

GST Update

Weekly Update
15.09.2018

Background



- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 08.09.2018. It supplements the earlier GST Updates.
- This presentation is based on CGST Act/Rules/ Notifications. Similar parallel provisions in State Laws may be referred to as required

- 9 Central Tax Notifications and 5 Central Tax circulars issued
- Similar provisions in SGST Act(s) may also be done by the respective States which may be referred to as required

Time Limit for filing GSTR-1 extended for taxpayers with turnover < 1.5 Cr

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-43-central-tax-english.pdf;jsessionid=7177E4F918141A9DAC15FA0AD9BC549D>
- Notfn no.43/2018-Central Tax issued dated 10.09.18 issued.
- For taxpayers with turnover up to Rs.1.5 Crore, time limit for filing GSTR 1 for the quarters July 2017 to September 2017, October to December 2017 and January 2018 to March 2018 extended till **31st October 2018**

Time Limit for filing GSTR-1 extended for Taxpayers with turnover > 1.5 Cr



- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-44-central-tax-english.pdf;jsessionid=1399135A191DAF7A748CDFB821234924>
- Notfn no.44/2018-Central Tax issued dated 10.09.18 issued.
- For taxpayers with turnover > Rs.1.5 Crore, time limit for filing GSTR 1 for the months from July, 2017 to September, 2018 extended till the **31st day of October, 2018** and for the months from October, 2018 to March, 2019 till the eleventh day of the succeeding month:
- The time limit for furnishing the details of outward supplies in FORM GSTR-1 for the months from July, 2017 to November, 2018 for the taxpayers who have obtained GSTIN in terms of notification No. 31/2018 – CT dated 6.8.18 (**special procedure for completion of migration of taxpayers**), shall be extended till the **31st day of December, 2018**.

Time Limit for filing GSTR-3B for taxpayers migrated under special procedure

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-45-central-tax-english.pdf;jsessionid=75922E6513233432C9BCB25E19ECF301>
- Notfn no.45/2018-Central Tax issued dated 10.09.18 issued.
- Proviso inserted in Notification nos.21/2017-CT dt 8.8.2017 & 56/2017-CT dt 15.11.2017.
- For taxpayers who have obtained registration under notfn no.31/2018-CT dt 06.08.18,(special procedure for migration of taxpyers) **Form GSTR-3B** for the months July 2017 to November 2018 to be furnished on or before **31st December 2018**

Time Limit for filing GSTR-3B for taxpayers migrated under special procedure

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-46-central-tax-english.pdf;jsessionid=A6B8F63821F0FC178D11A1DCE9F9BA63>
- Notfn no.46/2018-Central Tax issued dated 10.09.18 issued.
- Proviso inserted in Notification nos.35/2017-CT dt 15.9.2017 & 16/2018-CT dt 23.03.2018.
- For taxpayers who have obtained registration under notfn no.31/2018-CT dt 06.08.18,(special procedure for migration of taxpyers) **Form GSTR-3B** for the months July 2017 to November 2018 to be furnished on or before **31st December 2018**

Time Limit for filing GSTR-3B for taxpayers migrated under special procedure

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-46-central-tax-english.pdf;jsessionid=A6B8F63821F0FC178D11A1DCE9F9BA63>
- Notfn no.47/2018-Central Tax issued dated 10.09.18 issued.
- Proviso inserted in Notification nos.34/2018-CT dt 10.08.2018.
- For taxpayers who have obtained registration under notfn no.31/2018-CT dt 06.08.18,(special procedure for migration of taxpyers) **Form GSTR-3B** for the months July 2017 to November 2018 to be furnished on or before **31st December 2018**

Amendment in CGST Rules

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-48-central-tax-english.pdf;jsessionid=CCF3AFBE4C3D261882549AE16978A907>
- Notfn no.48/2018-Central Tax issued dated 10.09.18 issued.
- Rule 117 of CGST Rules amended (Rule 117 relates to Tax or duty credit carried forward under any existing law or on goods held in stock on the appointed date)
- **Sub rule 1A inserted after sub-rule 1 - extends the date for submitting the declaration electronically in FORM GST TRAN-1 by a further period not beyond 31st March, 2019, in respect of registered persons who could not submit the said declaration by the due date on account of technical difficulties on the common portal and in respect of whom the Council has made a recommendation for such extension**

Amendment in CGST Rules

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-10-central-tax-english.pdf;jsessionid=CCF3AFBE4C3D261882549AE16978A907>
- in sub-rule (4), in clause (b), in sub-clause (iii), the following proviso shall be inserted, namely:-
- “Provided that the registered persons filing the declaration in FORM GST TRAN-1 in accordance with sub-rule (1A), may submit the statement in FORM GST TRAN-2 **by 30th April, 2019.**”;
- (ii) in rule 142, in sub-rule (5), after the words and figures “of section 76”, the words and figures “or section 125” shall be inserted.
- Rule 142 relates to notice and order for demand of amounts payable under the Act. Amounts pertaining to sec 125 also added

Amendment in CGST Rules

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-49-central-tax-english-new.pdf;jsessionid=9B0BB9533B6167F593B6F3ED4F7C00BC>
- Notfn no.49/2018-Central Tax issued dated 13.09.18 issued.
- Form GSTR-9C notified. GSTR-9C is a reconciliation statement to be submitted by every registered person whose turnover exceeds Rs.2 Crores.
- **In terms of Rule 80(3) of CGST Rules, every registered person whose aggregate turnover during a financial year exceeds two crore rupees shall get his accounts audited as specified under sub-section (5) of section 35 and he shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in FORM GSTR-9C, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner**

Coming into force of provisions relating to TDS

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-50-central-tax-english.pdf;jsessionid=7E5CD3888AA160FA81E474E147327BC4>
- Notfn no.50/2018-Central Tax issued dated 13.09.18 issued.
- Notification seeks to bring section 51 of the CGST Act (provisions related to TDS) into force w.e.f 01.10.2018. The following persons would be compulsorily required to deduct TDS
- **(a) Government; or**
- **(b) local authority; or**
- **(c) Governmental agencies; or**
- **(d) such persons or category of persons as may be notified by the Government on the recommendations of the Council,**

Coming into force of provisions relating to TDS

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-50-central-tax-english.pdf;jsessionid=7E5CD3888AA160FA81E474E147327BC4>
- **Following categories of persons notified in terms of Section 51(1)(d)**
- **(a) an authority or a board or any other body, -**
- **(i) set up by an Act of Parliament or a State Legislature; or**
- **(ii) established by any Government, with fifty-one per cent. or more participation by way of equity or control, to carry out any function;**
- **(b) Society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860);**
- **(c) public sector undertakings.**

Coming into force of provisions relating to TCS

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-51-central-tax-english-new.pdf;jsessionid=CF248BE8492C7509CA1A98117F07A3DF>
- Notfn no.51/2018-Central Tax issued dated 13.09.18 issued.
- Notification Seeks to bring section 52 of the CGST Act (provisions related to TCS) into force w.e.f 01.10.2018.
- **In exercise of the powers conferred by sub-section (3) of section 1 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government hereby appoints the 1st day of October, 2018, as the date on which the provisions of section 52 of the said Act shall come into force.**

Levy of GST on Priority Sector Lending Certificates (PSLC)

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular No 62of 2018 on PSLC.pdf;jsessionid=5A53C6486FBDF194BC12E5E80A83E3FA>
- CIRCULAR No.62/36/2018-GST dated 12.09.2018 issued
- With the approval of the GST Implementation Committee of the GST Council, it is clarified that GST on PSLCs for the period **1.7.2017 to 27.05.2018** will be paid by the seller bank on **forward charge basis** and **GST rate of 12%** will be applicable on the supply

Clarification regarding processing of refund claims filed by UIN entities

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular No 62of 2018 on PSLC.pdf;jsessionid=5A53C6486FBDF194BC12E5E80A83E3FA>
- Circular No. 63/37/2018 – GST dated 14.09.2018 issued
- In order to expedite the processing of the refund applications filed by the UIN entities, the following formats/documents are hereby specified:
- 4.1 Refund Checklist: In order to bring in uniformity in the processing of the refund claims, a checklist has been specified in Annexure A. All UIN entities may refer to this checklist while filing the refund claims.
- 4.2 Certificate: A sample certificate to be submitted by Embassy/Mission/Consulate is enclosed as Annexure-B and that to be submitted by United Nations Organizations/Specified International Organizations is enclosed as Annexure-B-1.

Clarification regarding processing of refund claims filed by UIN entities

- 4.3 Undertaking: A sample undertaking to be submitted by Embassy/Mission/Consulate is enclosed as Annexure-C and that to be submitted by United Nations Organizations/Specified International Organizations is enclosed as Annexure-C-1.
- 4.4 Statement of Invoices: The detailed statement of invoices shall be submitted in the format specified in Annexure D.
- **Prior Permission letter for GST refund for purchase of vehicles:** MEA vide letter F. No.D_II/451/12(5)/2017 dated 21.06.2018 has informed that it is mandatory to enclose the copy of 'Prior Permission Letter' issued by the Protocol Special Section of MEA at the time of submission of GST refund for purchase of vehicle by the foreign representatives. Accordingly, it is advised that UIN entities must submit the copy of the 'Prior Permission letter' and mention the same in the covering letter while applying for GST refund on purchase of vehicles to avoid delay in processing of refunds .

Clarification regarding processing of refund claims filed by UIN entities

- **Non-availability of refunds to personnel and officials of United Nations and other International organizations:** It is hereby clarified that the personnel and officials of United Nations and other International organizations are not eligible to claim refund under Notifications No. 13/2017 –Integrated Tax (Rate), 16/2017-Central Tax (Rate) and No. 16/2017 – Union Territory tax (Rate) all dated 28th June, 2017 and corresponding notifications under the respective State Goods and Services Tax Acts.
- However, the eligibility of refund for the personnel and officials posted in the Embassy/Mission/Consulate shall be determined based on the principle of reciprocity

Clarification regarding processing of refund claims filed by UIN entities

- **Waiver from recording UIN in the invoices for the months of April, 2018 to March, 2019:**
- A one-time waiver is hereby given from recording the UIN on the invoices issued by the suppliers pertaining to the refund claims filed for the quarters **from April, 2018 to March, 2019**, subject to the condition that the copies of such invoices which are attested by the authorized representative of the UIN entity shall be submitted to the jurisdictional officer.
- **Format of Monthly report:** Circular No. 36/10/2018-GST dated 13th March, 2018 provides for a monthly report to be furnished to the Principal Director General of Goods and Services Tax by the 30th of the succeeding month. The report shall now be furnished in a new format as specified in Annexure E.

Interception of Conveyance – modification in procedure

- http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_No.64.pdf;jsessionid=C9BC3FF5D268BF9EDF86EDCD25F614B1
- Circular No. 64/38/2018-GST dated 14.09.2018 issued.
- In case a consignment of goods is accompanied with an invoice or any other specified document and also an e-way bill, proceedings under section 129 of the CGST Act may not be initiated, inter alia, in the following situations:
 - a) Spelling mistakes in the name of the consignor or the consignee but the GSTIN, wherever applicable, is correct;
 - b) Error in the pin-code but the address of the consignor and the consignee mentioned is correct, subject to the condition that the error in the PIN code should not have the effect of increasing the validity period of the e-way bill;

Interception of Conveyance – modification in procedure

- c) Error in the address of the consignee to the extent that the locality and other details of the consignee are correct;
- d) Error in one or two digits of the document number mentioned in the e-way bill;
- e) Error in 4 or 6 digit level of HSN where the first 2 digits of HSN are correct and the rate of tax mentioned is correct;
- f) Error in one or two digits/characters of the vehicle number.
- In case of the above situations, penalty to the tune of Rs. 500/- each under section 125 of the CGST Act and the respective State GST Act should be imposed (Rs.1000/- under the IGST Act) in FORM GST DRC-07 for every consignment. A record of all such consignments where proceedings under section 129 of the CGST Act have not been invoked in view of the situations listed in paragraph 5 above shall be sent by the proper officer to his controlling officer on a weekly basis.



GST PORTAL UPDATES

- **Search Taxpayer PAN wise**
- Currently, there is functionality available to taxpayers in pre-login and post-login mode to search the taxpayer details using GSTIN/UIN.
- This functionality has been amended now to search the taxpayer details using PAN of the taxpayer.
- This search (by PAN) will fetch all the GSTINs registered against the entered PAN in different States/ UT's, along with status of registration in a tabular format. On clicking of GSTIN hyperlink, taxpayer search details shall be displayed.

- **Form GST REG-14: Non-Core Amendment of Registration for NRTP, OIDAR, TDS & TCS taxpayers**
- Facility has been provided on the GST Portal to NRTP, OIDAR, TDS & TCS taxpayers for applying for Amendment of Registration of Non-Core fields.
- *APIs for these functionalities have also been released for CBIC and Model I States.*



GST LEGAL UPDATES

Section 140(3)(iv) held unconstitutional by Gujarat High Court

- Case of Filco Trade Centre Pvt Ltd Vs UoI reported in 2018-TIOL-120-HC-AHM-GST
- Issue in brief
- Challenge to Section 140(3)(iv) of CGST Act, 2017 on the ground that it prevented first stage dealers from claiming credit on invoices which were more than a year old from the appointed date – Vested right accrued under existing law – provision takes away the right retrospectively.
- The Gujarat HC held that no just, reasonable or plausible reason is shown for making such retrospective provision taking away the vested rights - clause (iv) is unconstitutional – It disagreed with the decision of Bombay High Court in JCB India Ltd. - 2018-TIOL-23-HC-MUM-GST
- However, at the request of counsel for the Revenue this judgement stayed up to 31.10.2018

Any ISSUES/ queries?

- <https://cbec-gst.gov.in/>
- [CBEC MITRA HELPDESK](#)
 - 1800 1200 232
 - cbecmitra.helpdesk@icegate.gov.in
- GSTN Help Desk
 - <https://selfservice.gstsystem.in/> - Grievance redressal portal
 - Help Desk Number: 0120-4888999

Any ISSUES/ queries?

- Twitter Handles
- For General Questions
- https://twitter.com/askGST_GoI
- For technology related issues
- <https://twitter.com/askGSTech>
- NACIN twitter
- https://twitter.com/NACIN_OFFICIAL

THANK YOU