

GST Update

Weekly Update
22.09.2018

Background

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 15.09.2018. 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

- 2 Central Tax Notifications and 1 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

Rate of TCS notified

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-52-central-tax-english-new.pdf;jsessionid=B0D53EB18A5E249B24B07E2D39668645>
- Notfn no.52/2018-Central Tax issued dated 20.09.18 issued.
- Notifies that every electronic commerce operator, not being an agent, shall collect an amount calculated at a rate of **half per cent of the net value of intra-State taxable supplies** made through it by other suppliers where the consideration with respect to such supplies is to be collected by the said operator

Insertion of Explanation in Notfn 12/2017 entry 41

- <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-23-2018-cgst-rate-english.pdf>
- Notfn no.52/2018-Central Tax issued dated 20.09.18 issued.
- Following explanation added in entry 41 of notfn no.12/2017-CT(Rate) dated 28.06.2017.
- Explanation.- For the purpose of this exemption, the Central Government, State Government or Union territory shall have 50 per cent. or more ownership in the entity directly or through an entity which is wholly owned by the Central Government, State Government or Union territory.”
- **Exemption was granted to one time premium/salami charged by State Govt Industrial Dev Corpn or undertakings for leasing of industrial plots. Expln clarifies that State/Centre should have 50% or more ownership in such entities**

Guidelines for deductions and deposits of TDS by DDO under GST

- http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_No.65-new.pdf;jsessionid=8AE869DB19D021CBEE6AC634B4534B4C
- Circular No. 65/39/2018-DOR dated 14.09.2018 issued
- Issues guidelines for deductions and deposits of TDS by DDO under GST.
- Section 51 of the CGST Act 2017 - Deduction of tax by the Government Agencies (Deductor) or any other person to be notified in this regard, from the payment made or credited to the supplier (Deductee) of taxable goods or services or both, where the total value of such supply, under a contract, exceeds **two lakh and fifty thousand rupees.**

Guidelines for deductions and deposits of TDS by DDO under GST

- The amount deducted as tax under this section shall be paid to the Government by deductor within ten days after the end of the month in which such deduction is made along with a return in **FORM GSTR-7** giving the details of deductions and deductees. Further, the deductor has to issue a certificate to the deductee mentioning therein the contract value, rate of deduction, amount deducted etc.
- All the DDOs in the Government, who are performing the role as deductor have to register with the common portal and get the GST Identification Number (GSTIN).

Guidelines for deductions and deposits of TDS by DDO under GST

- For payment process of Tax Deduction at Source under GST two options can be followed, which are as under:
- **Option I:** Generation of challan for every payment made during the month.
- In this option, the DDO will have to deduct as well as deposit the GST TDS for each bill individually by generating a CPIN (Challan) and mentioning it in the Bill itself. Detailed procedure given in the circular may be referred to.

Guidelines for deductions and deposits of TDS by DDO under GST

- **Option II:** Bunching of TDS deducted from the bills on weekly, monthly or any periodic manner.
- Option-I may not be suitable for DDOs who make large number of payments in a month as it would require them to make large number of challans during the month. Such DDOs may exercise this option wherein the DDO will have to deduct the TDS from each bill, for keeping it under the Suspense Head. However, deposit of this bunched amount from the Suspense Head can be made on a weekly, monthly or any other periodic basis.
- Detailed procedure given in the circular may be referred to.
- Departments in Central Government should instruct all its DDOs under them to follow the above procedure for payment of GST TDS amount deducted from payments to be made to suppliers.



GST LEGAL UPDATES

Goods Transported without E-Way Bills Gujarat HC refuses to entertain WP

- Case of **Vanrajbhai Hasmukhbhai Chauhan Vs State of Gujarat – order in Special Civil Application no.11383 of 2018**
- **Issue in brief**
- petitioner is a habitual offender and is in habit of transporting goods without e-way bill and similar modus operandi is adopted to pay tax, the moment he is caught. There were 10 instances wherein the petitioner is caught without e-way bill and therefore, the petitioner is habitual defaulter and tax evader.
- **HC order**
- The HC held that considering the facts narrated hereinabove, more particularly when the petitioner is reported to be a habitual defaulter and tax evader and is found to be involved in at least 10 cases wherein the petitioner was caught without e-way bills, the HC court refused to exercise discretion in favour of the petitioner. Alternate appeal remedy available for challenging order passed u/s 129(3).

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