



ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು

ಬಿಶೇಷ ರಾಜ್ಯ ಪತ್ರ

ಭಾಗ-IVA	ಬೆಂಗಳೂರು, ಶುಕ್ರವಾರ, ಫೆಬ್ರವರಿ ೧, ೨೦೧೯ (ಮಾಘ ೧೨, ಶಕ ವರ್ಷ ೧೯೪೦)	ನಂ. ೮೫
Part-IVA	Bengaluru, Friday, February 1, 2019 (Magha 12, Shaka Varsha 1940)	No. 85

FINANCE SECRETARIAT

ORDER NO.01/2019

No. FD 47 CSL 2017, Bengaluru, dated 01/02/2019

WHEREAS, sub-section (1) of Section 10 of the Karnataka Goods and Services Tax Act, 2017 (Karnataka Act 27 of 2017) (hereafter in this Order referred to as the said Act) provides that-

- a registered person engaged in the supply of services, other than supply of service referred to in clause (b) of paragraph 6 of Schedule II to the said Act, may opt for the scheme under the said sub-section;
- a person who opts for the said scheme may supply services (other than those referred to in clause (b) of paragraph 6 of Schedule II to the said Act), of value not exceeding ten per cent. of turnover in a State or Union territory in the preceding financial year or five lakh rupees, whichever is higher;

AND WHEREAS, clause (a) of sub-section (2) of Section 10 of the said Act provides that the registered person shall be eligible to opt under sub-section (1), if, save as otherwise provided in sub-section(1), he is not engaged in the supply of services;

AND WHEREAS, rendering of services as part of the savings and investment practice of business, by way of extending deposits, loans or advances, in so far as the consideration is represented by way of interest or discount, is resulting in their ineligibility for the aforesaid scheme, causing hardships to a lot of small businesses and because of that, certain difficulties have arisen in giving effect to the provisions of section 10;

NOW, THEREFORE, in exercise of the powers conferred by Section 172 of the Central Goods and Services Tax Act, 2017, the Government of Karnataka, on recommendations of the Council, hereby makes the following Order, namely: —

- Short title. —This Order may be called the Karnataka Goods and Services Tax (Removal of Difficulties) Order, 2019.
- For the removal of difficulties, it is hereby clarified that the value of supply of exempt services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount, shall not be taken into account-
 - for determining the eligibility for composition scheme under second proviso to sub-section (1) of section 10;
 - in computing aggregate turnover in order to determine eligibility for composition scheme.

By Order and in the name of the Governor of Karnataka,

NETRAPRABHA M.DHAYAPULE
Under Secretary to Government (I/c),
Finance Department [C.T.-1].