

GST Update

Weekly Update
13.10.2018

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 06.10.2018. 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

- Two Central Tax Notifications amending the CGST Rules issued (11th and 12th amendment to CGST Rules, 2017.
- Two Union Territory Tax Notifications constituting AAR & AAAR for Union Territories without legislature issued
- One Customs Notification on IGST refunds clarification issued

Eleventh amendment to CGST Rules, 2017 (Retrospective w.e.f 23.10.17)

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-53-central-tax-english-2018.pdf;jsessionid=D2E57FEE2D6E90E114DFC1D24EF5D979>
- This notfn amends notfn 39/2018-CT dated 04.09.2018
- Notification No. 39/2018- CT dated 04.09.2018 had amended Rule 96(10) by stipulating that the claimant should neither have received supplies from suppliers who have availed benefits of specified notifications or the claimant himself should not have availed benefit of specified notifications.
- This notification restores rule 96(10) to the position that existed before the amendment carried out in the said rule by notification No. 39/2018- Central Tax dated 04.09.2018.

Eleventh amendment to CGST Rules, 2017 (Retrospective w.e.f 23.10.17)...

Contd

Supplier supplies to Exporter and exporter exports the goods or services

If Supplier Claims benefit of –

- (i) Deemed Exports(Notn No. 48/2017-CT)
- (ii) 0.1% scheme (Notn No. 40/2017-CT(R) and 41/2017-IGST(R)
- (iii)EOU Scheme (Notn 78/2017-Customs
- (iv)AA/EPCG etc (Notn No. 79/2017-Customs

Exporter can not use the route of payment of IGST and taking refund under Rule 96. He needs to avail refund of unutilised ITC as per Rule 89(4B/4A)

The above is only up to 8th October, 2018; The Notification No. 54/2018-CT dated 9th October, 2018 further changes the position as explained in next slide

Twelfth amendment to CGST Rules, 2017 (Prospective)

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-54-central-tax-english-2018.pdf;jsessionid=0C06E9E95FB3F42DCA4D38153810BF2F>
- Notification No. 54/2018 – Central Tax dated 09.10.2018 issued
- Rule 89(4B) and Rule 96(10) substituted with effect from the date of publication in the official gazette.
- This notification amends rule 96(10) to allow exporters who **have received capital goods under the EPCG scheme** to claim refund of the IGST paid on exports and align rule 89(4B) to make it consistent with rule 96(10).
- Exporters who have availed benefit of Customs notfn 78 & 79 dated 13.10.2017, will not be allowed to claim refund of IGST on export of goods and services. However, this bar will not be applicable for import of capital goods made under the said notfns. For inputs, refund would be available in terms of Rule 89(4B)

Twelfth amendment to CGST Rules, 2017 (Prospective) ... Contd

Refund of IGST paid on exports of goods or services

If exporter receives supplies on which following benefits availed-

- (i) Deemed Exports(Notn No. 48/2017-CT)
- (ii) 0.1% scheme (Notn No. 40/2017-CT(R) and 41/2017-IGST(R)

If exporter avails following benefits-

- (i) EOU Scheme (Notn 78/2017-Customs
- (ii) AA/EPCG etc (Notn No. 79/2017-Customs, **except for capital goods**

Exporter can not use the route of payment of IGST and taking refund under Rule 96.

He needs to avail refund of unutilised ITC as per Rule 89(4A) / (4B)

Constitution of Authority for Advance Rulings (AAR) for Union Territories without Legislature

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/Notification-14-2018-Union-Territory-Tax-English.pdf;jsessionid=E9B7285DE5F8DBD273E56C6EAB0890E6>
- Notification No. 14/2018 - Union territory Tax dated 08.10.2018 issued.
- AAR constituted for Union Territories of Andaman and Nicobar Islands, Chandigarh, Daman and Diu, Dadra and Nagar Haveli, Lakshadweep

Constitution of Appellate Authority for Advance Rulings (AAAR) for Union Territories without Legislature

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/Notification-14-2018-Union-Territory-Tax-English.pdf;jsessionid=E9B7285DE5F8DBD273E56C6EAB0890E6>
- Notification No. 15/2018 - Union territory Tax dated 08.10.2018 issued.
- AAAR constituted for Union Territories of Andaman and Nicobar Islands, Chandigarh, Daman and Diu, Dadra and Nagar Haveli, Lakshadweep

Rewards to Informers and Govt Servants

- <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2018/Circular-36-2018-Customs.pdf;jsessionid=4FAE0E91664352EA9F57A174661EA0FE>
- *“The Guidelines for grant of reward to informers and government servants, 2015”* to apply to recovery of dues under the CGST and IGST as well
- Suitable amendments to the guidelines issued vide Circular No. 36/2018-Customs dated 5th October, 2018

Refund of IGST where higher rate of drawback claimed

- <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2018/Circular-37-2018-Customs.pdf;jsessionid=96707E34EB5273F6696D0992E6033F9F>
- Exporters availed the option of higher drawback in place of IGST refund out of their own volition
- Once declaration of higher drawback given, IGST/ITC not be refunded. Cases cannot be re-opened now.

GSTP Examinations

- <http://www.cbic.gov.in/resources//htdocs-cbec/press-release/Press-Release3.pdf>
- The last date of registration which was previously 10th October 2018, is now extended up to 15th October 2018
- The examination will be held on 31.10.2018 from 1100 hrs to 1330 hrs at designated examination centres across India.
- Only those GST Practitioners are eligible to login who qualify the criteria specified in rule 83(1)(b) of the CGST Rules 2017 and whose enrolment on GST portal in terms of sub-rule (2) has already been approved as on 24.09.2018.
- For GST Practitioners enrolled after 24.09.2018, another exam will be conducted in December, 2018



GST PORTAL UPDATES

New Functionality- Return

- **Facility to download TCS data of Form GSTR-2A to an Excel file**
- Taxpayer were earlier provided with a facility to download details of Form GSTR-2A in an Excel file. Now they have been provided with an option to download TCS section also, of the Form GSTR-2A, to that Excel file in a different sheet.

- **Challan of ISD registrants - (disabling of minor heads - tax, interest & others)**
- All Major heads (CGST, IGST, Cess, SGST/UTGST) and all Minor heads (Tax, Interest, penalty, Fee and Others) are enabled during challan generation, for all type of Users on GST portal, in both pre and post login mode.
- Now, For ISD (Input Service Distributors) users only Fee and Penalty minor heads will be enabled in challan (under all Major heads (CGST, IGST, Cess, SGST/UTGST)). Rest all other minor heads (Tax, Interest, Others) will remain disabled under all Major Heads (and ISD Users will not be able to enter amount under Tax, Interest and Others minor heads).

- **Acceptance of CIN generated in case of Net Banking even after expiry of CPIN for payment**
- Presently, for making payment if Taxpayer created a challan in E-payment mode and initiated payment within the expiry period of CPIN, but bank generated CIN after expiry of CPIN, then GST system does not accept that CIN.
- Now modification on the portal is done for acceptance of CIN generated in case of Net Banking (E-Payment), even after expiry of CPIN, if payment is initiated before expiry of CPIN and where
 - Taxpayer generated a CPIN in E-payment (Net Banking) mode.
 - Taxpayer initiated payment through Net Banking before the expiry of CPIN.

New Functionality- Payment

- **Masking of data in challan**
- At the time of generation of challan, Mobile No, email-Id and address of tax payer will now be masked for data security.

- **Replication of Opt in or Opt out status, across all GSTINs with same PAN**
- If a taxpayer wishes to opt in or opt out from Composition Scheme, he performs this activity for a particular GSTIN, on the GST Portal. Changes have been made on the GST Portal that, if a user opts in or opts out of Composition scheme then this status will be reflected across all GSTINs, with the same PAN.

(Refer proviso to Section 10(2) of the CGST Act, 2017)

- **Release of API related to Letter of Undertaking (LUT)**
 - Get LUT Application ARN List
 - LUT (Get Application Details)
 - LUT Order (Updating Application Status)
 - Enable/disable LUT
 - LUT notice
 - LUT Reply
 - Get Case Data LUT
 - Get LUT CRN List - For ICEGATE

- **Release of API related to Appeal**
 - Appeal Admit Reject
 - Appeal Counter Reply
 - Appeal Get Counter Reply
 - Appeal Notice
 - Appeal Order
 - Get Case Data Appeal



GST LEGAL UPDATES

Jurisdiction to issue Service Tax Demands post 1st July, 2017

- **Hon'ble Gauhati High Court dismissed a number of appeals challenging the service tax demand after the GST rollout.**
- Section 6A of the General Clauses Act- Even if an enactment stands omitted by a subsequent amendment, a proceedings initiated under the omitted enactment on its own does not come to end upon omission and further continuance cannot be said to be impermissible under the law.

Constitutional validity for bring lottery under GST

- **Calcutta High Court has upheld the constitutional validity of bringing lotteries under purview of GST**
- Entry 6 of the Schedule III takes out actionable claims other than lottery, betting and gambling from the scope of GST. Thus, lotteries are generally speaking goods and come within the definition of actionable claims. Since, lotteries are kept out of the purview of actionable claims which do not attract CGST Act, 2017, lottery can therefore be charged to GST

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