoice-cum-bill of supply" shall contain the particulars as specified under Rule 46 (i.e. for Tax invoice) or Rule 54 (i.e. for Tax invoice in special cases), as the case may be, and Rule 49 (i.e. for Bill of Supply).]

Tax invoice to have Dynamic QR Code:

An invoice issued by a registered person, whose A.T. in any preceding FY from 2017-18 onwards exceeds **500 crores**, to an unregistered person (i.e. B2C invoice), shall have Dynamic Quick Response (QR) code

This provision is not applicable to the following persons:

Supplier of OIDAR services located in non-taxable territory.

Insurer, Banking Co., financial institution including NBFC

GTA

Passenger Transport Service Supplier

E-Invoice through Govt. notified website

The registered person whose A.T. in any preceding FY from 2017-18 onwards exceeds **Rs. 5 crores**, shall, in respect of supply of goods or services or both to a registered person (i.e. B2B) or for export, shall issue e-invoice [Rule 48(4)]

This provision is not applicable to the following persons:

Supplier of services by way of admission or exhibition of cinematograph films in multiplex screens

A Govt. department or a local authority

SEZ unit

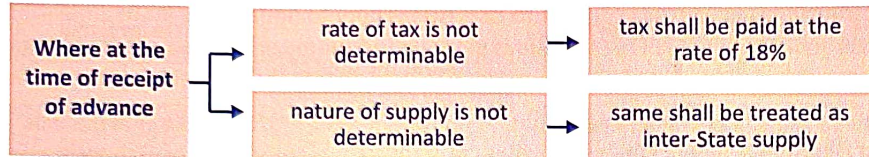
Note : If any person to whom Rule 48(4) applies, issues any invoice in any manner other than e-invoice, then, the following declaration is also required to be given on the invoice - "I/We hereby declare that though our aggregate turnover in any preceding financial year from 2017-18 onwards is more than the aggregate turnover notified under sub-rule (4) of rule 48, we are not required to prepare an invoice in terms of the provisions of the said sub-rule."

Circular : The exemption from generation of e-invoices given to above specified entities is for the entity as a whole and is not restricted by the nature of supply being made by the said entity.

Circular: The registered person, whose turnover exceeds the prescribed threshold for generation of e-invoicing, is required to issue e-invoices for the supplies made to Government Departments or establishments/Government agencies/ local authorities/ PSUs, etc registered solely for the purpose of deduction of TDS under GST.

| A.T. in the preceding F.Y. | No. of Digits of HSN Code |
|----------------------------|---------------------------|
| Upto 5 crores | 4 |
| More than 5 crores | 6 |

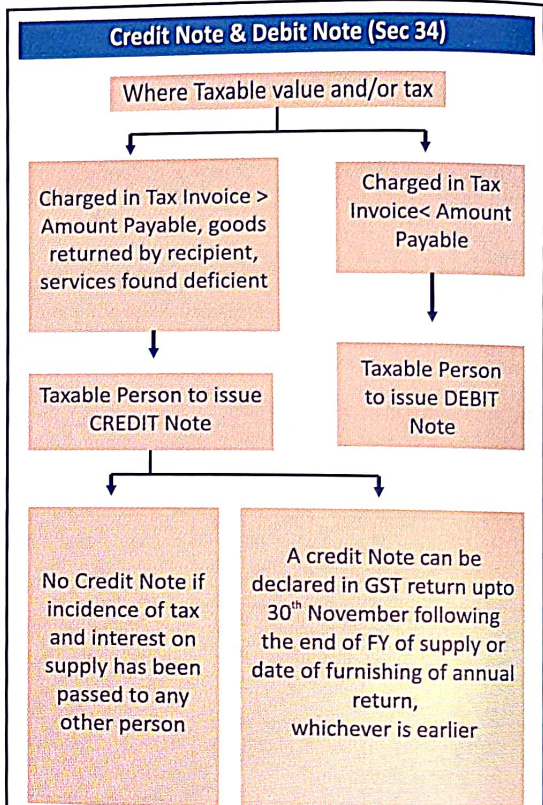
If supplies made to unregistered person, then, registered person may **not mention** HSN code in tax invoice & bill of supply



Goods transported in SKD/CKD condition or in batches or lots:
 The supplier shall issue the complete invoice before dispatch of the first consignment → delivery challan for each of the subsequent consignments → Copies of the corresponding delivery challan shall accompany each consignment along with a duly certified copy of invoice → the original copy of the invoice shall be sent along with the last consignment.

Delivery Challan required for movement of goods:
 In case of Supply of liquid gas where the quantity at the time of removal from the POB of the supplier is not known,
 Transportation of goods for job work,
 Transportation of goods for reasons other than by way of supply, or
 Such other supplies as may be notified by the Board.

- RCM supplies received from unreg. person- reg. person shall issue invoice (and **payment voucher** - at the time of making payment)
- Receipt voucher:** for receipt of advances on supply of goods/services /both
- Refund voucher:** for refund of advances received in case of no supply



Clarifications

- Goods which are taken for supply on approval basis can be moved from the place of business of the registered supplier to another place on a delivery challan along with the e-way bill wherever applicable and the invoice may be issued at the time of delivery of goods (same in case of art works done by an artist).
- The activity of sending / taking the goods out of India for exhibition or on consignment basis for export promotion is not a Zero-Rated Supply and shall be accompanied with a delivery challan
- The retailer/wholesaler can follow either of the procedures in respect of return of time expired drugs or medicines i.e. by treating it as fresh supply or by issuing Credit Note
- In case GST is paid by the supplier on advances received for a future event which got cancelled subsequently and for which invoice is issued before voucher".
- Further, where the goods supplied by a supplier are returned by the recipient and where tax invoice had been issued, the supplier is required to issue a "credit note".



RETURNS

| Type of Taxable Person | Form No. | Periodicity | Due Date |
|---|--|---|---|
| Registered Persons having aggregate T.O. upto 5 crores in the preceding F.Y. who have opted to furnish return (i.e. GSTR-3B) on quarterly basis (including CTP) | GSTR-1 | Quarterly statement of outward supplies | 13th of the month succeeding the quarter |
| Other Registered Persons (including CTP) | | Monthly statement of outward supplies | 11th of the next month |
| Registered Persons having aggregate T.O. of upto 5 crores in the preceding F.Y. who have opted to furnish return (i.e. GSTR-3B) on quarterly basis (including CTP) | GSTR-3B | Quarterly Return | 22 nd /24 th day of the month succeeding such quarter (For exams - 20 th) |
| Other Registered Persons (including CTP) | | Monthly Return | 20 th of the next month |
| NOTE :- GSTR-1 & GSTR-3B is not required to be filed by Supplier of OIDAR services located in non-taxable territory, Composition taxpayer, NRTP, ISD, Person deducting TDS, ECO collecting TCS | | | |
| Registered person paying tax under Composition Scheme | Statement GST CMP- 08 (For payment of liability) | Quarterly (or a part of quarter) | 18 th of the month next to relevant Quarter |
| | GSTR – 4 (Return) | Annually | 30 th day of April of next F.Y. |
| Registered NRTP | GSTR-5 | Monthly | 13 th of the next month or 7 th day after the last day of the validity of reg. WIE |
| Registered person deducting tax at source [TDS] | GSTR-7 | Monthly | 10 th of the next month |
| ECO not being an agent [TCS] | GSTR-8 | Monthly | 10 th of the next month |
| Registered person other than an ISD, tax deductor/tax collector, CTP, a NRTP & OIDAR service supplier located in non-taxable territory, some Govt. deptt. | GSTR-9 | Annual return | 31 st December of the next F.Y. |
| ECO required to collect TCS | GSTR-9B | Annual statement | 31 st December of the next F.Y. |
| Registered person whose aggregate T.O. during a FY exceeds Rs. 5 crore | GSTR-9C | Self Certified Reconciliation Statement | To be submitted along with the annual return |
| Taxable person whose registration has been surrendered or cancelled | GSTR-10 | Final return | Within 3 months of the date of cancellation or date of order of cancellation, WIL. ↓ |
| Persons who have been issued a Unique Identity Number (UIN) | GSTR-11 | Details of inward Supplies | — |

Every reg. person who has made outward supplies in the period between the date on which he became liable to reg. till the date on which reg. has been granted shall declare the same in the first return furnished by him after grant of reg.

Time limit for Rectification in GSTR-1 : 30th November following the end of the F.Y. or Date of filing of the relevant annual return, **WIE**

Bar on filing of GSTR-1 or using IFF [Rule 59(6)] : A registered person shall not be allowed to furnish the details of outward supplies in FORM GSTR-1 or using IFF, if :

- (i) he has not furnished the return in FORM GSTR-3B for the preceding month;
- (ii) he has not furnished the return in FORM GSTR-3B for preceding quarter (under QRMP Scheme);
- (iii) he has neither deposited the amount specified in the intimation issued u/r 88C(1) nor has furnished a reply explaining the reasons for any amount remaining unpaid;
- (iv) he has neither paid the amount equal to the excess ITC as specified in the intimation issued u/r 88D(1) nor has furnished a reply explaining the reasons in respect of the amount of excess ITC that still remains to be paid;
- (v) he has not furnished the details of the bank account as per the provisions of rule 10A.

Rule 88C – Manner of dealing with difference in liability reported in statement of outward supplies and that reported in return:

- (1) Where the tax payable by a registered person, in accordance with FORM GSTR-1 or IFF in respect of a tax period, exceeds the amount of tax payable by such person in accordance with GSTR-3B for that period by such amount and such percentage, as may be recommended by the Council, the said registered person shall be intimated of such difference, electronically, directing him to either pay the differential tax liability, along with interest; or explain the aforesaid difference, within a period of 7 days.
- (2) Such registered person shall, either, pay the amount of the differential tax liability, along with interest or furnish a reply electronically, within a period of 7 days. Otherwise, such amount shall be recoverable in accordance with the provisions of section 79.

Rule 88D – Manner of dealing with difference in ITC available in FORM GSTR-2B and that availed in FORM GSTR-3B

- (1) Where the amount of ITC availed by a registered person in the return for a tax period or periods furnished by him in FORM GSTR-3B exceeds the ITC available to such person in accordance with FORM GSTR-2B in respect of the said tax period or periods, by such amount and such percentage, as may be recommended by the Council, the said registered person shall be intimated of such difference, electronically, directing him to, either, pay the excess ITC availed along with interest, or explain the reasons for the aforesaid difference in ITC, within a period of 7 days.
- (2) Such registered person shall, either, pay the excess ITC along with interest or furnish a reply, electronically, within a period of 7 days. Otherwise, such amount shall be liable to be demanded u/s 73 or 74.

Quarterly Return Monthly Payment [QRMP] Scheme

- ☞ Reg. person who is required to furnish a return in FORM GSTR-3B, and who has an A.T. of up to 5 crore in the preceding F.Y. is eligible for the Scheme.
- ☞ in case if A.T. exceeds 5 crore during any quarter in the current F.Y. the reg. person shall **not** be eligible for the Scheme from the next quarter.
- ☞ Reg. person can opt in or opt out for any quarter from first day of second month of preceding quarter to the last day of the first month of the quarter.
- ☞ Reg. persons are not required to exercise the option every quarter.
- ☞ QRMP scheme is GSTIN wise, not PAN wise.

IFF for furnishing of details of outward supplies :- For each of the 1st and 2nd months of a quarter, IFF is available (due date = 13th). The said details of outward supplies shall, however, not exceed the value of Rs. 50,00,000 in each month. IFF is an optional facility. Details furnished in IFF is not required to be re-furnished in GSTR-1.

☞ **Monthly Payment of Tax** - in each of the first two months of the quarter - due date = 25th (FORM GST PMT-06).

Two options for monthly payment (free to avail either of the two methods in any of the two months of the quarter):

(i) **Fixed Sum Method:**

- ↗ an amount **equal to 35%** of the tax paid in cash in the preceding quarter where the return was furnished quarterly or equal to the tax paid in cash in the last month of the immediately preceding quarter where the return was furnished monthly.
- ↗ this method would not be available to those reg. persons who have not furnished the return for a complete tax period preceding such month.

(ii) **Self-Assessment Method:**

- ↗ Person can pay the tax due by considering the tax liability on inward and outward supplies and the ITC available.
- ☞ No interest payable, if tax is paid before due date as per fixed sum method. But in case of self - assessment method, interest will be payable on the amount which remains unpaid as per final quarterly calculation.
- ☞ Late fees also applicable for delay in furnishing GSTR-3B/GSTR-1.
- ☞ **Form GSTR-2B:** an auto - generated statement containing the details of ITC available to the recipient as on the due date of furnishing details of outward supplies by the suppliers

- (I) Furnishing of GSTR-1 for the current tax period is not allowed, if GSTR-1 for any of the previous tax periods has not been furnished.
- (II) A registered person shall not be allowed to furnish a return for a tax period if the return for any of the previous tax periods or the details of outward supplies u/s 37(1) for the said tax period has not been furnished by him.
- (III) Further, the reg. person shall not be allowed to furnish GSTR-1/GSTR-3B/ GSTR-9 after the expiry of a period of 3 years from the due date of furnishing the respective statement/return, except where the Government allows.

Default in Furnishing Return [Sec. 46 & 47]

☞ A notice to furnish return within 15 days (sec. 46)

☞ Late filing fee (CGST) = 100 per day or 5,000, **WIL.** ↓

However, the late fees is reduced by the Government as under:

| S.N. | Class of Registered Person | FORM | Late Fee per day (CGST) | Max. Fees (CGST) |
|------|---|-------------------------|-------------------------|------------------|
| 1. | Registered persons who have NIL outward supplies in the tax period | GSTR-1 | Rs. 10/- | Rs. 250 |
| | Registered persons whose total amount of CGST payable in the said return is NIL | GSTR-3B/ GSTR-4 | | |
| 2. | Registered persons having an aggregate turnover of upto Rs. 1.5 crores in the PFY, other than those covered under S. No. 1 | GSTR-1/ GSTR-3B/ GSTR-4 | Rs. 25/- | Rs. 1,000 |
| 3. | Registered persons having an aggregate turnover of more than Rs. 1.5 crores and upto Rs. 5 crores in the PFY, other than those covered under S. No. 1 | GSTR-1/ GSTR-3B | Rs. 25/- | Rs. 2,500 |
| 4. | Registered persons required to deduct TDS u/s 51 | GSTR-7 | Rs. 25/- | Rs. 1,000 |
| 5. | Input Service Distributors | GSTR-6 | Rs. 25/- | Rs. 5,000 |
| 6. | Registered NRTP whose total amount of CGST payable in the said return is NIL | GSTR-5 | Rs. 10/- | Rs. 5,000 |
| | Registered NRTP who have CGST liability payable in the said return | | Rs. 25/- | Rs. 5,000 |

Information Return (Sec. 150)

- It is based on the idea of verifying the compliance levels of registered persons through information procured from independent third party sources (like, any other govt. department, etc.)
- If Information Return is defective then opportunity of rectifying the defect within a period of 30 days from the date of intimation. If it is not rectified within the said period then, such information return shall be treated as not furnished.
- Authority may serve a notice requiring furnishing of such information return within a period not exceeding 90 days from the date of service of the notice.
- If not furnished within aforesaid 90 days, then, penalty (CGST) = 100 per day or 5000, **WIL.** ↓

Late filing fee for annual return (CGST) = 100 per day or 0.25% of the T.O. of reg. person in the State/UT, **WIL.**

However, the Government has reduced the late fees for delay in filing of annual return for the financial year 2022-23 onwards, as under:

| S.N. | Class of Registered Person | Late Fee per day [CGST] | Max. Fee [CGST] |
|------|---|-------------------------|---|
| 1. | Registered persons having an aggregate turnover of up to Rs. 5 crores in the relevant financial year. | Rs. 25 | 0.02% of turnover in the State or Union territory |
| 2. | Registered persons having an aggregate turnover of more than Rs. 5 crores and up to Rs. 20 crores in the relevant financial year. | Rs. 50 | 0.02% of turnover in the State or Union territory |

Bar on disclosure of information (Sec. 152) : Any information obtained u/s 150 or 151 shall not be published so as to enable any particulars to be identified as referring to a particular taxpayer, without the previous consent of the tax payer or his authorised representative. This consent should be in writing. Further the information so obtained shall not be used for the purpose of any proceedings under this Act without giving an opportunity of being heard to the person concerned.

E-WAY BILL

Sec. 68 : Inspection of Goods in Movement

By the proper officer at any place and person in charge of the conveyance shall be liable to produce the documents



Every registered person who causes movement of goods of consignment value > 50,000 (includes GST but excludes value of exempt goods) in relation to a supply or for reasons other than supply or due to inward supply from an unregistered person, shall, before commencement of such movement, furnish information in e-way bill.

E-way bill - Part A contains invoice details and Part B contains transport details.

In case of Inter state transfer of goods by principal to job worker or handicraft goods by person exempted from obtaining registration, e-way bill needs to be issued even if consignment value is ≤ 50,000

Mandatorily required to generate e-way bill -

(i) Where the goods are transported by a registered person by road;

(ii) Where the e-way bill is not generated by the registered person and goods are handed over to the transporter, for transportation of goods by road, then

Every registered person who causes movement of goods of consignment value > 50,000 (includes GST but excludes value of exempt goods) in relation to a supply or for reasons other than supply or due to inward supply from an unregistered person, shall, before commencement of such movement, furnish information in e-way bill.

E-way bill - Part A contains invoice details and Part B contains transport details.

In case of Inter state transfer of goods by principal to job worker or handicraft goods by person exempted from obtaining registration, e-way bill needs to be issued even if consignment value is ≤ 50,000

| S. N. | Distance | Validity Period of E-way bill (from midnight) |
|-------|--|--|
| 1. | Upto 200 km. | One day |
| 2. | For every 200 km. or part thereof thereafter | One additional day |
| 3. | Upto 20 km. | One day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship |
| 4. | For every 20 km. or part thereof thereafter | One additional day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship |

Mandatorily required to generate e-way bill -

(i) Where the goods are transported by a registered person by road;

(ii) Where the e-way bill is not generated by the registered person and goods are handed over to the transporter, for transportation of goods by road, then e-way bill shall be generated by the transporter;

(iii) Where the goods are transported by railways or by air or vessel, Information in Part B may be furnished either before or after commencement of movement.

Railways shall not deliver goods unless the e-way bill is produced at the time of delivery.

Where the goods are transported for a distance of upto 50 km within the State/Union territory

from the place of business of the consignor to the place of business of the transporter for further transportation

from the place of business of the transporter finally to the place of business of the consignee,

then, not mandatory to furnish the details of conveyance in Part-B

Cancellation of e-way bill - Within 24 hours of generation of the e-way bill (except if it has been verified in transit).

Situations where E-way Bill is not required to be generated [Rule 138(14)]

- (a) where the goods being transported are specified in Annexure (given at the end of this sub-rule);
- (b) where the goods are being transported by a non-motorised conveyance;
- (c) where the goods are being transported from the customs port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs;
- (d) in respect of movement of goods within such areas as are notified under clause (d) of sub-rule (14) of rule 138 of the SGST Rules in that particular State or Union territory;
- (e) where the goods (other than de-oiled cake), being transported, are exempt from GST;
- (f) where the goods being transported are alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel;
- (g) where the supply of goods being transported is treated as no supply under Schedule III of the Act;
- (h) where the goods are being transported—
 - (i) under customs bond from an inland container depot or a container freight station to a customs port, airport, air cargo complex and land customs station, or from one customs station or customs port to another customs station or customs port, or
 - (ii) under customs supervision or under customs seal;
- (i) where the goods being transported are transit cargo from or to Nepal or Bhutan;
- (j) where the goods being transported are exempt from tax under NN 7/2017-CT (R), dated 28th June 2017 [Supply of goods by the Canteen Stores Department (CSD) to the Unit Run Canteens or to the authorized customers and the supply of goods by the Unit Run Canteens to the authorized customers] and NN 26/2017-CT (R), dated the 21st September, 2017 [Supply of Heavy water and nuclear fuels by the Department of Atomic Energy to the Nuclear Power Corporation of India Ltd. (NPCIL)];
- (k) any movement of goods caused by defence formation under Ministry of defence as a consignor or consignee;
- (l) where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail;
- (m) where empty cargo containers are being transported;
- (n) where the goods are being transported upto a distance of 20 km from the place of the business of the consignor to a weighbridge for weighing or from the weighbridge back to the place of the business of the said consignor subject to the condition that the movement of goods is accompanied by a delivery challan; and
- (o) where empty cylinders for packing of liquefied petroleum gas are being moved for reasons other than supply.

ANNEXURE [(See Rule 138 (14))]

| S.N. | Description of Goods |
|------|--|
| 1. | Liquefied petroleum gas for supply to household and non domestic exempted category (NDEC) customers |
| 2. | Kerosene oil sold under PDS |
| 3. | Postal baggage transported by Department of Posts |
| 4. | Natural or cultured pearls and precious or semiprecious stones; precious metals and metals clad with precious metal (Chapter 71) |
| 5. | Jewellery, goldsmiths' and silversmiths' wares and other articles (Chapter 71) excepting Imitation Jewellery (7117) |
| 6. | Currency |
| 7. | Used personal and household effects |
| 8. | Coral, unworked (0508) and worked coral (9601) |

Rule 138E : Restriction on furnishing of information in PART A of FORM GST EWB-01

Notwithstanding anything contained in sub-rule (1) of rule 138, no person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in PART A of FORM GST EWB-01 in respect of any outward movement of goods of a registered person, who,

- (a) being a person paying tax under sec. 10 has not furnished the statement in FORM GST CMP-08 for 2 consecutive quarters; or
- (b) being a person other than a person specified in clause (a), has not furnished the returns for a consecutive period of 2 tax periods; or
- (c) being a person other than a person specified in clause (a), has not furnished the statement of outward supplies for any 2 months or quarters, as the case may be; or
- (d) being a person, whose registration has been suspended under the provisions of sub-rule (1) or sub-rule (2) or sub-rule (2A) of rule 21A.

LATEST SELECTED CIRCULARS ISSUED UNDER GST

1. Securities are considered neither goods nor services under GST. Further, purchase or sale of shares or securities, in itself is neither a supply of goods nor a supply of services. Therefore, the activity of holding of shares of subsidiary company by the holding company per se cannot be treated as a supply of services by a holding company to the said subsidiary company and cannot be taxed under GST.
2. Services supplied by a director of a company or body corporate to the company or body corporate in his private or personal capacity such as services supplied by way of renting of immovable property to the company or body corporate are not taxable under RCM. Only those services supplied by director of company or body corporate, which are supplied by him as or in the capacity of director of that company or body corporate shall be taxable under RCM in the hands of the company or body corporate.
3. Supply of food or beverages in a cinema hall is taxable as 'restaurant service' as long as:
 - a. the food or beverages are supplied by way of or as part of a service, and
 - b. supplied independent of the cinema exhibition service.
 It is further clarified that where the sale of cinema ticket and supply of food and beverages are clubbed together, and such bundled supply satisfies the test of composite supply, the entire supply will attract GST at the rate applicable to service of exhibition of cinema, the principal supply.
4. The POS of service provided by way of supply of space on hoarding/structure (immovable property) for advertising or for grant of rights to use the hoarding/structure (immovable property) for advertising would be the location where such hoarding /structure is located as per the provisions of section 12(3)(a) of IGST Act. Further, where the service is provided by the vendor of hoarding/structure to the advertising company and there is no supply (sale) of space/supply (sale) of rights to use the space on hoarding/structure (immovable property) by the vendor to the advertising company for display of their advertisement on the said display board/structure, the said service does not amount to sale of advertising space or supply by way of grant of rights to use immovable property. Therefore, such services provided by the Vendor to advertising company are purely in the nature of advertisement services in respect of which POS shall be determined in terms of Section 12(2) of IGST Act.