



Shri Narendra Modi
Prime Minister of India

“ Skilling is building a better India.
If we have to move India towards
development then Skill Development
should be our mission. ”



Certificate

CURRICULUM COMPLIANCE TO QUALIFICATION PACK – NATIONAL OCCUPATIONAL STANDARDS

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About this book

There is no limit to learning and it should be an ongoing process. In order to be knowledgeable and skilled in professional domains, we have to constantly try to keep ourselves updated with new changes or best practices in industry and the role we work for, or aspire to work for.

This handbook will attempt to impart knowledge to participants who aspire to become accountants, consultants etc. in the finance industry. The participant will be able to study GST along with its important concepts. This handbook will be a good tool to learn about concepts, practices and methods that will help them to understand GST, its role in the economy and the advantages & disadvantages. They will also learn about the software's used in the industry.

This handbook is not intended for experienced professionals, who would need to refer to more detailed manual. The content of this handbook is primarily meant for beginners or fresher. We strongly recommend that user of this handbook should seek detailed explanation if they need more information about any topic covered in this handbook.

Vocational Education and Skill Development

The current education system does not focus on training young people in employable skills that can provide them with employment opportunities. Today, a large section of India's labour force has outdated skills. The Government is therefore strongly emphasizing on upgrading people's skills by providing vocational education and training to them. It has formulated the National Policy on Skill Development and set a target of providing skills to 50 Crore people by 2022.

The National Skill Development Mission has been developed to create convergence across sectors and States in terms of skill training activities. Further, to achieve the vision of 'Skilled India', the National Skill Development Mission would not only consolidate and coordinate skulking efforts, but also expedite decision making across sectors to achieving skilling at scale with speed and standards. It will be implemented through streamlined institutional mechanism driven by Ministry of Skill Development and Entrepreneurship (MSDE).

About National Skill Development Corporation of India (NSDC)

The National Skill Development Corporation (NSDC) is a one-of-its-kind, Public Private Partnership in India, under the Ministry of Skill Development & Entrepreneurship (MSDE). It aims to promote skill development by catalyzing creation of large, quality and for-profit vocational institutions.

The NSDC facilitates or catalyzes initiatives that can potentially have multiplier effect as opposed to being an actual operator in this space. In doing so, it strives to involve the industry in all aspects of Skill Development. NSDC focuses primarily on supplementary skill development and strive to create seamless tracks within the education system.

National Skill Development Corporation (NSDC) has been in close contact with the BFSI Sector Skill Council as we partner to address Skill Development needs in a large, highly segmented industry which is characterized by accelerated growth. The progress of the BFSI industry has significant impact on the progress of our nation and the issue of Skill Development is one that the industry holds as being of great importance.

About BFSI Sector Skill Council of India

The BFSI Sector Skill Council of India is set up to bring leading organizations of the BFSI industry together to create strategies and operational plans that will create standardized skill requirements for the various job roles in the industry. The skill council will also accredit well equipped service providers who will partner to disseminate the training.

The skill council is seen by its stakeholders and partners as a nation-building activity with far reaching implications for social development and empowerment through financial inclusion. Great care is being taken to appropriately address the needs of the various industry verticals as well as the geographical regions of the country.

Based on the evaluation of the content submitted by the training partners by our panel of subject matter experts (SME) and instructional designers and the feedback received from various stakeholders, we identified that there were many instances of inconsistencies in the content coverage and alignment to the QP/NOS. To address this gap we have worked with this publishing house to create QP\NOS aligned content.

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1. Identifying GST Taxable Event

Unit 1.1 – Introduction

Unit 1.2 – Understanding Important Terms of GST

Unit 1.3 – Incidence of Tax

Unit 1.4 – Classification



Unit 1.1 Introduction

Unit Objectives



At the end of the unit, you will be able to:

- Recognise the applicability of SGST, CGST and IG

GST means Goods and Services Tax. This law is levied on supply of taxable goods and services. It extends to whole of India, except Jammu and Kashmir. It comes in to force from **1st July 2017**. It is possible that different provisions of the Act may be made applicable from different dates to ensure that there is no simultaneous operation.

GST is said to be a destination based tax. It means that tax will finally accrue to the state where final consumption takes place. Final consumption is called place of supply of goods or services.

We will learn as to what is the exact meaning of “**goods**” and “**services**” in other chapters. We will also learn the meaning of “**supply**” and “**place of supply**” in separate chapters. At present, we can only note that it is not the “**sale**” on which GST is charged, but on “**supply**” of goods or services. Therefore, even when goods are supplied without consideration, GST may be chargeable in certain cases.

Although the act is common for goods and services, there are various provisions which are different for goods and for services.

Whether GST will be levied on all the goods and services? Answer is

No

1. There are some goods on which tax is not **leviable**. e.g. alcoholic liquor for human consumption.
2. There are some goods on which tax is **not leviable for now** but in future, it may be levied on the basis of recommendation made by GST Council.
3. There are some goods which are **exempt** from taxation. Such exemption are made considering some social aspect. e.g. Services of a health clinic are exempt from taxation. When such exemption is withdrawn by any notification in future, a general rate of GST or the rate specified for those goods or services will be applicable.
4. There are certain goods which are not appearing in the list of exempt goods but appear in the taxable goods or services but the rate mentioned for such goods is **NIL**.
5. The final effect of all the four mentioned above is same , that there is no GST charged on the same but there are various other technical implications.
6. It may be noted that existing VAT and Excise duty will be continued to be charged on items mentioned in Sr.No.1 and 2 above.

The laws that govern taxes on Goods and Services are called GST Acts. Both Centre and State (or Union Territory) are the beneficiaries and hence there are two Acts to collect any transaction which happens within any state/Union Territory and one Act for supply between two different states or Union Territories.

1. Central GST (**CGST**)
2. State/Union Territory Act of the respective state.(**SGST/UTGST**)

3. For inter- state transaction there is Integrated GST. (**IGST**)

Apart from these Acts there is one more Act , The Goods and Services – (Compensation to States) Act 2017. (**GSTCS**). This act is introduced to provide for compensation to the States for the loss of revenue arising on account of implementation of the goods and services tax. This tax is levied on a few specified goods at present. It is expected that such levy will be collected **for five years** but this period can be extended on recommendation of the GST Council.

Thus, these are **four acts** which are the backbones of GST.. They are all related and connected to each other. Apart from this, there would be **rules** to explain in detail the procedural matters and to prescribe various forms. The Govt. would also issue **Notifications** from time to time which may exempt, cancel exemptions, change rates, give effect to certain provisions, specify dates from which certain provisions will become applicable.

In order to understand the taxability of GST and the exact rate and the exact amount payable, time and procedure for payment etc.it becomes necessary to study the provisions of all four Acts, Rules and Notifications under the Act.

The Act which covers the most basic definitions and provisions related to supply of Goods or Services within state are given in Central Goods and Services Tax Act, 2017. (Referred by us as **CGST Act**). Other Acts have referred and used definitions and provisions of CGST. Reference to sections given in this book, is from CGST Act unless otherwise stated.

Provisions related to inter-state transaction are given in Integrated Goods and Services Tax Act, 2017. (Referred by us as **IGST Act**). Provisions explaining as to what is the place of supply are also given in IGST Act.

Provisions related to Union Territories are given in The Union Territory Goods and Services Tax Act, 2017. (Referred by us **UTGST Act**) Wherever provisions in these acts are similar to CGST Act , we have not mentioned the same.

The maximum GST that can be levied by Centre is 20% and the state can also levy 20%, making the total of 40%. However, currently the actual maximum tax prescribed on any commodity or services is 28%.

Taxes levied by the Govt. can be classified in to

- (a) Direct Tax and
- (b) Indirect Tax.

What is the difference between the two? In case of direct tax, the tax payer pays the tax from his own pocket, without specifically recovering from any one.

Example of direct Taxes are Income Tax, Wealth Tax, Profession Tax etc.

Example of indirect Taxes are Excise Duty, VAT, Service Tax, Entertainment Tax etc.

Indirect tax is collected from customer and then paid. The price of goods or services is already increased even before it he receives such goods and services.

What type of Tax is GST?

GST is an **indirect tax**. We do come across some situations in GST where the businessman pays GST even when he does not collect it. However, nature of GST is broadly, an indirect tax. We will learn about them in subsequent chapters.

GST is applicable throughout India except the state of Jammu and Kashmir. It comes in to force from **1st July 2017**.

It is said that Introduction of GST in India, one of the **biggest fiscal and economic reforms** since independence. Why is it said so?

- India is a vast country with 29 states and 7 Union territories.
- Large proportion of business community is unorganized and scattered.
- Each state has its own set of problems, advantages and disadvantages.
- In Centre and state, there may be governments with different political ideologies.
- Major source of revenue for some of the states used to come from state VAT acts. There was a fear for the states that they would lose revenue on account of implementation of GST.
- Distribution of share of revenue between Centre and state is a complex matter.
- Implementation of GST involved consensus among all the states, cancellation of various other laws which prevailed for a very long time.

Till the date of implementation of GST Till there were several indirect and direct taxes India which used to tax goods or services.

They were

1. VAT
2. Service tax
3. Central Excise Duty
4. Central Sales Tax
5. Entry Tax
6. Octroi
7. LBT
8. Countervailing Duty
9. Special Additional Customs Duty
10. Surcharges and
11. Cess

All the above mentioned taxes will now be cancelled and there will be only GST. It may be noted that the following taxes will still be continued.

1. Basic Customs Duty
2. Export Duties
3. Stamp Duties
4. Electricity Duties
5. Taxes on professions, trades, callings and employments

Need for Change

- Some of the **taxes** were levied **again and again** if goods used to move from one state to another. There would be central sales tax as many times as it would cross the boundary of any of the states.
- Sometimes there would be confusion about **whether** the supply was for **goods or service**. e.g. packaged software has always been a matter of controversy. Since taxing authority for goods was respective state and for services it was centre, there would be dispute as to who would tax such sale or the service as the case may be.
- Since VAT was a state subject (to be taxed by the state) , each state would decide the rate of VAT which is sold in respective state. Therefore, **same commodity** would be available at **different price** in different states.
- Entry Tax, Octroi, LBT were considered as **hindrance in the free movement** of goods.
- **Many taxes** operating on same subject matter would not only create confusion but would become difficult to act upon.
- The nastiest and unpleasant effect of these taxes was that there would be tax on tax. In many cases, taxes already paid at the time of purchases would never be set off against the taxes to be aid at the time of set off.

In order to overcome these difficulties, GST has been introduced. After implementation of GST

1. There is common tax for Goods and Services.
2. Taxes on taxes avoided.
3. Same Tax rate for a given commodity throughout the country.
4. Excise Duty abolished.
5. Many other indirect taxes abolished.
6. Seamless credit with respect to taxes paid on purchase of goods or on availing services.
7. Although compliance in terms of filing of returns has increased, no. of taxes with respect to which compliance was required has gone down.
8. Filing of returns is completely online throughout the country resulting in very less chances for errors and delays.

GST takes care of tax on goods as well as services. It also takes care of giving credit for the GST already paid by buyer of goods or by a person availing such services. Let us take an example to understand this concept with assumption that GST is 20% and the businessman was not getting any set off on the input tax earlier.

Example



(All amounts in INR)

Purchased Material	10000
Material GST @20%	2000
Material Total (A)	12000
Finishing services availed	3000
Services GST @20%	600
Services Total (B)	3600
Total Cost (C) = (A)+(B)	15600
Profit 10%	1560
Selling Price	17160
GST @20% on Sales Price.	3432
Total Sales Price including GST	20592

If the businessman does not get any benefit (set-off) of the taxes paid by him on his purchases or availing of services, then his profit is only 1560. However, if he gets such benefit of set off of tax paid by him at the time of purchase of goods, then he will pay only Rs. 832 as his GST as follows.

Total GST Payable	3432
Less: GST Paid on Goods	2000
Less: GST Paid on Services	600
GST to be paid to the Govt.	832

In this case his profit increases by GST paid by him on his purchase

i.e Rs. 2000 + Rs. 600 = 2600.

Thus total profit would be Rs. 1560 + Rs. 2600 = Rs. 4160.

This can be also calculated from cost side .

Since he gets the set off of the taxes already paid, his real cost is

Material cost	10000
Services Cost	3000
Total Cost	13000
Sale Price	17160
Real Profit	4160

Thus he pays GST of Rs. 832 which is 20% of 4160 which is value added by him over the cost.

The businessman can actually reduce his selling price due to the benefit of full set off of taxes that he might get in GST regime.

In fact, there is a provision in the GST Act wherein it states that in such situation, the businessman is compulsorily required to pass on this benefit to the customers by reducing the selling price of such goods. In short, he is **not supposed to make any profits** out of the benefit that he would get **due to implementation of GST**.

All intra-State supplies would be liable to CGST. The levy is on supply of all goods or services or both except on the supply of alcoholic liquor for human consumption. Besides, supply of petroleum crude, high speed diesel, motor spirit (petrol), natural gas and aviation turbine fuel are also included in GST. However, the tax will be levied on these goods only with effect from such date as may be notified by the Government after recommendation of the Council.

Services Tax (GST) will be on 'supply' of goods or services or both, in India except Jammu and Kashmir. When we say India, it also includes the area up to 200 nautical miles inside sea for purpose of GST.

All the policies related to GST are determined by GST Council from time to time. GST is the Apex constitutional body.

GST is being implemented after making One Hundred and First Amendment in the Constitution of India.

All the decisions related to GST are being taken by GST Council. Let us know a little about GST Council.

The Goods and Services Tax Council (GST Council)

GST Council consists of the following members. namely:—

- (a) the Union Finance Minister: Chairperson;
- (b) the Union Minister of State in charge of Revenue or Finance : Member;
- (c) the Minister in charge of Finance or Taxation or any other Minister nominated by each State Government: Members.
- (3) The Members of the Goods and Services Tax Council would, choose one amongst themselves to be the Vice-Chairperson of the Council for such period as they may decide.
- (4) Function of the Goods and Services Tax Council would be to make recommendations to the Union and the States on—
 - (a) the taxes, cesses and surcharges levied by the Union, the States and the local bodies which may be subsumed in the goods and services tax;
 - (b) the goods and services that may be subjected to, or exempted from the goods and services tax
 - (c) model Goods and Services Tax Laws, principles of levy, apportionment of Goods and Services Tax levied on supplies in the course of inter-State trade or commerce under article 269A and the principles that govern the place of supply;

- (d) the threshold limit of turnover below which goods and services may be exempted from goods and services tax;
- (e) the rates including floor rates with bands of goods and services tax;
- (f) any special rate or rates for a specified period, to raise additional resources during any natural calamity or disaster;
- (g) special provision with respect to the States of Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand; and
- (h) any other matter relating to the goods and services tax, as the Council may decide.
- (i) At present petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel is out of the purview of GST. The GST Council shall recommend the date on which these product will come within GST regime.

GST Council has met **18 times till 30th June 2017** to take various decisions.

Exercise



1. Which taxes will be cancelled as a result of GST.
2. What is the maximum rate of GST that can be levied?
3. What is the maximum GST being levied?
4. What is the date from which GST becomes effective?
5. Whether GST is applicable all over India?
6. Which goods are totally out of the purview of GST?
7. Which are the goods which are not within the purview of GST but may become chargeable from a date as may be recommended by GST Council?
8. What is the basic limit of turnover up to which GST is not chargeable? Is it same for all the states in India?
9. Is it correct to say that GST is applicable on sale of goods or services?
10. Whether provisions related to goods and services are exactly same?
11. Whether supply of goods without consideration will attract GST?

Unit 1.2 Understanding Important Terms of GST

Unit Objectives



- Business
- Consideration
- Goods
- Services
- Supply
- Inter-state Supply
- Intra State Supply
- Continuous Supply

Business - Section 2(17)

Importance: Levy of Service Tax is on Supply of Goods or Services. (Section 9).

Definition of Supply (Section 7) uses the words “in furtherance of business on many occasions. Therefore, it is necessary for us to understand the meaning of the word business, since in case the activity is out of the definition of business, then it will be out of definition of supply and GST will not be applicable.

Apart from this, there are several occasions where the word business is used.

Refer **Annexure I** at the end of this topic.

Following important points emerge from definition of ‘Business’

The definition of ‘business’ is inclusive definition.

Following points emerge from the definition of ‘business’ —

- This definition is very wide and covers all the transactions that are currently subjected to various taxes that are being subsumed in the GST Laws
- Similar activities are also included which means that it is not necessary that the activity should exactly match with the defined activities.
- volume, frequency, continuity or regularity of such transaction is irrelevant. Such aspects are important in understanding “business” under Income Tax Act. Occasional transactions are subjected to GST. Adventure is also covered.
- ‘Wager’ includes betting. This is also included in the definition of business
- Charitable or religious activities are not specifically covered; Exempted services from GST list includes charitable trusts etc. subject to certain terms and conditions.
- Profit motive irrelevant, immaterial.
- Incidental or ancillary business is also covered.

Consideration - Section 2(31)

Importance: Levy of Service Tax is on Supply of Goods or Services. (Section 9)

Definition of the word Supply includes the word “for a consideration” at many places. In many cases the consideration has been made necessary for transaction to be called as supply. In some cases consideration is specified to be not necessary.

Refer Annexure I at the end of this topic.

Following important points emerge out of it.

- This is an **inclusive** definition. Therefore, what is not specifically mentioned in the definition, but has the features of consideration can also be treated as consideration.
- Consideration can be in the form of money or otherwise.
- **Deposits** received are **not consideration**. However **when** they are **applied** towards supply are **consideration**.
e.g. Three months deposit may be received at the time of renting a property. This is not consideration. However, if the tenant does not pay the rent for the last three months and asks the owner to adjust it against rent, it becomes consideration at that time.
- Payment received by the supplier in relation to the supply, whether from the recipient or any other person can be consideration. Thus **advance received** in relation to supply shall also be subject to GST.
- Third party to a contract can also pay and it is not necessary that only the recipient or the service has to pay towards consideration;

Goods – Section 2(52)

Importance: Levy of Service Tax is on Supply of Goods or Services. (Section 9).

Therefore, in order to levy tax, the subject matter has to be either **goods** or services. In this part we will learn how goods are defined under the Act.

Refer Annexure I at the end of this topic.

Following important points emerge out of it.

- For anything to be considered as goods. It should be a **moveable** property. Thus immoveable property is out of the subject matter of GST. However there are **exceptions** to this. It means that subject matter is immoveable, still chargeable to tax.
 - i. First exception is in the section itself. The section says that **growing grass** or crop, for the time being not moveable, **which are agreed to be severed before supply** or under a contract of supply, still included in the definition of the goods.

(Other exceptions are given by including certain transactions related to immoveable property in the definition of supply. These are given in schedule II to the CGST Act.)

Refer Annexure II to this chapter for Schedule II to the Act.

- ii. renting of immovable property (This will be deemed as supply of service);
- iii. When any person sells any immovable property as construction of a complex, building, civil structure or a part thereof, including a complex or building, wholly or partly. (This will be deemed as supply of service);
However, if entire consideration has been received after issuance of completion certificate, or after its first occupation, whichever is earlier then it will not be treated as supply.
- iv. Section 9 (1) has specified that GST cannot be levied on supply of alcoholic liquor for human consumption and hence although they are goods, GST is not applicable.
- v. Section 9(2) has specified that supply of petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel shall be levied with effect from such date as may be notified. Therefore, although these are goods, no GST can be levied on the same.
- vi. Sale of Land will neither be supply of goods nor service (Schedule III of CGST Act – refer Annexure III below this chapter)

- Money and securities will not be considered as goods.
- Actionable Claims are included in the definition of goods. However, as per schedule III to CGST Act, actionable claims other than lottery, betting and gambling are not to be considered as supply of goods or services. Please Refer Annexure 3 to this chapter for Schedule III to the Act.
- Thus, actionable claims, say amounts receivable from borrower, are transferred by a bank to another person are out of the ambit of GST. However, if such receivables are related to lottery or betting, they will be considered as goods.
- Intangible goods like DEPB license, copyright and carbon credit would continue to be covered under 'goods'.

Services – Section 2(102)

Importance: Levy of Service Tax is on Supply of Goods or Services. (Section 9).

Therefore, in order to levy tax, the subject matter has to be either goods or services. In this part we will learn how services are defined under the Act.

Refer Annexure I at the end of this topic.

Following important points emerge out of it.

- In this definition it is presumed that all the transactions of supply that happen will be either of goods and non- goods. Therefore, all transactions other than transactions of supply of goods will be considered as supply of services unless specifically taken out of GST.
- Thus, all those transactions or activities that are left out of the definition of 'goods' would fall under the meaning of services.

- The definition of service is so broad that practically sky is the limit for imposing any tax. Such definition has eliminated the need of defining each and every service.
- Thus, services will be out of GST, only when specific provision is made for their exclusion. There are some exceptions which are given in Schedule III to CGST. Please refer **Annexure 3** to this chapter. These exceptions are
 - i. Services by an employee to the employer in the course of or in relation to his employment. Thus salaries or remuneration paid to employees is not subject to service tax. Reimbursement of expenses to employees would also fall in to this category. However, a clear clarification to that effect will be welcome. Full time directors also get monthly remuneration and hence that will be covered by this provision. However, fees paid to non-executive director shall not come under this provision and hence taxable under GST.
 - ii. Services by Tribunals, Courts, Members of Parliament etc. are also exempt.
 - iii. Sale of Land will neither be supply of goods nor service.
 - iv. Activity related to actionable claims (other than lottery, betting and gambling will neither be goods nor service).

Supply – Section 7

Importance: Levy of Service Tax is on Supply of Goods or Services. (Section 9).

Therefore, in order to levy tax, there has to be **supply** of Goods or Services. GST is levied on “**Supply**” of Goods or Services. The erstwhile act on VAT was levied on “**Sale**” of Goods. Is there any difference between the words “Supply” and “Sale”?

In this part we will learn how services are defined under the Act.

Refer Annexure 1 at the end of this topic.

Following important points emerge out of it.

- This is inclusive definition.
- While the GST Act is common for Goods and Services, it becomes necessary to distinguish between supply of goods and supply of services. This is so because provisions related to time of supply of goods and those of services are different. Similarly provisions related to place of supply related to goods and those of services are different.
- Meaning of Sale as per erstwhile tax related to goods was transfer of property in goods ‘for valuable consideration’. Thus valuable consideration was essential element for levy of tax.
- Supply will not only include sale, but it would also include a few non-sale transactions also.
- In order to bring activities such as supply of goods or services such as sale, transfer, barter, exchange, licence, rental, lease or disposal made, the same should be for a **consideration** by a person in the course or **furtherance of business** (Term business is already explained above) e.g. donation of books to needy children will not be considered as supply as it is neither for furtherance of business nor for consideration.

- There are some exceptions to this rule as follows.
 - i. in case of import of services for a consideration, even if such services are imported **otherwise than in the course or furtherance of business**, it would be deemed to be a supply.

There are some activities which are mentioned in the Schedule I of CGST (Refer **Annexure 4** below this chapter) which will be treated as supply even when they are made **without consideration**. These are as follows.

 - ii. When business assets are permanently transferred or disposed on which input tax credit has been taken. Thus when some assets in business are given free, even then it will be considered as supply.
 - iii. Supply of goods or services between related persons or between a different establishments of same persons who have taken multiple registrations (called distinct persons under section 25). Thus branch transfer will also be considered as supply under this clause.
 - iv. Import of Services by taxable person related person or from any of his other establishment outside India in the course of furtherance of business.
- There are certain activities which will be deemed as services which are mentioned in scheduled II. (Refer Annexure 2) which are as follows.
 - 1) Any Transfer of right in goods or of undivided share in goods.
 - 2) With respect to land and building,
 - any lease, tenancy, easement, licence to occupy land is a supply of services;
 - any lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly, is a supply of services.
 - Any treatment or process which is applied to another person's goods is a supply of services.
 - 3) Renting of immovable property will be treated as supply of service. (It may be note that renting of residential property for residential uses is exempt from service tax under Exemption Services Schedule.)
 - 4) 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. However when entire consideration has been received after issuance of completion certificate (OC) , where required, by the competent authority or after its first occupation, whichever is earlier then it shall not be treated as service. In such case it will be out of the purview of GST.

Background of Inter- State and Intra State Supply

Although we say that there is only one GST throughout the nation, this GST is to be shared amongst states and centre based on certain principles. Hence While receiving or making invoices we always come across the following types of GST.

- (a) Central GST (CGST)
- (b) State GST (SGST)
- (c) Union Territories GST
- (d) Integrated GST (IGST)
- (e) Compensation Cess.

India has federal structures with 29 states and 7 union territories. The 7 Union Territories are Delhi, Andaman and Nikobar Island, Chandigarh, Daman and Diu, Dadra and Nagar Haveli, Pondicherry, Lakshadweep

Out of these Delhi and Pondicherry have their own State legislature and hence they will have their own SGST.

In order to understand types of taxes it is necessary to understand types of supply

- A) Intra State Supply or Intra Union Territories Supply. Intra Union Territories supply shall have same implication and hence for all practical purposes, intra Union Territory Supply is called Intra State Supply.
- B) Inter State Supply

Intra State Supply – Section 8 of IGST

Importance: In order to apply appropriate tax we need to clearly classify amongst the above mentioned three categories

In case of **intra-state** supply following two output taxes will be charged in the invoice. Bifurcation between CGST and SGST/UTGST is not officially notified but expected to be 50% each.

- (i) CGST (50% of total tax)
- (ii) SGST (50% of total tax)

In case of **intra union territory** supply – following two output taxes will be charged.

- (i) UTGST (50% of total tax)
- (ii) SGST (50% of total tax)

In case of inter-state supply only following output tax will be charged

IGST (This will typically be equal to sum of CGST and SGST for any given product or services).

It will be noticed from above that in case of intra state supplies, the receiver (place of supply) is within the state or union territory and hence the state or union territory gets to collect 50% of the total tax. Remaining 50% goes to the centre.

In case of inter-state supply the receiver of the supply is in the other state therefore, the full tax collected in the form of IGST. 50% of this will go to the state where the receiver of the supply is and remaining 50% will go to the centre. In case other state is not involved, such as in case of import or export, the full amount shall remain with centre.

From this discussion it is clear that 50% of the tax is always received by the centre and 50% of the tax is always received by the state where receiver of the supply is.

Thus, GST is **consumption based taxation**. The earlier tax - Vat used to be collected by supplier state. This is marked change from current principal of supplier state based taxation to consumption state based taxation.

It may be worthwhile to note that collection of IGST is not fully used by the Centre. It part of the collection shall be paid to the respective state where supply is made. (Place of Supply) Thus IGST only enables tax collection by centre, to transfer state's share to the respective state to which supply is made.

Refer **Annexure 1** at the end of this topic

The section specifies that , where the supplier and the receiver (place of supply) are in the same state it is called **intra state supply**. It must be noted that some transactions where supplier and receiver are in the same state are specifically **excluded** from the definition of intra state supply. They are

- a) supply of goods to or by a Special Economic Zone developer or a Special Economic Zone unit;
- b) supplies made to a tourist referred to in section 15
- c) goods imported into the territory of India till they cross the customs frontiers of India;

Inter-State Supply - Section 7

Importance: We have learned the importance while learning Intra State Supply.

Inter-state Supply is defined in section 7 of IGST Act.

Refer Annexure 1 for definition of inter-state supply.

This section specifies that following types of supply shall be considered as inter- state supply

- a) where location of supplier is in one state and receiver (Place of supply) is in another state or
- b) where location of supplier is in one union territory and receiver (Place of supply) is in another union territory or
- c) where location of supplier is in one union territory and receiver (Place of supply) is in another state
- d) where location of supplier is in one state and receiver (Place of supply) is in another union territory.

Apart from this there are certain supplies which are deemed as inter-state supply which are given as follows :

- (a) supply of goods to or by a Special Economic Zone developer or a Special Economic Zone unit; (Even though supplier and place of supply are in the same state.
- (b) supplies made to a tourist referred to in section 15 (Even though such supply is within the same state.
- (c) goods imported into the territory of India till they cross the customs frontiers of India;(Even though the same is in the same state).
- (d) Supply of services imported into the territory of India shall be treated to be supply of services in the course of inter-State trade or commerce.
- (e) Supply of goods or services or both, when the supplier is located in India and the place of supply is outside India (Export)
- (f) Supply of goods or services or both in the taxable territory, not being an intra-State supply and not covered elsewhere in this section,

Continuous Supply

Importance: In case of supply which is continuous in nature, different set of provisions are made for the purpose of making invoice. Since payment of the tax depends on the making of invoices, it becomes essential to understand as to exactly what is covered by the definition of continuous supply.

Continuous supply of goods is defined in sec. 2(32) and continuous supply of services is defined section 2(33).

Refer Annexure 1 for definition of Continuous Supply.

Compensation Cess

The states fear that there may be a revenue loss to them due to implementation of GST. The union has agreed to compensate for loss of any such revenue. In order to create revenue to compensate the states, GST (Compensation to States) Act has been passed and some additional taxes are levied on some specified goods.

Annexure 1

Understanding Important Terms in GST

Section 2(17) of CGST Act defines 'Business' as follows —

"Business" includes —

- (a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit.
- (b) any activity or transaction in connection with or incidental or ancillary to (a) above.
- (c) any activity or transaction in the nature of (a) above, whether or not there is volume, frequency, continuity or regularity of such transaction

- (d) supply or acquisition of goods including capital goods and services in connection with commencement or closure of business
- (e) provision by a club, association, society, or any such body (for a subscription or any other consideration) of the facilities or benefits to its members.
- (f) admission, for a consideration, of persons to any premises.
- (g) services supplied by a person as the holder of an office which has been accepted by him in the course or furtherance of his trade, profession or vocation.
- (h) services provided by a race club by way of totalisator or a licence to book maker in such club and
- (i) Any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities.'

Section 2(31) of CGST Act defines "**consideration**" as follows.

"Consideration" in relation to the supply of goods or services or both includes—

- (a) any payment made or to be made, whether in money or otherwise, in respect of, in response to, or for the inducement of, the supply of goods or services or both, whether by the recipient or by any other person but shall not include any subsidy given by the Central Government or a State Government;
- (b) the monetary value of any act or forbearance, in respect of, in response to, or for the inducement of, the supply of goods or services or both, whether by the recipient or by any other person but shall not include any subsidy given by the Central Government or a State Government:

Provided that a deposit given in respect of the supply of goods or services or both shall not be considered as payment made for such supply unless the supplier applies such deposit as consideration for the said supply;

Section 2(52) of CGST Act defines "**Goods**" as follows.

"Goods" means every kind of movable property other than money and securities but includes actionable claim, growing crops, grass and things attached to or forming part of the land which are agreed to be severed before supply or under a contract of supply.

Section 2(102) of CGST Act defines "**Services**" as follows.

"Services" means anything other than goods, money and securities but includes activities relating to the use of money or its conversion by cash or by any other mode, from one form, currency or denomination, to another form, currency or denomination for which a separate consideration is charged

Section 7 of CGST Act defines "**Supply**" as follows.

(1) For the purposes of this Act, the expression "supply" includes—

- (a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;
- (b) import of services for a consideration whether or not in the course or furtherance of business;
- (c) the activities specified in Schedule I, made or agreed to be made without a consideration; and
- (d) the activities to be treated as supply of goods or supply of services as referred to in Schedule II.

(2) Notwithstanding anything contained in sub-section (1),—

- (a) activities or transactions specified in Schedule III; or
- (b) such activities or transactions undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities, as may be notified by the Government on the recommendations of the Council, shall be treated neither as a supply of goods nor a supply of services.

(3) Subject to the provisions of sub-sections (1) and (2), the Government may, on the recommendations of the Council, specify, by notification, the transactions that are to be treated as—

- (a) a supply of goods and not as a supply of services; or
- (b) a supply of services and not as a supply of goods.

Section 8 of IGST Defines **Intra State Supply** as follows

8. (1) Subject to the provisions of section 10, supply of goods where the location of the supplier and the place of supply of goods are in the same State or same Union territory shall be treated as intra-State supply:

Provided that the following supply of goods shall not be treated as intra-State supply, namely:—

- (i) supply of goods to or by a Special Economic Zone developer or a Special Economic Zone unit;
- (ii) goods imported into the territory of India till they cross the customs frontiers of India; or
- (iii) supplies made to a tourist referred to in section 15.

(2) Subject to the provisions of section 12, supply of services where the location of the supplier and the place of supply of services are in the same State or same Union territory shall be treated as intra-State supply:

Provided that the intra-State supply of services shall not include supply of services to or by a Special Economic Zone developer or a Special Economic Zone unit.

Explanation 1.—For the purposes of this Act, where a person has,—

- (i) an establishment in India and any other establishment outside India;
- (ii) an establishment in a State or Union territory and any other establishment outside that State or Union territory; or
- (iii) an establishment in a State or Union territory and any other establishment being a business vertical registered within that State or Union territory, then such establishments shall be treated as establishments of distinct persons.

Explanation 2.—A person carrying on a business through a branch or an agency or a representational office in any territory shall be treated as having an establishment in that territory.

Section 7 of IGST defines **Inter-State Supply** as follows.

7. (1) Subject to the provisions of section 10, supply of goods, where the location of the supplier and the place of supply are in—

- (a) two different States;
- (b) two different Union territories; or
- (c) a State and a Union territory,

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

(2) Supply of goods imported into the territory of India, till they cross the customs frontiers of India, shall be treated to be a supply of goods in the course of inter-State trade or commerce.

(3) Subject to the provisions of section 12, supply of services, where the location of the supplier and the place of supply are in—

- (a) two different States;
- (b) two different Union territories; or
- (c) a State and a Union territory,

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

(4) Supply of services imported into the territory of India shall be treated to be a supply of services in the course of inter-State trade or commerce.

(5) Supply of goods or services or both,—

(a) when the supplier is located in India and the place of supply is outside India;

(b) to or by a Special Economic Zone developer or a Special Economic Zone unit; or

(c) 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.

Section 2(32) defines **“continuous supply of goods”** as follows.

“continuous supply of goods” means a supply of goods which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, whether or not by means of a wire, cable, pipeline or other conduit, and for which the supplier invoices the recipient on a regular or periodic basis and includes supply of such goods as the Government may, subject to such conditions, as it may, by notification, specify;

Section 2(33) defines **“continuous supply of services”** as follows

“continuous supply of services” means a supply of services which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, for a period exceeding three months with periodic payment obligations and includes supply of such services as the Government may, subject to such conditions, as it may, by notification, specify;

Annexure 2

Understanding Important Terms in GST

SCHEDULE II

[See section 7]

ACTIVITIES TO BE TREATED AS SUPPLY OF GOODS OR SUPPLY OF SERVICES

1. Transfer

(a) any transfer of the title in goods is a supply of goods;

(b) any transfer of right in goods or of undivided share in goods without the transfer of title thereof, is a supply of services;

(c) any transfer of title in goods under an agreement which stipulates that property in goods shall pass at a future date upon payment of full consideration as agreed, is a supply of goods.

2. Land and Building

(a) any lease, tenancy, easement, licence to occupy land is a supply of services;

(b) any lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly, is a supply of services.

3. Treatment or process

Any treatment or process which is applied to another person's goods is a supply of services.

4. Transfer of business assets

(a) where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, whether or not for a consideration, such transfer or disposal is a supply of goods by the person;

(b) where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration, the usage or making available of such goods is a supply of services;

(c) where any person ceases to be a taxable person, any goods forming part of the assets of any business carried on by him 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, unless—

(i) the business is transferred as a going concern to another person; or

(ii) the business is carried on by a personal representative who is deemed to be a taxable person.

5. Supply of services

The following shall be treated as supply of services, namely:—

(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.

Explanation.—For the purposes of this clause—

(1) the expression “competent authority” means the Government or any

authority authorised to issue completion certificate under any law for the time being in force and in case of non-requirement of such certificate from such authority, from any of the following, namely:—

(i) an architect registered with the Council of Architecture constituted under the Architects Act, 1972; or

(ii) a chartered engineer registered with the Institution of Engineers (India); or

(iii) a licensed surveyor of the respective local body of the city or town or village or development or planning authority;

(2) the expression “construction” includes additions, alterations, replacements or remodelling of any existing civil structure;

(c) temporary transfer or permitting the use or enjoyment of any intellectual property right;

(d) development, design, programming, customisation, adaptation, upgradation, enhancement, implementation of information technology software;

(e) agreeing to the obligation to refrain from an act, or to tolerate an act or a situation, or to do an act; and

(f) transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration.

6. Composite supply

The following composite supplies shall be treated as a supply of services, namely:—

(a) works contract as defined in clause (119) of section 2; and

(b) supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration.

7. Supply of Goods

The following shall be treated as supply of goods, namely:—

Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration.

Annexure 3
Understanding Important Terms in GST

SCHEDULE III
[See section 7]

ACTIVITIES OR TRANSACTIONS WHICH SHALL BE TREATED NEITHER AS A SUPPLY OF GOODS NOR A SUPPLY OF SERVICES

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 established under any law for the time being in force.*
 3. *(a) the functions performed by the Members of Parliament, Members of State Legislature, Members of Panchayats, Members of Municipalities and Members of other local authorities; (b) the duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity; or (c) the duties performed by any person as a Chairperson or a Member or a Director in a body established by the Central Government or a State Government or local authority and who is not deemed as an employee before the commencement of this clause.*
 4. *Services of funeral, burial, crematorium or mortuary including transportation of the deceased.*
 5. *Sale of land and, subject to clause (b) of paragraph 5 of Schedule II, sale of building.*
 6. *Actionable claims, other than lottery, betting and gambling.*
- Explanation.—For the purposes of paragraph 2, the term “court” includes District Court, High Court and Supreme Court.*

Annexure 4
Understanding Important Terms in GST

SCHEDULE I
[See section 7]

ACTIVITIES TO BE TREATED AS SUPPLY EVEN IF MADE WITHOUT CONSIDERATION

1. Permanent transfer or disposal of business assets where input tax credit has been availed on such assets.
2. Supply of goods or services or both between related persons or between distinct persons as specified in section 25, when made in the course or furtherance of business:

Provided that gifts not exceeding fifty thousand rupees in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both.

3. Supply of goods—
 - (a) by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal; or
 - (b) by an agent to his principal where the agent undertakes to receive such goods on behalf of the principal.
4. Import of services by a taxable person from a related person or from any of his other establishments outside India, in the course or furtherance of business.

Composite supply and Mixed supply

When supply consists of two or more items (of either goods or services or both), which are sold together then there are following problems.

1. Price of individual item may not be ascertainable easily.
2. There is one main supply and another supply comes as incidental to first supply.
3. Supply of these items may have different tax rates.
4. Two commodities may be priced in such a way that higher tax rate commodity is priced less and lower tax rate commodity is priced more and both of them are sold together to reduce tax liability.
5. Difficult to find value of taxable supply of individual goods or services.

In order to prevent such tax planning and also to resolve issues related to determine rate to be charged, taxation of Composite Supply and Mixed Supply is defined.

As per Section 2(30) of CGST Act.

Composite Supply – Section 2(30)

“Composite supply” means a supply made by a taxable person to a recipient comprising of **two or more taxable supplies** of goods or services or both, or any combination thereof, which are **naturally bundled** and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.

Example



- 1: Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is a principal supply.
- 2: If food is provided on travelling in an airplane. It is a composite supply consisting of transportation of passenger and supply of food. Transportation is the principal supply.
- 3: Laptop is provided with a bag to keep the laptop. It is a composite supply consisting of laptop and bag. These are naturally bundled. Supply of laptop is a principal supply.
- 4: In annual maintenance contract of an air conditioner, parts are supplied to repair/maintain the air conditioner. It is a composite supply consisting of service and parts. These are naturally bundled. Supply of service is principal supply.

Mixed Supply – Section 2(74)

As per section 2(74) of CGST Act.

“Mixed supply” means two or more individual supplies of goods or services, or any combination thereof, made **in conjunction with each other** by a taxable person for a single price where such supply does **not constitute a composite supply**.

Example



Example 1: A supply of a package consisting of Wafers, Wine, Pastries, Punches, Cookies and Cashews when supplied for a single price is a mixed supply. Each of these items can be supplied separately and is not dependent on any other. It shall not be a mixed supply if these items are supplied separately.

2: A car is given free on booking of a flat. Here there are two supplies. A flat – which will be considered as service as per other provisions of GST Act and Car, which is a good. These are not necessarily to be given together. Therefore, it is mixed supply.

Real difference is that in case of ‘composite supply’, the items are ‘naturally bundled’, but not in case of ‘mixed supply’.

The term ‘naturally bundled’ is not defined in CGST Act.

Thus when more than one items of goods or services are sold together question of applicability of tax arises. It may be noted that when more than one item are sold together does not necessarily result in Composite or Mixed Supply. It can be supply of just many items. If it is neither mixed nor composite, then GST shall be charged separately as per rates of different items.

What will be the Tax Rate in case of Composite and Mixed supply? Section - 8

The tax liability on a composite or a mixed supply shall be determined in the following manner —

- (a) a **composite supply** comprising two or more supplies, one of which is a principal supply, shall be treated as a supply of such principal supply
- (b) a **mixed supply** comprising two or more supplies shall be treated as supply of that particular supply which attracts the highest rate of tax - section 8 of CGST Act.

As per **section 2(90)** of CGST Act.

“Principal supply” means the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary – section

Unit 1.3 Incidence of Tax,

Unit Objectives



At the end of the session, the participants will be able to:

- Differentiate between taxable and non-taxable supply
- Define the taxable event with respect to supply of goods
- Identify the place of supply so as to decide the applicability of the tax
- Define what is meant by location of supplier of goods.

Incidence of Tax, TDS and TCS (When and how GST will be charged)

The question of when and how GST will be charged is decided by section 9 of CGST Act. Relevant part of the section is reproduced below in box.

*9. (1) Subject to the provisions of sub-section (2), there shall be levied a tax called the central goods and services tax on all intra-State supplies of goods or services or both, **except on the supply of alcoholic liquor for human consumption**, on the value determined under section 15 and at such rates, not exceeding twenty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person*

Since this Act is CGST, it talks about only intra state taxation. Similar provisions are there in IGST. Important points which flow out of this part of the sections are

- Tax is on **Goods or Services**.
- Alcoholic liquor for human consumption is out of the purview of GST. This is the category where tax is not leviable.
- Maximum rate is 20%. When we add 20% of State GST, it is 40%.

*(2) The central tax on the supply of petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel shall be levied **with effect from such date as may be notified** by the Government on the recommendations of the Council.*

- Petroleum crude etc. as mentioned above is not taxable under GST for now, but may become taxable at some future date.

*(3) The Government may, on the recommendations of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid on **reverse charge basis** by the recipient of such goods or services or both and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.*

- Apart from the normal way of collection and payment of taxes, there is one more way in which taxes are to be paid i.e on Reverse Charge basis.
- Reverse Charge is a mechanism wherein taxes are paid by receiver of goods or services, without charging or collecting from any one. Separate notification is in place for various categories where reverse charge is applicable.

(4) The central tax in respect of the **supply of taxable goods** or services or both **by a supplier, who is not registered, to a registered person** shall be paid by such person on reverse charge basis as the recipient and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.

- Section 9(4) specifies that when a registered person receives goods or services from unregistered person, he has to pay GST on the same on reverse charge basis.
Example: If a company which is registered under GST pays a monthly tea expenses bill of Rs. 2500 and if the tea supplier was unregistered, then the company has to pay GST on the bill of Rs. 2500 at an appropriate rate.

(5) The Government may, on the recommendations of the Council, by notification, specify categories of services the tax on intra-State supplies of which shall be paid by the **electronic commerce operator** if such services are supplied through it, and all the provisions of this Act shall apply to such electronic commerce operator as if he is the supplier liable for paying the tax in relation to the supply of such services

- In normal cases, it is the supplier who would pay charge and pay or receiver (in case of reverse charge mechanism) would pay the tax.
- Section 9(5) specifies that electronic commerce operator shall pay GST, if goods or services are sold through him although he is neither a supplier nor the received of goods or services.

10. (1) Notwithstanding anything to the contrary contained in this Act but subject to the provisions of sub-sections (3) and (4) of section 9, a registered person, whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees, may opt to pay, in lieu of the tax payable by him, an amount calculated at such rate as may be prescribed,

Section 10 allows certain categories of persons to opt for a fixed percentage of tax to be on their sale and then they are not required to do other formalities of GST. However,

- Their turnover should exceed the minimum turnover prescribed for levy of GST (20 lakhs in all states except specified states where it is 10 lakhs in.) but should not exceed Rs. 75 lakhs in the previous financial year.
- They cannot charge GST to their customers.
- They cannot claim input tax credit.
- They must fall in to the eligible category for composition tax.
- They must register

11. (1) Where the Government is satisfied that it is necessary in the public interest so to do, it may, on the recommendations of the Council, by notification, **exempt** generally, either absolutely or subject to such conditions as may be specified therein, **goods or services or both** of any specified description from the whole or any part of the tax leviable thereon with effect from such date as may be specified in such notification.

This section empowers the Govt. to exempt certain goods or services from GST. Schedule of Exempt Goods and Services is already in place.

We will learn the procedures related charging and payment of tax in normal way (including reverse charge). However, in this chapter we will cover a very different method of tax deduction and payment.

Is there Tax incidence at the time of making payment?

Yes, tax is required to be deducted at the time of making payment to supplier in certain cases. This is called Tax Deduction of Source (TDS). This concept was originally introduced by Income Tax Act and later on was included in VAT and now in GST.

51.(1) *Notwithstanding anything to the contrary contained in this Act, the Government may mandate,—*

(a) a department or establishment of the Central Government or State 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, (hereafter in this section referred to as “the deductor”), to deduct tax at the rate of one per cent. from the payment made or credited to the supplier (hereafter in this section referred to as “the 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**:*

Provided that no deduction shall be made if the location of the supplier and the place of supply is in a State or Union territory which is different from the State or as the case may be, Union territory of registration of the recipient.

Explanation.—For the purpose of deduction of tax specified above, the value of supply shall be taken as the amount excluding the central tax, State tax, Union territory tax, integrated tax and cess indicated in the invoice.

Following persons are required to deduct tax at source:

(a) a department or establishment of the Central Government or State 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

The tax would be deducted **@1%** of the payment made to the supplier (the deductee) of **taxable goods or services** or both, where the total value of such supply, under a contract, exceeds **two lakh fifty thousand rupees** (excluding the amount of Central tax, State tax, Union Territory tax, Integrated tax and cess indicated in the invoice). Thus, individual supplies may be less than Rs. 2,50,000/-, but if contract value is more than Rs. 2,50,000/-, TDS will have to be deducted. However, **no deduction** shall be made if the location of the supplier and the place of supply is in a State or Union territory, which is different from the State, or as the case may be, Union Territory of registration of the recipient. **(Thus it is not applicable to Inter State Supply)**

Registration of TDS deductors: A TDS deductor has to compulsorily register **without any threshold limit** of turnover of Rs. 20 Lakhs (or Rs. 10 Lakhs in specified states) The deductor has a privilege of obtaining registration under GST without requiring PAN. He can obtain registration using his Tax Deduction and Collection Account Number (TAN) issued under the Income Tax Act, 1961.

Deposit of TDS with the Government: The amount of tax deducted at source should be deposited to the Government account by the deductor by **10th of the succeeding month**. The deductor would be liable to pay interest if the tax deducted is not deposited within the prescribed time limit.

TDS Certificate: A TDS certificate is required to be issued by deductor (the person who is deducting tax) in Form GSTR-7A to the deductee (the supplier from whose payment TDS is deducted), **within 5 days** of crediting the amount to the Government, failing which the deductor would be liable to pay a **late fee of Rs. 100/- per day** from the expiry of the 5th day till the certificate is issued. This late fee would not be more than Rs. 5000/-. For the purpose of deduction of tax specified above, the **value of supply** shall be taken as the amount **excluding the Central tax, State tax, Union territory tax, Integrated tax and cess** indicated in the invoice.

Example



Mrs. D makes an invoice to local authority 25th September as follows.

Particulars	Amount(Rs.)
Consultancy Fees	300000
CGST@8%	24000
SGST @8%	24000
Total	348000

In this case, TDS @1% shall be deducted on the amount of 300000 by the local authority if it makes the payment; i.e. 3000 and paid to the Govt. Treasury before 10th October. This will be reflected in the electronic ledger of Mrs. D before she makes the final payment of GST on 20th October.

TDS Return: The deductor is also required to file a return in Form **GSTR-7** within **10 days from the end of the month**. If the supplier is unregistered, name of the supplier will be mentioned in the return as he will not have GSTIN.

The details of tax deducted at source furnished by the deductor in FORM GSTR-7 shall be made available to each of the suppliers in Part C of FORM GSTR-2A electronically through the Common Portal and the said supplier may include the same in FORM GSTR-2. The amounts deducted by the deductor get reflected in the GSTR-2 of the supplier (deductee). The supplier can take this amount as credit in his electronic cash register and use the same for payment of tax or any other liability. (We will learn about GSTR 2 and form 2A in the topic of GST Returns.)

Excess Amount Deducted and Paid: Any excess or erroneous amount deducted and paid to the Government account shall be dealt for refund under section 54 of the CGST Act, 2017. However, if the deducted amount is already credited to the electronic cash ledger of the supplier, the same shall not be refunded.

What is Tax Collection at Source?(TCS)

Every **electronic commerce operator**, not being an agent, is required to collect calculated at such rate not exceeding **one per cent.**, as may be notified by the Government, 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 operator.

This provision is made to ensure that tax gets collected through a channel which is used by very large no. of businessmen.

The amount so collected shall be paid to the Government by the operator within **ten days** after the end of the month in which such collection is made.

The Electronic Commerce Operator shall file his return before 10th of the next month showing TCS done and paid for the person. It will start showing up in his electronic ledger before he finalises and files his GSTR-3 for that month.

On 26th June, 2017, Govt. announced that The requirement of collecting up to 1% of tax from online shoppers by e-commerce companies and a 1% deduction of tax when central, state or local self-governments make payments to suppliers, specified in central and state GST laws, will be “brought into force from a date which will be communicated later”, said an official statement.

Merchants selling goods on e-commerce platforms and companies supplying goods and services to various government agencies have got more time to prepare for a system of tax collected at source.

Reverse Charge Mechanism

In normal case GST is charged by supplier to his customer in the invoice and the same is then paid to the government after adjusting input tax credits. However there are certain cases where in the receiver of goods or services is required to pay GST on the amount of Goods or services received by him. Such payment is called payment made under **Reverse Charge Mechanism (RCM)**

The recipient of the service is required to pay the tax at the rate which is applicable to the respective goods or services.

The recipient is required to prepare a **payment voucher** in which all the necessary information about the tax is to be filled up to be uploaded while filing the return.

GST is required to be paid under RCM in following situations:

- 1) When the government notifies specific categories of supply of goods or services on which tax shall be paid on reverse charge basis by the recipient of such goods or services. List of such services along with person who is liable to pay and the rate of tax is given in Annexure I to this chapter. **Sec 9(3)**
- 2) When a registered person receives taxable goods or services from a person who is not registered then receiver of goods or services is required to pay GST on such goods or services as per taxes applicable to such goods or services. **Sec 9(4)**
- 3) Importer is required to pay IGST on the imports made by him. This is also a type of reverse tax.

As per Central Tax (Rates) **Notification No. 8 dated 28th June 2017**, Reverse Charge will not be applicable under section **9(4)** – i.e. for receipt of goods or services by registered person from any or all unregistered persons, if aggregate value of such supplies of goods or service from any or all the suppliers, does not exceeds five thousand rupees in a day.

Categories of in respect of the goods and services where reverse charge is applicable is given in Annexure to this chapter.

Apart from this Central Tax (Rates) **Notification No. 4 dated 28th June 2017** states that

- (a) following goods purchased by registered person from agriculturist are also subject to reverse charge. Cashew nuts, not shelled or peeled, Bidi wrapper leaves (tendu), Tobacco leaves.
- (b) Silk yarn purchased from manufacturers of silk yarn are subject to reverse charge.
- (c) Lottery purchased from state govt. or union territories by a distributor or selling agent is subject to a reverse charge.

Annexure I

The fitment of rates of services were discussed on 19 May 2017 during the 14th GST Council meeting held at Srinagar, Jammu & Kashmir. The Council has broadly approved the GST rates for services at Nil, 5%, 12%, 18% and 28%. The list of services that will be under reverse charge as approved by the GST Council is given below. The information is being uploaded immediately after the GST Council's decision and it will be subject to further vetting during which the list may undergo some changes. The decisions of the GST Council are being communicated for general information and will be given effect to through gazette notifications which shall have force of law.

Sl. No.	Service	Provider of service	Percentage of service tax payable by service provider	Recipient of Service	Percentage of service tax payable by any person other than the service provider
1	Taxable services provided or agreed to be provided by any person who is located in a non-taxable territory and received by any person located in the taxable territory other than non-assessee online recipient (OIDAR)	Any person who is located in a non-taxable territory	Nil	Any person located in the taxable territory other than non-assessee online recipient (Business Recipient)	100%
2	Services provided or agreed to be provided by a goods transport agency (GTA) in respect of transportation of goods by road	Goods Transport Agency (GTA)	Nil	a) any factory registered under or governed by the Factories Act, 1948; b) any society registered under the Societies Registration Act, 1860 or under any other law for the time being in force in any part of India; c) any co-operative society established by or under any law; d) any person registered under CGST/SGST/UTGST Act; e) any body corporate established, by or under any law; or f) any partnership firm whether registered or not under any law including association of persons. g) Casual taxable person	100%

3	Services provided or agreed to be provided by an individual advocate or firm of advocates by way of legal services, directly or indirectly	An individual advocate or firm of advocates	Nil	Any business entity.	100%
4	Services provided or agreed to be provided by an arbitral tribunal	An arbitral tribunal	Nil	Any business entity.	100%
5	Sponsorship services	Any person	Nil	Anybody corporate or partnership firm.	100%
6	Services provided or agreed to be provided by Government or local authority excluding,- 1) renting of immovable property, and 2) services specified below- services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Government;- 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.	Government or local authority	Nil	Any business entity.	100%
7	Services provided or agreed to be provided by a director of a company or a body corporate to the said company or the body corporate;	A director of a company or a body corporate	Nil	A company or a body corporate.	100%
8	Services provided or agreed to be provided by an insurance agent to any person carrying on insurance business	An insurance agent	Nil	Any person carrying on insurance business.	100%

9	Services provided or agreed to be provided by a recovery agent to a banking company or a financial institution or a non-banking financial company	A recovery agent	Nil	A banking company or a financial institution or a non- banking financial company.	100%
10	Services by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India	A person located in non-taxable territory to a person located in non-taxable territory	Nil	Importer as defined under clause (26) of section 2 of the Customs Act, 1962.	100%
11	Transfer or permitting the use or enjoyment of a copyright covered under clause (a) of sub-section (1) of section 13 of the Copyright Act, 1957 relating to original literary, dramatic, musical or artistic works	Author or music composer, photographer, artist, etc	NIL	Publisher, Music company, Producer	100%
12	Radio taxi or Passenger Transport Services provided through electronic commerce operator	Taxi driver or Rent a cab operator	Nil	Any person	100% by Electronic Commerce Operator

Input Tax & Output Tax

GST charged by a supplier of businessman while receiving goods or availing of service is called **Input Tax**. Supplier may charge any of the taxes such as CGST, SGST, UTGST or IGST which are included in invoice made by him. These same taxes will become **output tax** for the supplier.

What is included in Input Tax? Section 2(62)

In addition to above mentioned taxes which are mentioned above, Input Tax includes

- (1) IGST payable on **import** of goods.
- (2) **Reverse Charge** paid when a registered person receives taxable supply of goods or services from unregistered person. It can be in the form of CGST, SGST, UTGST or IGST
- (3) **Reverse Charge** paid on notified goods and services.

Input tax credit with respect to reverse tax is also allowed to be utilized for output tax credit subject to certain terms prescribed.

However, taxes paid under composition levy are not included in input tax.

We will learn about Composition Levy and Reverse Charge in a separate topic.

When we say input tax credit is available to be set off against output tax payable, only above mentioned taxes are considered for the same.

Are all input taxes are eligible for set off against output taxes?

No

This is because input tax benefit while paying output tax is not allowed in all the cases. We will discuss this below.

Input Tax Credit

Input Tax (as explained above) either charged by supplier or paid by you as mentioned above, by receiver of goods or service (Reverse Charge Mechanism) is allowed to be deducted from GST payable on sale of goods or services. This is called utilisation of input tax credit (ITC) for payment of output tax credit.

However, there are some restrictions on claiming such input tax credits based on

- A. Whether all the conditions mentioned in section 16 are fulfilled.
- B. Goods not fully used for business or supply not fully taxable and some peculiar cases where only partial input credit can be claimed.
- C. There are certain goods and services on which input credits are not available irrespective of

whether other conditions are fulfilled or not. These are called blocked credits. Section 17(5).

- D. What type of tax is input tax and what type of tax is output tax. There are some restrictions based on types of taxes such as CGST, UTGST, IGST etc.
- E. Whether GST is paid as reverse tax (discussed in chapter on “Reverse Tax”) or is collected by the supplier and paid by this to Government.

Let us study them one by one.

A. What are the basic pre-conditions of claiming input tax credit? Section 16.

1. The person claiming input tax credit must be a person **registered** under GST.
2. He must be in **possession** of a **tax invoice** or a debit note or any other document as may be prescribed in which GST charged is clearly mentioned. Other eligible documents are mentioned in ITC Rules.
3. He must have actually **received** the goods or services or both. However when goods are directly sent to job worker, input credit is allowed even though the goods are not actually received by the businessman. Section 19(2).
4. **Supplier** must have actually **paid** the tax (Either in cash or in utilization of input credit allowed to him)
5. He has **furnished** the **return** under section 39.
6. **Complete lot** of goods must have been **received** by him and partial input credit on part of the goods received mentioned in invoice is not allowed.
7. He should **pay** to his **supplier within 180 days** of the date of issue of invoice. If he does not pay, then the input tax credit is to be reversed as explained subsequently. Details of such supply and the amount of credit availed are required to be furnished in **form GSTR-2** for the month immediately following the period of 180 days.
8. In case of **capital goods** are purchased or services received are capitalized and such capitalization includes input tax also on which **depreciation** is also **claimed** on tax element also then input tax credit is **not available** on such tax element.
9. Input credit with respect to invoice or debit note of any financial year must be claimed **before due date** of filing return under section 39, for **September** following such financial year **or** furnishing relevant **annual return**, whichever is later.
10. Input tax credit with respect to **stocks** available under section 18 can be claimed **within one year** from the date of issue of tax invoice relating to such supply. – Section 18(2).

B. Goods not fully used for business or supply not fully taxable and some peculiar cases where only partial input credit can be claimed.[Sec 17(1),(2)(4)]

1. Where the goods or services are used by the registered person partly for the purpose of any business and **partly for other purposes**, input credit shall be available only with respect to goods or services used for business.
2. Where the goods or services or both are used by the registered person partly for effecting taxable supplies including zero-rated supplies and **partly for effecting exempt supplies**, the amount of input credit shall be available only with respect to taxable supplies including zero-rated supplies.

3. In case of **banking company**, when it supplies partly exempt supplies it has an option to avail **fifty per cent** of the total input credit available or else calculate actual input credit related to taxable output. However, input tax will not be restricted to fifty per cent with respect to supply made by one registered person to another registered person under same Permanent Account No. Thus, input credit on branch Supply need not be restricted to 50%.

C. There are certain goods and services on which input credits are not available irrespective of whether other conditions are fulfilled or not. These are called blocked credits. Section 17(5).

Input Credit Not Allowed in respect of	Exception – when allowed
Motor Vehicle	Supplied for making further taxable supply
food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery	When inward supply is used for making outward supply of the same category.
membership of a club, health and fitness centre	No Exception
rent-a-cab, life insurance and health insurance	i. When Govt. notifies services which are obligatory for an employer to provide to its employees under any law ii. such inward supply of goods or services of a particular category is used by a registered person for making an outward taxable supply of the same category or as part of composite or mixed supply
travel benefits extended to employees on vacation such as leave or home travel concession	No exception
works contract services when supplied for construction of an immovable property (other than plant and machinery)	where it is an input service for further supply of works contract service
goods or services or both received by a taxable person for construction of an immovable property (other than plant or machinery)	No Exception
goods or services on which tax has been paid under Composition Scheme.	No Exception
goods or services or both received by a non-resident taxable person	on goods imported by him;
goods or services or both used for personal consumption;	No Exception
goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples;	No Exception
any tax paid in accordance with the provisions of sections 74, 129 and 130.	No Exception

D. Are there any restrictions based on the type of the tax included in inputs?

Yes. Based on the types of output tax and input tax, there are some restrictions on availing input tax credit. Type of tax means whether it is CGST, SGST, UTGST or IGST.

How to claim input tax and in what order?

Output Tax	Input Tax 1	Input Tax 2	Input Tax 3	Remark
IGST	IGST	CGST	SGST/UTGST	
CGST	CGST	IGST		
SGST	SGST	IGST		
UTGST	UTGST	IGST		

Can input tax credit of SGST be claimed for paying out put tax of CGST?

Can input tax credit of UTGST be claimed for paying out put tax of CGST?

Can input tax credit of CGST be claimed for paying out put tax of SGST/UTGST?

Answer to these three questions is

No

We have stated that input SGST can be claimed against output SGST. However it must be noted that input SGST of a particular state SGST cannot be claimed against SGST of another state. Same is the case of UTGST.

In what circumstances, Input Tax Credit is to be reversed/paid.

We have learned that input tax is allowed to be deducted from output tax payable in the form of GST. In certain circumstances, input tax credit already availed (reduced from output tax while making payment) has to be reversed (GST becomes payable) . These cases are mentioned below.

1. After supply has been made and subsequently if any **discount** is given to the customer, then to the extent of GST on input credit taken earlier has to be reversed. Section 15(3)(b)(2).
2. Where a registered person who has availed input tax credit, decides to go for **composition scheme**, he has to reverse the input tax credit by debiting electronic tax ledger, to the extent of **inputs held** by a person in the form of **stock** whether purchased for sale, whether semi-finished goods or finished goods or capital goods (with reduce percentage as may be prescribed) on the day preceding the day exercising such option. Section 18(4)
3. Where a registered person who has availed input tax credit, and goods or services supplied by him becomes wholly exempt, he has to **reverse** the input tax credit by debiting electronic tax ledger, to the extent of **inputs held** by a person in the form of **stock** whether purchased for sale, whether semi-finished goods or finished goods or capital goods (with reduced percentage as may be prescribed) on the day preceding the day on which such goods or services become exempt. Section 18(4)

4. When capital goods or plant and machinery on which input tax credit has been claimed, is supplied, input tax credit claimed on such capital goods or plant and machinery (at reduced percentage as may be prescribed) has to be paid back.

Are there any situations where input tax credit is available in certain cases other than invoices or debit notes given by suppliers? – Section 18

Yes. In following cases input tax credit is available in situations other than invoices or debit notes.

1. Input tax credit with respect to **inputs held** by a person in the form of **stock** whether purchased for sale, whether semi-finished goods or finished goods, on the day immediately preceding the day from which he becomes liable to pay GST. However, this will be available only if the **person applies for registration within thirty days** of he becoming liable to pay tax and he is granted the registration.
2. In case of **voluntary registration** also he will get such credit and in this case there is no condition of applying within thirty days since he is actually registering even when he is not actually required to register.
3. When a person stops to pay tax under **composition scheme**, he shall be eligible to take input tax credit with respect to **inputs held** by a person in the form of **stock** whether purchased for sale, whether semi-finished goods or finished goods and on **capital goods** (at a reduced percentage as may be prescribed), on the day immediately preceding the day from which he becomes liable to pay GST as per other provisions of GST.
4. Where **exempt supply** of goods or services by a registered person becomes taxable supply, he shall be eligible to take input tax credit with respect to **inputs held** by a person in the form of **stock** whether purchased for sale, whether semi-finished goods or finished goods and on **capital goods** exclusively used for such exempt supply and on capital goods (at a reduced percentage as may be prescribed), on the day immediately preceding the day on which such supply becomes taxable.
5. When there is a change on account **change in the constitution** due to **merger, amalgamation** etc. unutilised credit in the electronic ledger gets transferred to the new entity, subject to some conditions as may be prescribed.

Thus it is clear that input tax credit can be claimed to pay output tax credit subject to certain conditions as mentioned above.

Procedural part to claim ITC is given in In ITC Credit Rules.

What type of records will be maintained by a businessman to claim input tax credit?

Businessman is required to maintain separate account for input tax and output tax credit.

He has to also maintain it separately for different components of GST SGST, CGST, IGST and Compensation Cess.

He has to also maintain separate account of taxes paid under reverse charge.

He has to retain the original copy of Tax Invoice received from Supplier.

Input Tax Credit

No.	Query	Reply
28.	IS SGST of Rajasthan charged by supplier on purchase from Rajasthan can be utilized for payment of SGST in Madhya Pradesh?	SGST of one State cannot be utilized for discharging of output tax liability of another State.
29.	How one can use SGST credit for the payment of IGST on another state?	SGST Credit can be used for payment of IGST liability under the same GSTIN only.
30.	Can one State CGST be used to pay another state CGST?	The CGST and SGST Credit for a State can be utilized for payment of their respective CGST/SGST liabilities within that State for the same GSTIN only.
31.	In case of service supplied, should the credit be given to the state where it is billed or the state it is rendered?	Tax will be collected in the State from which the supply is made. The supplier will collect IGST and the recipient will take IGST credit.
32.	Company is engaged in manufacturing of cement & power. Which rule to be referred for reversal of credit related to power business?	Detailed rules for reversal of ITC when supplier is providing exempted and non-exempted supplies have been provided in ITC Rules.
33.	How will the credit /debit note from unregistered supplier be reported to GSTN and ITC claimed in the same?	Like invoice, credit/debit notes on behalf of unregistered person will be issued by registered person only. Further, GSTR2 provides for reporting of same by the recipient.

Time of Supply

It is important to determine exact time of supply of goods or services since the liability to pay tax arises at the time of supply. Rates of taxes may vary from time to time. If clear provisions are not made, there could be disputes over interpretations. Principles which determine time of supply for goods and time of supply for services are different.

Time of Supply for goods 12(2)

Time of Supply is the **earliest** of the following

- 1) Date of issue of invoice or the last date on which is required to issue the invoice 31(1)
- 2) Date on which the supplier receives the payment with respect to the supply.

What is the last date on which supplier is required to make invoice for supply of goods?

As per clause 31(1) registered person is required to issue the invoice before or at the time of

- a) Removal of goods for supply where the supply involves movement of goods or
- b) Delivery of goods or making available the goods to the recipient.

Example



As per erstwhile service tax act, service tax was payable on advance received. However such provision was not existing in erstwhile VAT Act. Therefore the concept of paying tax on advance received with respect to supply of goods has been introduced in GST Act for the first time.

1) Date of issue of invoice	1st Aug
2) Date on which supplier receives the payment	10th Aug
3) Removal of goods for supply	2nd Aug

Q. What will be the time of supply ?

In this case the supplier has made the invoice before removal of goods Therefore we have to compare the date of issue of invoice and date on which supplier received the payment. The earliest of the two is 1st Aug therefore time of supply is 1st Aug.

1) Date of issue of invoice	1st Aug
2) Date on which supplier receives the payment	10th Aug
3) Removal of goods for supply	25th July

Q. What will be the time of supply ?

In this case the last date on which the supplier was required to issue the invoice is 25th July Therefore we have to compare this date with date on which supplier received the payment. The earliest of the two is 25th July, Therefore time of supply is 25th July.

1) Date of issue of invoice	1st Aug
2) Date on which supplier receives the payment	20th July
3) Removal of goods for supply	2nd Aug

Q. What will be the time of supply ?

In this case the supplier has made the invoice before removal of goods Therefore we have to compare the date of issue of invoice and date on which supplier received the payment. The earliest of the two is 20th July, Therefore time of supply is 20th July.

Time of Supply for Services 13[2]

Time of Supply of the services shall be earliest of the following dates.

- a) Date of issue of invoice if the same is made within 30 days (45 days in case of banking company) or date of receipt of payment whichever is earlier.
- b) If invoice is not made within above mentioned time period then date of provision of service or the date of receipt of payment whichever is earlier.
- c) If a or b are not applicable then date on which recipient shows the receipt of service in his books of accounts.

Example

1) Date of issue of invoice	1st Oct
2) Date of receipt of payment	25th Oct
3) Date of provision of service	10th Sept

Q. What will be the time of supply of service?

In this case invoice is made within 30 days of provision of service Therefore we have to compare the date of invoice and date of receipt of payment. Earlier of the two is 1st Oct therefore time of supply is 1st Oct.

1) Date of issue of invoice	1st Oct
2) Date of receipt of payment	25th Oct
3) Date of provision of service	31st Aug

Q. What will be the time of supply ?

In this case invoice is not made within 30 days of provision of service, Therefore we have to compare the date of provision of service with date of receipt of payment. Earlier of the two is 31st Aug therefore time of supply of service is 31st Aug.

The supplier has not issued any invoice, He has not received any payment. There is no record in the books of supplier about having provided any service. However the recipient shows in the books that he has received services from the supplier on 25th Aug.

Q. What will be the time of supply ?

In this case although there is no record in the books of supplier, time of supply shall be taken as 25th Aug based on the record of the recipient of the services.

Time of Supply of Goods under Reverse Charge Mechanism 12[3]

Time of supply of goods shall be the earliest of the following.

- a) Date of receipts of goods
- b) Date of payment as entered in the books of accounts of the recipient or the date on which payment is debited in his bank account whichever is earlier.
- c) Date immediately following **30 days** from the date of issue of invoice or any other similar documents by the supplier.
- d) Where it is not possible to determine time of supply under above clauses then the time of supply shall be the date of entry in the books of accounts of the recipient of supply.

Example



Date of receipt of Goods	1st August
Date of payment entered in the books of recipient of goods	1st September
Payment debited by bank	3rd September
Date of issue of invoice by the supplier	25th July

What is the time of supply of goods subject to reverse charge mechanism?

In this case, have to compare the earliest date. While doing that we have to calculate 30 days from the date of issue of invoice which works out to 24th August. When we compare all these dates, earliest date is 1st August and hence Time of supply in this case is 1st August.

Date of receipt of Goods	10th July
Date of payment entered in the books of recipient of goods	14th July
Payment debited by bank	31st July
Date of issue of invoice by the supplier	3rd th July

What is the time of supply?

In this case, have to compare the earliest date. While doing that we have to calculate 30 days from the date of issue of invoice which works out to 31st July. When we compare all these dates, earliest date is 10th July and hence Time of supply in this case is 10th July.

Date of receipt of Goods	3rd August
Date of payment entered in the books of recipient of goods	23rd July
Payment debited by bank	10th August
Date of issue of invoice by the supplier	23rd August

What is the time of supply?

In this case, have to compare the earliest date. While doing that we have to calculate 30 days from the date of issue of invoice which works out to 22nd September. When we compare all these dates, earliest date is 23rd July and hence Time of supply in this case is 23rd July.

What do we learn from this example no. 3?

The payment cheque which was probably just prepared, but not given to the supplier is entered in the books. It is evident from the fact that the same is cleared in the bank only on 10th August. This has pre-poned the date of payment of GST by one month. Such errors should not be done by person in charge of accounting records.

Time of Supply of Services under Reverse Charge Mechanism 13[3]

Time of supply of services under Reverse charge Mechanism shall be the earliest of the following.

(a) Date of payment as entered in the books of accounts of the recipient or the date on which payment is debited in his bank account whichever is earlier.

(b) Date immediately following **60 days** from the date of issue of invoice or any other similar documents by the supplier.

(c) Where it is not possible to determine time of supply under above clauses then the time of supply shall be the date of entry in the books of accounts of the recipient of supply.

(d) In case of Associated Enterprises, where supplier of services is located outside India, the time of supply shall be the date of entry in the books of account of the recipient or the date of payment, whichever is earlier.

Example



Date of payment entered in the books of recipient	15th October
Payment debited by bank	21st October
Date of issue of invoice by the supplier	1st Sept.
Date of receipt of services as entered by recipient in his books.	23rd October

What is the time of supply?

In this case, have to compare the earliest date. While doing that we have to calculate **60 days** from the date of issue of invoice. In case of goods we were required to calculate 30 days. This works out to be 31st October. When we compare all these dates, earliest date is 23rd July and hence Time of supply in this case is 23rd July.

Date of payment entered in the books of recipient	5th December
Payment debited by bank	8th December
Date of issue of invoice by the supplier	1st Nov.
Date of receipt of services as entered by recipient in his books.	30th Nov.

What is the time of supply?

In this case, have to compare the earliest date. While doing that we have to calculate **60 days** from the date of issue of invoice. This works out to be 31st December. When we compare all these dates, earliest date is 30th November. Can we conclude that 30th Nov. is the date of supply?

If we see clause (c) above it says that **where it is not possible to determine time of supply under above clauses...**

In case of given example, it is possible to determine the time of supply by the first two clauses, therefore, we should ignore the date of receipt of service as entered by recipient of his book.

Therefore, time of supply in this case will be 5th December.

Time of Supply for Vouchers – Section 12(4)

Sometimes, vouchers are sold by businessmen. These vouchers are exchanged by buyers for goods or services. What is the time of supply for such vouchers?

(a) the date of issue of voucher, if the supply is identifiable at that point; or

(b) the date of redemption of voucher, in all other cases.

Time of Supply in case of any addition in value of supply, such as interest, late fees etc Section 12(6)

In such case, time of supply for interest, late fees etc. will be the date on which the supplier actually receives such payment from the customer.

Place of supply

What is the importance of place of supply?

Place of Supply determines the type of transaction, in particular, whether it is within the state (intra-state) or whether it is between two different states or union territories (**inter-state**). Generally, when supplier and recipient are in the same state or in the same union territory it is intra state and in all the other cases it is inter- state.

However, if we carefully see the definition of inter-state and intra-state, such classification does not depend on where the recipient is but it depends on what is the **place of supply**.

Is there a difference between location of recipient and place of supply?

Yes

In many cases, it is same, but in some cases it is different.

e.g. A bank is located in Calcutta. It renders a service to its account holder in Mumbai. In this case, supplier is in Calcutta and receiver in Mumbai. We may come to a conclusion that it is an inter-state transaction.

However, as per provisions of the Act, place of supply in case of supply of service by bank to its account holder, shall be deemed as location of supplier. In this case, place of supplier is Calcutta and hence place of supply is also Calcutta. Supplier is in Calcutta and place of supply is also in Calcutta.

Therefore, this will be treated as intra state transaction instead of inter-state transaction.(We assume here that the bank does not have any branch in Mumbai and services are provided Calcutta directly).

Why it is important to classify between inter-state and intra-state transactions

Whenever there is an inter-state transaction, IGST is levied. This tax is Governed by IGST Act.

Whenever there is intra-state transaction, SGST (or UTGST) **and** CGST is levied. These taxes are governed by the respective Acts. Viz. CGST Act and respective State GST Act or respective Union Territory GST Act.

Thus, levy of GST is different in both these cases. Method of claiming input credit will also be different.

Provisions to determine whether the transaction is intra-state or inter-state are contained in IGST Law. Such determination is broadly in following two ways.

1. IGST specifies certain types of transactions and clarifies whether it is inter-state or intra-state.
2. IGST determines place of supply or goods in various situations, which may be different in some cases from the place of recipient of goods or services.

We will now see the first category. Section 7 and 8 of IGST specifies some specific cases and deems these transactions as either inter-state or intra-state transactions.

Nature of Supply between	Whether Inter- state or Intra state
1) 2 different states - Goods or Services	Inter state
2) 2 different union territories Goods or Services	Inter state
3) A state and Union territory Goods or Services	Inter state
4) Imports of Goods or Services	Inter state
5) Export of Goods or Services	Inter state
6) Supply by a Special Economic Zone developer or Special Economic Zone Unit , even though the receiver is in the same state or union territory.	Inter state
7) Supply to a Special Economic Zone developer or Special Economic Zone Unit , even though the supplier is in the same state or union territory.	Inter state
8) Supply in taxable territory but not being intrastate.	Inter state
9) Supply within same state	Intra state
10) Supply within same Union territory	Intra state
11) Supply made to tourist (as mentioned in Sec. 15)	Inter state
12) Supply by head office in one state to branch (or agency) in another state or vice versa	Inter state
13) Supply by an establishment of a person in India to his other establishment outside India or vice versa.	Inter state

We will now see the second category. i.e determination of Place of Supply. This is governed by provisions of section 09, 10,11,12 and 13 of IGST Act summarised below.

Section 09	Place of Supply in case of Territorial Water
Section 10	Place of Supply of Goods (Other than Imports and Exports)
Section 11	Place of Supply of Goods (Imports and Exports)
Section 12	Place of Supply of Services (Other than Imports and Exports)
Section 13	Place of Supply of Services (Imports and Exports)

We will explain them in detail below. The explanation has omitted certain legal words and language in order to understand the subject. One can go through the relevant provisions of the Act which are given in the form of annexure to this chapter.

Location of Supplier and Place of Supply in case Supply is to or from Territorial Water. (Section 9)

Nature of Supply	Place of Supply
where the location of the supplier is in the territorial waters.	Location of supplier shall be coastal State or Union territory where the nearest point of the appropriate baseline is located.
where the place of supply in the territorial waters.	Place of Supply shall be coastal State or Union territory where the nearest point of the appropriate baseline is located.

Place of Supply with respect to supply of goods (in cases other than imports and exports) is as follows Sec. 10 of IGST

	Nature of Supply of goods	Place of Supply
1)	Where supply involves movements of goods	Location of the goods at which movement of goods terminates for delivery to recipient.
2)	Where goods are delivered on the direction of third person	The principal place of business of that third person
3)	Where supply does not involves movements of goods	Location of such goods at the time of delivery to the recipient
4)	Where goods are assembled or installed at site.	Place of such installation or assembly
5)	Where goods are supplied on board of a conveyance including aircraft, vessels, boat, train, motor vehicle etc	Location at which such goods are taken on board
6)	Where place of supply cannot be determine	Such manner as may be prescribed.

Place of Supply with respect to supply of goods (in case of imports and exports) is as follows (Sec. 11 of IGST)

	Nature of Supply of goods	Place of Supply
1)	Where goods imported into India	Location of Importer
2)	Where goods exported from India	Location outside India

Place of Supply with respect to supply of services (in cases other than imports and exports) are as follows (Sec. 12 of IGST)

	Nature of Supply of Services	Place of Supply
1)	Supply of service directly in relation to immovable property including services provided by architects, interior decorators etc.	Location where Immoveable Property is located

2)	Supply by way of lodging accommodation by a hotel, inn, guest house, home stay etc.	Location of Immovable Property or boat or vessel as the case may be
3)	Supply by way of accommodation in any immovable property for organising any marriage or reception, functions etc.	Location where Immovable Property is located
4)	Services ancillary to the services mentioned in 1,2 and 3.	Location where Immovable Property or boat or vessel as the case may be is located
5)	Supply of services in Restaurant , catering services personal grooming, fitness, beauty treatment etc.	Location where such services are actually performed
6)	Training and performance appraisal to a registered person	Location of such person
7)	Training and performance appraisal to a person other than registered person	Location where services are actually performed
8)	Services provided by admission to a cultural artistic artistic, sporting, scientific, educational, entertainment event or amusement park etc.	Place where event is actually held or where such park or such other place is located.
9)	Service provided by way of organization of or providing ancillary services related to cultural artistic sporting, scientific, educational or entertainment event to a registered person.	Location of such person
10)	In case of services mentioned in 09 are provided to a person other than registered person.	Place where the event is actually held and if event is held outside India then place of the location of the recipient
11)	Services by transportation of goods including by mail or courier to registered person	Location of such registered person
12)	If services mentioned in 14 provided to a person other than registered person	Location at which such goods are handed over for their transportation
13)	Supply of passenger transportation services provided to a registered person	Location of such registered person
14)	If services mentioned in 16 provided to person other than registered person	Where the passenger embarks on the conveyance for a continues journey
15)	Supply of services on board of a conveyance including a vessel an aircraft, a train or a motor vehicle	The first schedule point of departure of that conveyance for the journey
16)	Supply of telecommunication services including data transfer, broadcasting, cable and direct to home television services In case of services by way of fixed telecommunication line, leased circuits etc.	Where the telecommunication line leased circuit or dish antenna is installed for receipt of services
17)	Telecommunication services where mobile etc connection are postpaid.	Billing address of the recipient

18)	Telecommunication services where mobile connection etc are prepaid through a selling agent.	Address of the selling agent
19)	Telecommunication services where mobile connection etc are supplied to the final subscriber.	Where such prepayment is received or vouchers are sold.
20)	Supply of telecommunication service in other cases.	Address of the recipient if address not available then location of supplier
21)	Supply of banking and other financial services including stock broking services to any person	Location of the recipient of services on the records of supplier if not available then location of supplier
22)	Supply of insurance services to a registered person	Location of such registered person
23)	Supply of insurance services to a person other than registered person	Location of the recipient of services on the records of the supplier of services
24)	Supply of advertisement services to the central government, state government etc made for states or union territories identified in the contract	Such states or union territories as identified in contract and the value shall be in proportionate to the amount attributable to respected states.
25)	In case supply of services are not covered in 1 to 24 and Supply is made to a registered person	Location of such registered person
26)	In case supply of services are not covered in 1 to 24 Supply is made to person other than registered person where recipient address on record exists	Location of the recipient
27)	In case supply of services are not covered in 1 to 24 Supply is made to person other than registered person where recipient address on record does not exists	Location of Supplier

Place of Supply with respect to supply of services (in case of imports and exports are as follows) Sec. 13 of IGST

	Nature of Supply of Services	Place of Supply
1)	Services supplied in respect of goods which are required to be made physically available by the recipient of services to the supplier of services	Location where services are actually performed.
2)	Services supplied in respect of goods which are required to be made physically available by the recipient of services to the supplier of services but such services supplied from remote location by way of electronic means.	Location where goods are situated at the time of supply of services.
3)	Services supplied to an individual which requires the physical presence of the recipient or the person with the supplier for the supply of services.	Location where services are actually performed.

4)	Supply of services in relation to an immovable property including services by experts, estate agents, supply of hotel accommodation etc.	Place where immovable property is located.
5)	Services supplied by way of admission to or organization of cultural artistic programs etc. and of services ancillary to such admission or organization.	Place where event is actually held.
6)	Where in case of services as mentioned in 3,4& 5 is supplied at more than one location including a location in taxable territory.	Location in the taxable territory.
7)	Where in case of services as mentioned in 3, 4 & 5 are supplied in more than one state or territory.	Each of the respected state or union territory and value shall be in proportion as per contract
8)	Services supplied by a banking company, or a financial institutions or a non- banking financial companies to account holders.	Location of the supplier of services
9)	Intermediately Services	Location of supplier of services
10)	Services of Hiring of means of transport upto a period of one month (including yachts but excluding air crafts and vessels).	Location of supplier of services
11)	Services of transportation of goods (other than by mail or courier)	Place of destination of such goods
12)	Supply in respect of passenger transportation services.	Place where the passenger embarks on the conveyance for a continuous journey
13)	Supply of service provided on board of a conveyance during the course of passenger transport operation.	First scheduled point of departure of that conveyance for the journey
14)	Supply of online information and database access or retrieval services	Location of recipient of services
15)	In case supply is not covered in any of the clauses from 1 to 14.	Location of recipient of services

*This is not applicable where services are supplied in respect of goods which are temporarily imported to India for repairs and are exported after repairs without being put to any use in India.

7. (1) *Subject to the provisions of section 10, supply of goods, where the location of the supplier and the place of supply are in—*

- (a) *two different States;*
- (b) *two different Union territories; or*
- (c) *a State and a Union territory,*

shall be treated as a supply of goods in the course of inter-State trade or commerce

- (2) *Supply of goods imported into the territory of India, till they cross the customs frontiers of India, shall be treated to be a supply of goods in the course of inter-State trade or commerce.*

- (3) *Subject to the provisions of section 12, supply of services, where the location of the supplier and the place of supply are in—*

- (a) *two different States;*
- (b) *two different Union territories; or*
- (c) *a State and a Union territory,*

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

- (4) *Supply of services imported into the territory of India shall be treated to be a supply of services in the course of inter-State trade or commerce.*

- (5) *Supply of goods or services or both,—*

- (a) *when the supplier is located in India and the place of supply is outside India;*
- (b) *to or by a Special Economic Zone developer or a Special Economic Zone unit; or*
- (c) *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.

8. (1) *Subject to the provisions of section 10, supply of goods where the location of the supplier and the place of supply of goods are in the same State or same Union territory shall be treated as intra-State supply:*

Provided that the following supply of goods shall not be treated as intra-State supply, namely:—

- (i) supply of goods to or by a Special Economic Zone developer or a Special Economic Zone unit;*
- (ii) goods imported into the territory of India till they cross the customs frontiers of India; or*
- (iii) supplies made to a tourist referred to in section 15.*

(2) Subject to the provisions of section 12, supply of services where the location of the supplier and the place of supply of services are in the same State or same Union territory shall be treated as intra-State supply:

Provided that the intra-State supply of services shall not include supply of services to or by a Special Economic Zone developer or a Special Economic Zone unit.

Explanation 1.—For the purposes of this Act, where a person has,—

- (i) an establishment in India and any other establishment outside India;*
- (ii) an establishment in a State or Union territory and any other establishment outside that State or Union territory; or*
- (iii) an establishment in a State or Union territory and any other establishment being a business vertical registered within that State or Union territory,*

then such establishments shall be treated as establishments of distinct persons.

Explanation 2.—A person carrying on a business through a branch or an agency or a representational office in any territory shall be treated as having an establishment in that territory.

9. *Notwithstanding anything contained in this Act,—*

- (a) where the location of the supplier is in the territorial waters, the location of such supplier; or*
- (b) where the place of supply is in the territorial waters, the place of supply, shall, for the purposes of this Act, be deemed to be in the coastal State or Union territory where the nearest point of the appropriate baseline is located.*

10. *(1) The place of supply of goods, other than supply of goods imported into, or exported from India, shall be as under,—*

- (a) where the supply involves movement of goods, whether by the supplier or the recipient or by any other person, the place of supply of such goods shall be the location of the goods at the time at which the movement of goods terminates for delivery to the recipient;*
- (b) where the goods are delivered by the supplier to a recipient or any other person on the direction of a third person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to the goods or otherwise, it shall be*

deemed that the said third person has received the goods and the place of supply of such goods shall be the principal place of business of such person;

- (c) where the supply does not involve movement of goods, whether by the supplier or the recipient, the place of supply shall be the location of such goods at the time of the delivery to the recipient;*
- (d) where the goods are assembled or installed at site, the place of supply shall be the place of such installation or assembly;*
- (e) where the goods are supplied on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle, the place of supply shall be the location at which such goods are taken on board.*
- (2) Where the place of supply of goods cannot be determined, the place of supply shall be determined in such manner as may be prescribed.*

11. The place of supply of goods,—

- (a) imported into India shall be the location of the importer;*
- (b) exported from India shall be the location outside India.*

12. (1) The provisions of this section shall apply to determine the place of supply of services where the location of supplier of services and the location of the recipient of services is in India.

(2) The place of supply of services, except the services specified in sub-sections (3) to (14),—

- (a) made to a registered person shall be the location of such person;*
- (b) made to any person other than a registered person shall be,—*
 - (i) the location of the recipient where the address on record exists; and (ii) the location of the supplier of services in other cases.*

(3) The place of supply of services,—

- (a) directly in relation to an immovable property, including services provided by architects, interior decorators, surveyors, engineers and other related experts or estate agents, any service provided by way of grant of rights to use immovable property or for carrying out or co-ordination of construction work; or*
- (b) by way of lodging accommodation by a hotel, inn, guest house, home stay, club or campsite, by whatever name called, and including a house boat or any other vessel; or*
- (c) by way of accommodation in any immovable property for organising any marriage or reception or matters related thereto, official, social, cultural, religious or business function including services provided in relation to such function at such property; or*

(d) any services ancillary to the services referred to in clauses (a), (b) and (c),

shall be the location at which the immovable property or boat or vessel, as the case may be, is located or intended to be located:

Provided that if the location of the immovable property or boat or vessel is located or intended to be located outside India, the place of supply shall be the location of the recipient.

Explanation.—Where the immovable property or boat or vessel is located in more than one State or Union territory, the supply of services shall be treated as made in each of the respective States or Union territories, in proportion to the value for services separately collected or determined in terms of the contract or agreement entered into in this regard or, in the absence of such contract or agreement, on such other basis as may be prescribed.

(4) The place of supply of restaurant and catering services, personal grooming, fitness, beauty treatment, health service including cosmetic and plastic surgery shall be the location where the services are actually performed.

(5) The place of supply of services in relation to training and performance appraisal

to,—

(a) a registered person, shall be the location of such person;

(b) a person other than a registered person, shall be the location where the services are actually performed.

(6) The place of supply of services provided by way of admission to a cultural, artistic, sporting, scientific, educational, entertainment event or amusement park or any other place and services ancillary thereto, shall be the place where the event is actually held or where the park or such other place is located.

(7) The place of supply of services provided by way of,—

(a) organisation of a cultural, artistic, sporting, scientific, educational or entertainment event including supply of services in relation to a conference, fair, exhibition, celebration or similar events; or

(b) services ancillary to organisation of any of the events or services referred to in clause (a), or assigning of sponsorship to such events,—

(i) to a registered person, shall be the location of such person;

(ii) to a person other than a registered person, shall be the place where the event is actually held and if the event is held outside India, the place of supply shall be the location of the recipient.

Explanation.—Where the event is held in more than one State or Union territory and a consolidated amount is charged for supply of services relating to such event, the place of supply of such services shall be taken as being in each of the respective States or Union territories in proportion to the value for services separately collected or determined in terms of the contract or agreement entered into in this regard or, in the absence of such contract or agreement, on such other basis as may be prescribed.

(8) *The place of supply of services by way of transportation of goods, including by mail or courier to,—*

(a) a registered person, shall be the location of such person;

(b) a person other than a registered person, shall be the location at which such goods are handed over for their transportation.

(9) *The place of supply of passenger transportation service to,— (a) a registered person, shall be the location of such person;*

(b) a person other than a registered person, shall be the place where the passenger embarks on the conveyance for a continuous journey:

Provided that 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, the place of supply of such service shall be determined in accordance with the provisions of sub-section (2).

Explanation.—For the purposes of this sub-section, the return journey shall be treated as a separate journey, even if the right to passage for onward and return journey is issued at the same time.

(10) *The place of supply of services on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle, shall be the location of the first scheduled point of departure of that conveyance for the journey.*

(11) *The place of supply of telecommunication services including data transfer, broadcasting, cable and direct to home television services to any person shall,—*

(a) in case of services by way of fixed telecommunication line, leased circuits, internet leased circuit, cable or dish antenna, be the location where the telecommunication line, leased circuit or cable connection or dish antenna is installed for receipt of services;

(b) in case of mobile connection for telecommunication and internet services provided on post-paid basis, be the location of billing address of the recipient of services on the record of the supplier of services;

(c) in cases where mobile connection for telecommunication, internet service and direct to home television services are provided on pre-payment basis through a voucher or any other means,—

- (i) *through a selling agent or a re-seller or a distributor of subscriber identity module card or re-charge voucher, be the address of the selling agent or re-seller or distributor as per the record of the supplier at the time of supply; or*
 - (ii) *by any person to the final subscriber, be the location where such pre-payment is received or such vouchers are sold;*
- (d) *in other cases, be the address of the recipient as per the records of the supplier of services and where such address is not available, the place of supply shall be location of the supplier of services:*

Provided that where the address of the recipient as per the records of the supplier of services is not available, the place of supply shall be location of the supplier of services:

Provided further that if such pre-paid service is availed or the recharge is made through internet banking or other electronic mode of payment, the location of the recipient of services on the record of the supplier of services shall be the place of supply of such services

Explanation.—Where the leased circuit is installed in more than one State or Union territory and a consolidated amount is charged for supply of services relating to such circuit, the place of supply of such services shall be taken as being in each of the respective States or Union territories in proportion to the value for services separately collected or determined in terms of the contract or agreement entered into in this regard or, in the absence of such contract or agreement, on such other basis as may be prescribed.

- (12) *The place of supply of banking and other financial services, including stock broking services to any person shall be the location of the recipient of services on the records of the supplier of services:*

Provided that if the location of recipient of services is not on the records of the supplier, the place of supply shall be the location of the supplier of services.

- (13) *The place of supply of insurance services shall,—*

- (a) *to a registered person, be the location of such person;*
- (b) *to a person other than a registered person, be the location of the recipient of services on the records of the supplier of services.*

- (14) *The place of supply of advertisement services to the Central Government, a State Government, a statutory body or a local authority meant for the States or Union territories identified in the contract or agreement shall be taken as being in each of such States or Union territories and the value of such supplies specific to each State or Union territory shall be in proportion to the amount attributable to services provided by way of dissemination in the respective States or Union territories as may be determined in terms of the contract or agreement entered into in this regard or, in the absence of such contract or agreement, on such other basis as may be prescribed.*

13. (1) *The provisions of this section shall apply to determine the place of supply of services where the location of the supplier of services or the location of the recipient of services is outside India.*

(2) *The place of supply of services except the services specified in sub-sections (3)*

to (13) shall be the location of the recipient of services:

Provided that where the location of the recipient of services is not available in the ordinary course of business, the place of supply shall be the location of the supplier of services.

(3) *The place of supply of the following services shall be the location where the services are actually performed, namely:—*

(a) *services supplied in respect of goods which are required to be made physically available by the recipient of services to the supplier of services, or to a person acting on behalf of the supplier of services in order to provide the services:*

Provided that when such services are provided from a remote location by way of electronic means, the place of supply shall be the location where goods are situated at the time of supply of services:

Provided further that nothing contained in this clause shall apply in the case of services supplied in respect of goods which are temporarily imported into India for repairs and are exported after repairs without being put to any other use in India, than that which is required for such repairs;

(b) *services supplied to an individual, represented either as the recipient of services or a person acting on behalf of the recipient, which require the physical presence of the recipient or the person acting on his behalf, with the supplier for the supply of services.*

(4) *The place of supply of services supplied directly in relation to an immovable property, including services supplied in this regard by experts and estate agents, supply of accommodation by a hotel, inn, guest house, club or campsite, by whatever name called, grant of rights to use immovable property, services for carrying out or co-ordination of construction work, including that of architects or interior decorators, shall be the place where the immovable property is located or intended to be located.*

(5) *The place of supply of services supplied by way of admission to, or organisation of a cultural, artistic, sporting, scientific, educational or entertainment event, or a celebration, conference, fair, exhibition or similar events, and of services ancillary to such admission or organisation, shall be the place where the event is actually held.*

(6) *Where any services referred to in sub-section (3) or sub-section (4) or sub-section (5) is supplied at more than one location, including a location in the taxable territory, its place of supply shall be the location in the taxable territory.*

(7) *Where the services referred to in sub-section (3) or sub-section (4) or sub-section (5) are supplied in more than one State or Union territory, the place of supply of such services shall be taken as being in each of the respective States or Union territories and the value of*

such supplies specific to each State or Union territory shall be in proportion to the value for services separately collected or determined in terms of the contract or agreement entered into in this regard or, in the absence of such contract or agreement, on such other basis as may be prescribed.

- (8) The place of supply of the following services shall be the location of the supplier of services, namely:—
- (a) services supplied by a banking company, or a financial institution, or a non-banking financial company, to account holders;
 - (b) intermediary services;
 - (c) services consisting of hiring of means of transport, including yachts but excluding aircrafts and vessels, up to a period of one month.

Explanation.—For the purposes of this sub-section, the expression,—

- (a) “account” means an account bearing interest to the depositor, and includes a non-resident external account and a non-resident ordinary account;
 - (b) “banking company” shall have the same meaning as assigned to it under clause (a) of section 45A of the Reserve Bank of India Act, 1934;
 - (c) “financial institution” shall have the same meaning as assigned to it in clause (c) of section 45-I of the Reserve Bank of India Act, 1934;
 - (d) “non-banking financial company” means,—
 - (i) a financial institution which is a company;
 - (ii) a non-banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or
 - (iii) such other non-banking institution or class of such institutions, as the Reserve Bank of India may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.
- (9) The place of supply of services of transportation of goods, other than by way of mail or courier, shall be the place of destination of such goods.
- (10) The place of supply in respect of passenger transportation services shall be the place where the passenger embarks on the conveyance for a continuous journey.

(11) The place of supply of services provided on board a conveyance during the course of a passenger transport operation, including services intended to be wholly or substantially consumed while on board, shall be the first scheduled point of departure of that conveyance for the journey.

(12) The place of supply of online information and database access or retrieval services shall be the location of the recipient of services.

Explanation.—For the purposes of this sub-section, person receiving such services shall be deemed to be located in the taxable territory, if any two of the following non-contradictory conditions are satisfied, namely:—

- (a) the location of address presented by the recipient of services through internet is in the taxable territory;
 - (b) the credit card or debit card or store value card or charge card or smart card or any other card by which the recipient of services settles payment has been issued in the taxable territory;
 - (c) the billing address of the recipient of services is in the taxable territory;
 - (d) the internet protocol address of the device used by the recipient of services is in the taxable territory;
 - (e) the bank of the recipient of services in which the account used for payment is maintained is in the taxable territory;
 - (f) the country code of the subscriber identity module card used by the recipient of services is of taxable territory;
 - (g) the location of the fixed land line through which the service is received by the recipient is in the taxable territory.
- (13) In order to prevent double taxation or non-taxation of the supply of a service, or for the uniform application of rules, the Government shall have the power to notify any description of services or circumstances in which the place of supply shall be the place of effective use and enjoyment of a service.

Unit 1.4 Classifications

Unit Objectives

At the end of the session, the participants will be able to:

- Identifying the correct applicable HSN Code, SAC Codes
- Preparing of vouchers, credit notes, debit notes invoices etc.

HSN Codes and SAC Codes

There are millions thousands of types of products being created and services are being rendered. Various transactions take place around the World, some specific to a country and some relating to most of the countries. It has thus become imperative to have a common understanding of the goods being traded and countries speaking the same language, irrespective of their national boundaries. Hence came the inception of HSN Codes, which are an integral part of International trade and commerce today.

What is HSN code and what is SAC?

Format of HSN code and how to use HSN under GST in India.

Harmonized System of Nomenclature, or HSN, was conceived and developed by the World Customs Organization (WCO) with the vision of classifying goods from all over the World in a systematic and logical manner. It is a six digit uniform code that classifies more than 5,000 products and is accepted worldwide. These set of defined rules is used for taxation purposes in identifying the rate of tax applicable to a product in a country. It is also used to determine the quantum of product exported or imported in and out of a country. It is a crucial feature to analyze the movement of goods across the World. It is a combination of different sections, further drilled down to chapters, which are further classified into headings and sub-headings. The resultant figure is the six-digit code.

HSN is widespread and is adopted in more than 200 countries, covering a staggering 98% of goods in the World. It is by far, the best logical system of classification and identification adopted in International Trade. It has helped in reducing efforts and costs related to complex procedures of International Trade.

HSN in India

Now that we have been through the concept of HSN, we now move on to understanding HSN from the Indian context.

India is all set to have its very own Goods & Services Tax or GST, which applies to all goods and services alike. It shall subsume many indirect taxes and reduce the burden on the end consumer. India has already been using HSN system since 1986 in the Central Excise and Customs regime. It is a much more detailed classification that added another two digits to the 6-digit structure. Indian manufacturers under GST shall be required to follow a 3-tiered structure of HSN.

Those with a turnover of less than INR 1.5 Crores need not follow HSN

Those with a turnover exceeding INR 1.5 Crores but less than INR 5 Crores shall be using the 2 digit HSN codes

Those with a turnover exceeding INR 5 Crores shall be using the 4 digit HSN codes

Those dealers who are into imports or exports shall mandatorily follow the 8 digit HSN codes

Understanding the digits of HSN Code

The HSN structure contains 21 sections, with 99 Chapters, about 1,244 headings, and 5,224 sub-headings. The commodity's manufacturing and technological complexity define the section or chapter to which it belongs. As such, all natural commodities like vegetables, animal produce, etc. belong to the earlier sections, whereas industrial machinery is seen at the later stages.

For e.g. – Processed cotton appears later whereas uncombed, normal cotton appears earlier.

The sections are categorized on a broader perspective. Chapters, on the other hand, have a much more specific categorisation. Like Section 11 covers all kinds of textiles and textile articles, whereas Chapter 62, which falls under Section 11 is expressly for accessories for men and women.

Going further down the chain, chapters have been sub-classified into headings and sub-headings. The headings focus on specific types of products under the Chapters. Continuing with the above example, Chapter 62, heading 13 covers all kinds of handkerchiefs, whereas heading 14 covers scarves and shawls of different types. These headings have a product attached to it.

In the above example, handkerchiefs made of other textile materials are under the heading 13 under Chapter 62. The HSN code for the product is 62.13.90, where 90 is the product code for handkerchiefs made of other textile materials. For a deeper classification, Indian GST has 2 more digits to these commodities. Where the handkerchiefs are made from a human-made fibre, then the HSN code becomes 62.13.90.10. Similarly, 62.13.90.90 belongs to handkerchiefs made out of silk or waste from silk.

When a classification of a product takes place in the above structure, the General Interpretation Rules have to be applied. The trade parlance of the product must be checked first while classifying the product and not its technological manipulation. Where the product is classified on the very first level, then there is no need to drill down further in the strata below.

Service Accounting Codes (SAC)

Similar to the International HSN Codes, India has adopted a Service Accounting Code (SAC) for all its services. GST will subsume the service tax, which covers all kinds of services at a national rate of 15%, apart from other rates in some cases. Since GST is a combination of goods and services both, an equitable classification for services is also required. SAC will remain the same under the GST regime.

Exercise



- 1) Is HSN Code is mandatory for all the dealers?
 A: HSN codes shall not be used mandatorily in the following cases:
 Dealers who have an annual turnover of less than INR 1.5 Crores
 Dealers registered under the Composition Scheme of GST are exempted from the usage of HSN Codes
- 2) Why is it necessary to follow HSN Codes and SAC Codes?
 A: HSN codes are internationally recognized system of codifying and classifying all the products in the World. It will make GST compliant with the international standards and ensure proper levy of taxes. HSN gives a systematic and logical way of classification, thereby reducing the chances of any misinterpretations. Further, a common structure enables governments of countries to collaborate data of purchases and sales of commodities and analyze the same. Post this analysis, they can decide on macro-economic policies relatable to important commodities.
- 3) Has the Government notified HSN Codes and Service Accounting Codes?
 A: Yes. HSN Codes and SAC are available on the Ministry's website. They are controlled by the ACES website, which was earlier used by the Central Board of Excise and Customs (CBEC) for its operations.
 List of HSN Codes and Rates for Goods.
 Here are SAC Codes and Rates for Services.
- 4) How can I find the product in HSN list and its relevant HSN Code?
 A: ACES or other websites have the functionality of searching your product or service and its relevant HSN / SAC Codes.
- 5) Why are HSN Codes important at the time of filing GST returns?
 A: Since GST returns are completely automated, it will be hard for the dealers to upload the description of the products being supplied. Hence, HSN Codes shall be automatically picked up from the registration details of the dealer and will reduce the efforts thereby. Dealers have to be careful in choosing the correct HSN/SAC code while migrating to GST or making a fresh registration.

Tax Invoice- Section 31

GST Act specifies the requirements about the contents of the invoice in detail.

Registered person has to issue tax invoice before

- (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 taxable supply of services, invoice shall be issued within a period of thirty days from the date of supply of service:

In case of continuous supply, there are specific provisions about the time limit for preparation of invoice.

There are special rules related to time limit for invoicing by insurer, financial company, banking company etc.

As per section 31 and invoice rules, Tax invoice must contain the following details:

- 1) description of goods or services,
- 2) quantity of goods or services
- 3) taxable value of supply of goods or services or both taking into account discount or abatement, if any;
- 4) amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess)
- 5) name, address and GSTIN of the supplier;
- 6) a consecutive serial number, in one or multiple series, containing alphabets or numerals or special characters hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, it should be unique for a financial year;
- 7) date of its issue;
- 8) name, address and GSTIN or UIN, if registered, of the recipient;
- 9) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered and where the value of taxable supply is fifty thousand rupees or more;
- 10) HSN code of goods or Accounting Code of services (SAC);
- 11) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);
- 12) place of supply along with the name of State, in case of a supply in the course of inter-State trade or commerce;
- 13) address of delivery where the same is different from the place of supply;
- 14) whether the tax is payable on reverse charge basis; and
- 15) signature or digital signature of the supplier or his authorized representative:

As per the **Notification No. 12 dated 28th June 2017**, full HSN Codes [Harmonised System of Nomenclature Codes] are not required to be given for now by all. The requirements are as follows.

Annual Turnover in the preceding Financial Year (Rs.)	Number of Digits of HSN
Upto one crore fifty lakhs	Nil
More than one crore fifty lakhs and upto five crores	2
More than five crores	4

Export Invoice

in case of exports 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

LETTER OF UNDERTAKING WITHOUT PAYMENT OF IGST”

Instead of 9 above, the registered person has to mention

- (i) name and address of the recipient;
- (ii) address of delivery;
- (iii) name of the country of destination; and
- (iv) number and date of application for removal of goods for export:

Consolidated invoice to be prepared in certain cases

If a registered person

- (a) supplies value of the goods or services is less than two hundred rupees
- (b) Recipient of services is unregistered.
- (c) the recipient does not require such invoice,

then he shall issue (prepare) a consolidated tax invoice for such supplies at the close of each day in respect of all such supplies.

Copies of Invoice

Type	To be prepared in	Original Copy for	Duplicate for	Triplicate for
Goods	Triplicate	Recipient	Transporter	Supplier
Services	Duplicate	Recipient	Supplier	NIL

Bill of Supply, Receipt Voucher, Refund Voucher, Payment Voucher

1. A bill of supply is required to be issued by a registered person supplying exempted goods or services or paying tax under composition scheme.
2. on receipt of advance payment with respect to any supply of goods or services, a registered person shall issue a receipt voucher.
3. If Receipt Voucher is issued by registered person for advance received but no supply is made not tax invoice is issued subsequently then the registered person shall issue a refund voucher.
4. In case a registered person is required to make payment under reverse charge mechanism under section 9(3) or 9(4), then such registered person is required to issue payment voucher.

Credit Note, Debit Note –Section 34(1)

Credit note will be issued by a registered person when after having issued tax invoice to the recipient and

- a) Taxable value is to be reduced or
- b) Goods supplied are returned by the recipient
- c) Goods or services are found to be deficient

then the registered person will issue credit note giving all the particulars.

Debit Note Section 34 (3)

Debit note will be issued by a registered person when after having issued tax invoice to the recipient and if additional amount is to be charged for some reason, then the registered person has to issue a debit note.

Important Facts to be remembered about Tax Invoice

1. All GST Taxpayers are free to design their own invoice format.
2. GST Law only requires that certain fields must mandatorily be in the invoice.
3. The time period prescribed for issuing invoice is different for goods & services - for goods, it is any time before its delivery and for services, it is within 30 days from the date of supply of service.
4. Small taxpayers, like small retailers, doing a large number of small transactions for up to a value of Rs. 200 per transaction to unregistered customers need not issue invoice for every such transaction. They can prepare one consolidated invoice at the end of each day for all transaction done during the day. However, they should issue the invoice where the customer so demands.
5. In normal circumstances, one copy of invoice required to be carried by the transporter. However, GSTIN provides a facility to obtain an invoice reference number and if a taxpayer has generated this number, his goods need not be accompanied by paper invoice during transportation. This mechanism helps to address frequently reported problems like paper invoices getting misplaced, mutilated, torn or lost in course of transportation of goods.
6. In order to keep compliance burden low for small taxpayers, GST law provides that taxpayers with annual turnover of up to Rs. 1.5 crores need not mention the HSN code of the goods in the invoices.
7. Keeping in view the large number of transaction in the banking, insurance and passenger transport sector, taxpayers need not mention the address of the customer and the serial number in their invoices.
8. Where the goods are transported for delivery but quantity to be supplied is not known at the time of removal, the goods may be removed on delivery challan and invoice may be issued after delivery.
9. No need to issue separate bill of supply if invoice is issued for non-taxable supplies.

Invoice

	Query	Reply
34.	A shop sells taxable & exempt products to the same person (B2C), is it required to issue tax invoice and bill of supply separately?	In such a case the person can issue one tax invoice for the taxable supply and also declare exempted supply in the same invoice.
35.	Do registered dealers have to record Aadhaar/PAN while selling goods to unregistered dealers?	There is no requirement to take Aadhaar/PAN details of the customer under the GST Act.
36.	All expenses like freight/transport/packing which are charged in Sales Invoice are taxable in GST? How to charge in bill?	All expenses will have to be included in the value and invoice needs to be issued accordingly. Please refer to Section 15 of CGST Act and Invoice Rules.
37.	Can we move construction material to builders on delivery challan and issue tax invoice post completion of activity?	If the goods are meant to be supplied in the course of construction an invoice is necessary. If the goods are tools which are to be used for construction then delivery challan should be issued.
38.	How to treat following transaction in GST (i). Delivered supply shortages in transit. (ii). Customer gets less quantity and pays less.	The supplier may issue credit note to the customers.
39.	Should we issue Self Invoice for GST liability on RCM or GST can be discharged through expenses booking voucher?	For RCM liabilities tax invoice has to be issued on self.

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7				Original for Receipt				
Tax Invoice Inter state										
Invoice No:						Transport Mode:				
Invoice date:						Vehicle number:				
Reverse Charge (Y/N):				N		Date of Supply:				
State:		Code				Place of Supply				
Bill to Party						Ship to Party				
Name:						Name:				
Address:						Address:				
GSTIN:						GSTIN:				
State:		Code				State:		Code		
S. No	Product Description	HSN Code	Qty	Rate	Amount	Discount	Taxable value	IGST		Total
			5	5000	25000	2000	23000	18	4140	27140
					0		0		0	0
					0		0		0	0
					0		0		0	0
					0		0		0	0
					0		0		0	0
Total			5		25000	2000	23000		4140	27140
Total Invoice amount in words							Total Amount before Tax		23000	
							Add: IGST		4140	
							Total Amount after Tax:		27140	
							GST on Reverse Charge		0	
Bank Details							Certified that the particulars given above are true and correct M/s XYZ & Co Authorised signatory			
Bank A/C:										
Bank IFSC:										
Terms & conditions										
				Common Seal						

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7						Original for Receipient					
Tax Invoice Inter state													
Invoice No:								Transport Mode:					
Invoice date:								Vehicle number:					
Reverse Charge (Y/N):								Date of Supply:					
State:				Code				Place of Supply					
Bill to Party								Ship to Party					
Name:								Name:					
Address:								Address:					
GSTIN:								GSTIN:					
State				Code				State:				Code	
S. N o	Product Descrip tion	HS N Co de	UO M	Qt y	Rat e	Amount	Discount	Taxa ble value	CGST		SGST		Total
									Ra te	Amo unt	Ra te	Amt	
				5	5000	25000	2000	23000	9	2070	9	2070	27140
						0		0				0	0
						0		0				0	0
						0		0				0	0
						0		0				0	0
						0		0				0	0
Total				5		25000	2000	23000		2070		2070	27140
Total Invoice amount in words								Total Amount before Tax				23000	
								Add: CGST				2070	
								Add: SGST				2070	
								Total Tax Amount				4140	
								Total Amount after Tax:				27140	
								GST on Reverse Charge				0	
Bank Details								Certified that the particulars given above are true and correct M/s XYZ & Co Authorised signatory					
Bank A/C:													
Bank IFSC:													
				Terms & conditions Common Seal									

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7				Original for Receipt				
EXPORT INVOICE										
Invoice No:						Transport Mode:				
Invoice date:						Vehicle number:				
Reverse Charge (Y/N):				N		Date of Supply:				
State:		Code				Place of Supply				
Bill to Party						Ship to Party				
Name:						Name:				
Address:						Address:				
Country:						Country:				
S. No	Product Description	HSN Code	Qty	Rate	Amount	Discount	Taxable value	IGST		Total
			5	5000	25000	2000	23000	0	0	23000
					0		0		0	0
					0		0		0	0
					0		0		0	0
					0		0		0	0
					0		0		0	0
Total			5		25000	2000	23000		0	23000
Total Invoice amount in words							Total Amount before Tax		23000	
							Add: IGST		0	
							Total Amount after Tax:		23000	
							GST on Reverse Charge		0	
Bank Details							Certified that the particulars given above are true and correct M/s XYZ & Co Authorised signatory			
Bank A/C:										
Bank IFSC:										
Terms & conditions										
				Common Seal						

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7						
Bill of Supply								
Invoice No:						State:		
Date of Issue:						State Code:		
Bill to Party						Ship to Party		
Name:						Name:		
Address:						Address:		
GSTIN/UN:						GSTIN:		
State:				Code		State:		Code
S. No	Product Description	HSN Code	UOM	Qty	Rate	Amount	Discount	Value of Supply
						0		0
						0		0
						0		0
						0		0
						0		0
						0		0
Total				0		0		0
Total Invoice amount in words								
Bank Details							Certified that the particulars given above are true and correct M/s XYZ & Co	
Bank A/C:								
Bank IFSC:								
Terms & conditions								
				Common Seal			Authorised signatory	

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7					
Receipt Voucher							
Voucher Number:				Details Of Receiver			
Voucher Date:				Name:			
Place of Supply:				Address:			
Reverse Charge (Y/N):							
				GSTIN:			
State:		Code		State:		Code	
Description of Product/Service	HSN Codes	Taxable Value	CGST		SGST		Total Advance Received
			Rate	Amount	Rate	Amount	
				0		0	0
				0		0	0
				0		0	0
				0		0	0
Total		0		0		0	0
Total Advance Received (In words)							
Certified that the particulars given above are true and correct M/s XYZ & Co			Total Amount before tax			0	
			Add: CGST			0	
			Add: SGST			0	
			Total Tax Amount (GST)			0	
			Total Amount After Tax			0	
Authorised signatory	Common Seal		GST on Reverse Charge			0	

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7					
Refund Voucher							
Voucher Number:				Details Of Receiver			
Voucher Date:				Name:			
Against Receipt No:				Address:			
Reverse Charge (Y/N):				GSTIN:			
State:		Code		State:		Code	
Description of Product/Service	HSN Codes	Taxable Value	CGST		SGST		Total Amount Refunded
			Rate	Amount	Rate	Amount	
				0		0	0
				0		0	0
				0		0	0
				0		0	0
Total		0		0		0	0
Total Advance Refunded (In words)							
Certified that the particulars given above are true and correct M/s XYZ & Co			Total Amount before tax			0	
			Add: CGST			0	
			Add: SGST			0	
			Total Tax Amount (GST)			0	
			Total Amount After Tax			0	
Authorised signatory	Common Seal		GST on Reverse Charge			0	

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7					
Payment Voucher							
Voucher Number:				Details Of Supplier			
Voucher Date:				Name:			
Place of Supply:				Address:			
				GSTIN:			
State:		Code		State:		Code	
Description of Product/Service	HSN Codes	Taxable Value	CGST		SGST		Total Amount Paid
			Rate	Amount	Rate	Amount	
				0		0	0
				0		0	0
				0		0	0
				0		0	0
Total		0		0		0	0
Total Amount paid (In words)							
Certified that the particulars given above are true and correct M/s XYZ & Co				Total Amount before tax		0	
				Add: CGST		0	
				Add: SGST		0	
				Total Tax Amount (GST)		0	
				Total Amount After Tax		0	
Authorised signatory	Common Seal		GST on Reverse Charge		0		

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7											
Credit Note													
Document No:								Against invoice:					
Date of Issue:								Date of Invoice:					
State:				Code									
Bill to Party								Ship to Party					
Name:								Name:					
Address:								Address:					
GSTIN:								GSTIN:					
State				Code				State:				Code	
S. N o.	Product Description	HS N Co de	UO M	Qt y	Rat e	Amount	Discount	Taxa ble value	CGST		SGST		Total
									Ra te	Amo unt	Ra te	Amo unt	
				5	6000	30000	2000	28000	9	2520	9	2520	33040
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
Total				5		30000	2000	28000		2520		2520	33040
Total Invoice amount in words								Total Amount before Tax				28000	
								Add: CGST				2520	
								Add: SGST				2520	
								Total Tax Amount				5040	
								Total Amount after Tax:				33040	
Bank Details					Certified that the particulars given above are true and correct M/s XYZ & Co Authorised signatory								
Bank A/C:													
Bank IFSC:													
Terms & conditions													
					Common Seal								

Company Logo		M/s Baton & Co 104, Sarika, Pachpakhadi, Thane, Maharashtra- 400601 Tel: 9820000000 GSTIN: 27AAVA0000U1Z7											
Debit Note													
Document No:						Against invoice:							
Date of Issue:						Date of Invoice:							
State:			Code										
Bill to Party							Ship to Party						
Name:							Name:						
Address:							Address:						
GSTIN:							GSTIN:						
State			Code			State:				Code			
S. N o.	Product Descrip tion	HS N Co de	UO M	Qt y	Rat e	Amount	Discount	Taxa ble value	CGST		SGST		Total
									Ra te	Amo unt	Ra te	Amo unt	
				5	7500	37500	2000	35500	9	3195	9	3195	41890
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
						0		0		0		0	0
Total				5		37500	2000	35500		3195		3195	41890
Total Invoice amount in words								Total Amount before Tax				35500	
								Add: CGST				3195	
								Add: SGST				3195	
								Total Tax Amount				6390	
								Total Amount after Tax:				41890	
Bank Details										Certified that the particulars given above are true and correct M/s XYZ & Co Authorised signatory			
Bank A/C:													
Bank IFSC:													
Terms & conditions													
					Common Seal								



2. Maintaining GST Records and Filling GST Returns

Unit 2.1 – Registrations

Unit 2.2 – Valuations

Unit 2.3 – Rules

Unit 2.4 – FAQ's

Unit 2.5 – Forms & Practice



Unit 2.1 Registrations

Unit Objectives



At the end of the unit, you will be able to:

- List down the registration process for single or separate business
- Note down the details to be furnished during the registration
- Differentiate between taxable person versus registered person
- Understand the benefits of registration
- Register an assessed under GST independently.

Registration

- Every supplier shall be liable to be registered under this Act in the State or Union territory, other than special category States, from where he makes a taxable supply of goods or services or both, if his aggregate turnover in a financial year exceeds twenty lakh rupees:
- For Special Category States, turnover should exceed ten lakhs
- Aggregate turnover” means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and cess;
- All those persons who were registered as on immediately preceding the appointed day are liable to be registered under GST.
- Thus if a person is registered under earlier law and eligible for deregistration under that law should get himself deregistered before the appointed day (tentatively 1st July 2017).
- If he does not, then he has to get himself registered under GST and then apply for cancellation of registration as per law.
- As per section 23(1)(a) any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under CGST Act or IGST Act.
- Thus if he is engaged even partially in the business of supply of taxable goods and services and his total turnover is above turnover limit then he is required to take registration.
- 23(1)(b) :Any person who is an agriculturist, to the extent of supply of produce out of cultivation of land.
- 23(2): By Notification the Govt. would exempt
- Notification 5 dated 19th June 2017 has exempted those persons, whose supply includes only those goods or services which are subject to reverse charge.
- As per Section 2(108)
- taxable supply” means a supply of goods or services or both which is leviable to tax under this Act;
- Thus Taxable Supply would exclude exempt supply, nil rated and zero rated supply.
- As per Section 24, following categories will have to register irrespective of their turnover.
- (i) persons making any inter-State taxable supply;
- (ii) casual taxable persons making taxable supply;
- (iii) persons who are required to pay tax under reverse charge;

- (iv) person who are required to pay tax under sub section (5) of section 9
- (v) non-resident taxable persons making taxable supply;
- (vi) persons who are required to deduct tax under section 51, whether or not separately registered under this Act;
- (vii) persons who make taxable supply of goods or services or both on behalf of other taxable persons whether as an agent or otherwise;
- (viii) Input Service Distributor, whether or not separately registered under this Act;
- (ix) persons who supply goods or services or both, other than supplies specified under sub-section (5) of section 9, through such electronic commerce operator who is required to collect tax at source under section 52;
- (x) every electronic commerce operator;
- (xi) every person supplying online information and database access or retrieval services from a place outside India to a person in India, other than a registered person; and
- (xii) such other person or class of persons as may be notified by the Government on the recommendations of the Council.
- A person, though not liable to be registered under section 22 (Due to Turnover) or section 24 (Compulsory irrespective of turnover) may get himself registered voluntarily, and all provisions of this Act, as are applicable to a registered person, shall apply to such person.
- Thus once registered, he has to collect taxes as although he has not reached the basic turnover limit.
- One person who supplies goods or services from different states or different Union territories, is required to get registered in each of such state or from different union territories.
- a person having multiple business verticals in a State or Union territory may be granted a separate registration for each business vertical, subject to such conditions as may be prescribed. In this case one place will be main place and another place shall be additional place of business.
- Special Economic Zone unit or Special Economic Zone developer shall make a separate application for registration as a business vertical distinct from its other units located outside the Special Economic Zone.
- casual taxable person” means a person who occasionally undertakes transactions involving supply of goods or services or both in the course or furtherance of business, whether as principal, agent or in any other capacity, in a State or a Union territory where he has no fixed place of business; He is required to take temporary registration in the state of place of supply. However, registration procedure is different.
- Certificate of registration issued to a casual taxable person will be valid for a period of 90 days and the designated officer can further extend this period by 90 days, provided a reasonable cause is provided by the taxable person.
- A casual taxable person can make taxable supply only after obtaining the certificate of registration.
- The casual taxable person is required to make an advance deposit of tax in an amount equivalent to the estimated tax liability for the period for which registration is sought.
- The amount deposited by a casual taxable person will be credited into the electronic cash ledger of the person and will subsequently be adjusted against the tax liability.
- non-resident taxable person” means any person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India. He is required to take

temporary registration in the state of place of supply. However, registration procedure is different.

- Every person or business who falls under the definition covered above needs to apply for registration at least five days prior to the commencement of business.
- A non-resident taxable person needs to electronically submit a duly signed application, along with a self-attested copy of his valid passport, for registration, using the form GST REG-09, at least five days prior to the commencement of business on the Common Portal.
- A person applying for registration as a non-resident taxable person will be given a temporary reference number electronically by the Common Portal for making an advance deposit of tax in his electronic cash ledger and an acknowledgment will be issued thereafter.
- The non-resident must submit its tax identification number of its original country (whatever is the equivalent of our PAN in that country).
- In case of registrations other than casual taxable person or non-resident taxable person, once Liable for Registration, the person should apply within 30 days
- Registration is PAN based and hence PAN under income tax is compulsory.
- If all the information in the application is submitted properly along with necessary documents then, registration shall be granted from seven days from submitting the documents and the clarification, if any.
- If application is made within thirty days of becoming liable – from the date of application.
- If application is made beyond 30 days of becoming eligible, then from the date of grant of registration.
- Once registration is done, Goods and Services Tax Identification Number (GSTIN) will be allotted in the following format.
- (a) two characters for the State code;
- (b) ten characters for the PAN or the Tax Deduction and Collection Account Number;
- (c) two characters for the entity code; out of this the first code is no. of registration within same state and second is “z”, kept reserve for future use.
- (d) one checksum character.
- Every registered person shall display his certificate of registration in a prominent location at his principal place of business and at every additional place or places of business.
- Every registered person shall display his GSTIN on the name board exhibited at the entry of his principal place of business and at every additional place or places of business.

Registration Procedure

- We need to fill up the form of application complete in all respect.
- Following information is generally required to obtain the provisional id.

E Mail id

Mobile No.

Bank Account No.

IFSC Code

- In order to get final certificate following documents would needed to be uploaded along with application.
- 1. Photographs.

- 2. Proof of Constitution of Tax Payer
- 3. Proof of Principal Place of Business.
- 4. Bank Account Proof.
- 5. Authorisation Form.
- Note: There is no fees for registration under GST.
- Scanned copy of the photograph of the following persons to be uploaded
- (a) In Case of Proprietary concern: Proprietor
- (b) Partnership/ LLP: Partners: All, up to 10
- (c) HUF: Karta
- (d) Company – Managing Director or the Authorised Person
- (e) Trust – Managing Trustee
- (f) Association of Person or Body of Individual –Members of Managing Committee (personal details of all members is to be submitted but photos of only ten members including that of Chairman is to be submitted)
- (g) Local Authority – CEO or his equivalent
- (h) Statutory Body – CEO or his equivalent
- (i) Others – Person in Charge
- Following documents are needed for constitution.
- (a) In case of Proprietor: Nil
- (b) Partnership Firm/LLP: Partnership Deed
- (c) Company, Society, Trust, Club, Government Department, Association of Person or Body of Individual, Local Authority, Statutory Body and Others: Registration Certificate/Proof of Constitution
- Following Documents should be submitted as proof of place of business, depending on type of place used for business.
- (a) For Own premises: Any document in support of the ownership of the premises like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.
- (b) For Rented or Leased premises –
- A copy of the valid Rent / Lease Agreement with any document in support of the ownership of the premises of the Lessor like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.
- (c) For premises not covered in (a) & (b) above –
- A copy of the Consent Letter with any document in support of the ownership of the premises of the Consenter like Municipal Khata copy or Electricity Bill copy. For shared properties also, the same documents may be uploaded.
- For Bank Account Proof ,following documents are required.
- Scanned copy of the first page of Bank passbook / one page of Bank Statement
- Opening page of the Bank Passbook held in the name of the Proprietor / Business Concern containing the Account No., Name of the Account Holder, MICR and IFSC and Branch details.
- For each Authorised Signatory mentioned in the application form, Authorization or copy of Resolution of the Managing Committee or Board of Directors to be filed in the prescribed format.
- The Application for registration shall be filed online only.

- In case of Private Limited Company Public Limited Company Public Sector Undertaking Unlimited Company Limited Liability Partnership Foreign Company, Foreign Limited Liability Partnership, it has to be compulsorily signed digitally.
- In other cases, apart from digital signature, there will be option of e-signing.
- PAN, Adhaar, DIN, CIN informations shall be verified online
- If the businessman needs multiple registrations for different verticals, then he has to file separate registration form for each of his vertical.
- Every person who needs registration has to apply in form GST REG – 01.
- Although it includes all the normal information, it includes one important information, i.e classification of goods under HSN Code and Classification of services under SAC Codes.
- HSN : Harmonized System of Nomenclature
- SAC : Service Accounting Code
- We will learn about HSN Codes and SAC Codes separately but for the time being let us know that rates GST will depend upon the types of Goods or Services that you supply and the same will depend on correct classification.
- Wrong coding may result in loss to a businessman or to the Govt.
- It has to be compulsorily signed digitally by some specified persons and for others it can be with signatures.
- We will learn about digital signature separately.
- Now we will learn the registration application form in detail. The application form no. is GST REG – 01 and is required to be filled up online. This form and other al relevant forms related to registrations under different categories and for cancellations are reproduced in the Annexure to this chapter.

Registration –Answers provided by GST Authorities

No.	Question	Answer
1.	Does aggregate turnover include value of inward supplies received on which tax is payable under reverse charge basis (RCM)?	Refer Section 2(6) of CGST Act, Aggregate turnover does not include value of inward supplies on which tax is payable on reverse charge basis.
2.	What if the dealer migrated with wrong PAN as the status of firm was changed from proprietorship to partnership?	New registration would be required as partnership firm would have new PAN.
3.	A taxable person's business is in many states. All supplies are below 10 Lakhs. He makes an Inter State supply from one state. Is he liable for registration?	He is liable to register if the aggregate turnover (all India) is more than 20lacs (Rs.10 lacs in Special Category States) or if he engaged in inter-State supplies.
4.	Can we use provisional GSTIN or do we get new GSTIN? Can we start using provisional GSTIN till new one is issued?	Provisional GSTIN (PID) should be converted into final GSTIN within 90 days. Yes, provisional GSTIN can be used till final GSTIN is issued, PID & final GSTIN would be same.
5.	Whether trader of country liquor is required to migrate to GST from VAT as liquor is out of GST law?	If the person is engaged in 100% supply of goods which are not liable for GST, then no registration is required.

6.	Not liable to tax as mentioned u/s 23 of CGST means nil rated supply or abated value of supply?	Not liable to tax means supplies which is not leviable to tax under the CGST/SGST/IGST Act. Please refer to definition under section 2(78) of the CGST Act.
7.	Whether civil contractor doing projects in various states requires separate registration for all states or a single registration at state of head office will suffice?	A supplier of service will have to register at the location from where he is supplying services.
8.	Whether aggregate turnover includes turnover of supplies on which tax is payable by the recipient under reverse charge?	Outward supplies on which tax is paid on reverse charge basis by the recipient will be included in the aggregate turnover of the supplier.
9.	If there are two SEZ units within the same state, whether two registrations are required to be obtained?	SEZs under same PAN in a state require one registration. Please see proviso to rule 8(1) of CGST Rules.
10.	Is an advocate providing interstate supply chargeable under Reverse Charge liable for registration?	Exemption from registration has been provided to such suppliers who are making only those supplies on which recipient is liable to discharge GST under RCM.
11.	When is registration in other state required? Will giving service from Nasik to other state require registration in other state?	If services are being provided from Nasik the registration is required to be taken only in Maharashtra and IGST to be paid on inter-state supplies.
12.	I have migrated under GST but want to register as ISD. Whether I can apply now & what is the procedure?	A separate & new registration is required for ISD.
13.	I have enrolled in GST but I forgot to enter SAC codes. What should I do? The status is migrated.	The same can be filled while filling FORM REG-26 for converting provisional ID to final registration.
14.	I have ST number on individual name and have migrated to GST. I wish to transfer this on my proprietorship firm.	This conversion may be done while filling FORM REG-26 for converting provisional ID to final registration.
15.	Please tell if rental income upto 20 lacs attracts GST or attracts any other charge?	GST is leviable only if aggregate turnover is more than 20 lacs. (Rs 10 lacs in 11 special category states). For computing aggregate supplies turnover of all supplies made by you would be added.
16.	If someone trades only 0% GST items (grains,pulses) then is it necessary to register for GST, if the turnover exceeds Rs.20 lacs?	A person dealing with 100% exempted supply is not liable to register irrespective of turnover.

17.	Is it correct that person dealing exclusively in NIL rated or exempt goods/ services liable to register if turnover > 20/10 Lakh?	There is no liability of registration if the person is dealing with 100% exempt supplies.
18.	If I register voluntarily through turnover is less than 20Lakhs, am I required to pay tax from 1st supply I make post registration?	Yes, you would be treated as a normal taxable person.
19.	Whether a separate GSTIN would be allotted to a registered person for deducting TDS (he has PAN and TAN as well)?	Separate registration as tax deductor is required.
20.	Is separate registration required for trading and manufacturing by same entity in one state?	There will be only one registration per State for all activities.
21.	I am registered in TN and getting the service from unregistered dealer of AP, should I take registration in AP to discharge GST under RCM?	Any person who make inter-state taxable supply is required to make registration. Therefore in this case AP dealer shall take registration and pay tax.
22.	Is there any concept of area based exemption under GST?	There will be no area based exemptions in GST.
23.	If a company in Maharashtra holds only one event in Delhi, will they have to register Delhi? Will paying IGST from Maharashtra suffice?	Only if you provide any supply from Delhi you need to take registration in Delhi. Else, registration at Mumbai is sufficient (and pay IGST on supplies made from Mumbai to Delhi)
24.	How long can I wait to register in GST?	An unregistered person has 30days to complete its registration formalities from its date of liability to obtain registration.
25.	What If I am not liable to register under GST but I was registered under Service tax?	You can apply for cancellation of Provisional ID on or before 31st July 2017.
26.	Whether turnover of agents will be added to that of the principal for registration?	No
27.	If I am not an existing taxpayer and wish to newly register under GST, when can I do so?	You would be able to apply for new registration at the GST Portal gst.gov.in from 0800 hrs. on 25th June 2017.

Unit 2.2 Valuations

Unit Objectives



At the end of the unit, you will be able to:

- Maintain the different types of ledgers
- Prepare different types of periodic returns to be filed
- File returns online.

Value of Taxable Supply under GST – Sec 15

While calculating aggregate turnover for the purpose of registration value of all taxable supplies is required to be considered.

GST is levied on taxable supply of goods or services on the value of such goods or services. Therefore it becomes important to understand how value of taxable goods or services is determined.

Value of goods or services is not necessarily the value which appears on the invoice, this is so because GST is levied on supply of goods or services which may be supplied either for consideration or without consideration or for a consideration which is not as per market prices or sometimes in exchange of other commodity etc.

Provisions related to determining the value of taxable supply are given in sec 15 of CGST Act and procedural aspects are given in value of supply rules.

Generally the following points related to determination of value of goods or services are important.

- 1). When supplier and recipient are not related and the price is the sole consideration for supply then the price actually paid or payable is to be taken as value of the supply.
- 2). Any taxes, duties, cess, fees etc other than CGST Act, SGST Act, UGST Act, GST compensation to state's Act or IGST Act ? if charged separately by the supplier are to be included in the value of supply.
- 3). If recipient pays any amount in relation to any supply which is required to be paid by supplier shall be added to the value of goods or services if not already included.
- 4). Incidental expenses, commission and packing, any amount charge for anything done by the supplier in respect of goods or services at the time of or before delivery of goods or supply of services is to be included in the value of supply.
- 5). Interest or late fees or penalty or delayed payment of any consideration of any supply is to be included in the value of supply.
- 6). Subsidiary directly link to the price other than subsidiary provided by Central or State government. When such subsidiary are received by the supplier are to be included in value of supply.

What is not included in the value of supply.

- 1). If any discount is given before or at the time of supply if such discount is duly recorded in the invoice.
- 2). If any discount is given after the supply but it is established in terms of and agreement entered into at or before the time of supply and specifically linked to relevant invoices. However in such cases input tax credit attributable to the discount should be reversed by the recipient of supply.

As per the GST rules related to value of supply, following methods to determine the value are specified .

- 1) When consideration for supply of goods or services is not wholly money then the value of supply will be
 - a). open market value of such supply.
 - b). if open market value is not available, consideration paid plus monetary value of non monetary consideration provided by recipient to supplier.
 - c). If value is not determinable under a or b above then value shall be the value of supply of goods or services of similar goods and services
 - d). If value is not determinable by a, b or c the value will be done as per Rule 4 or 5

Example

- 1) If washing machine is provided for Rs. 25000/- when old machine is exchanged what is the value of supply?

If the new washing machine is available without exchange for Rs. 35000/- then the value of supply shall be Rs. 35000/-

- 2) If an office table is supplied for Rs. 6000/- to a customer who pays Rs. 5000/- and the customer supplies stationery worth Rs.1000/- and open value market of the office table is not known then the value of supply shall be Rs. 5000/- + Rs. 1000/- is equal to Rs. 6000/-

When supply of goods or services are between related persons or distinct persons (other than through agents) then value of supply shall be

- a) Open Market Value
- b) If open market value is not available then value of supply of goods or services of similar kind and quality.
- c) If value is not determinable under clause a or b then it shall be done as per Rule 4 or Rule 5 in that order.
- d) If supply is made for further supply by recipient (B to B) then the supplier has option to take the amount equal to 90% of the price that the recipient has charges for the similar goods to his customer (which are not related)

Example



If company sells goods to its director for Rs. 80000/- then the director sells similar goods for Rs. 100000/- to a third party. The market value of goods sold by company to director is Rs. 95000/-

In this case although the market value of goods of supplied by the company to the director is Rs. 95000/-, the company can take the value as Rs. 90000/- which is 90% of Rs. 100000/-

- 1). When the goods are supplied by the principal to the agent or the agent to the principal shall be
 - a) open market value of the goods
 - b) the supplier has the option to take the value at 90% of price that the recipient would charge for the goods of similar kind of quality to his customers (not being related person)
 - c) If value cannot be determined by clause a then the same shall be determined by Rule 4 or Rule 5 in that order.
- 2). When value of supply when goods or services is not determinable by any of The Rules 1, 2 or 3 then the value shall be 110% of the cost of production or manufacture or cost of acquisition of such goods or cost of provision of service.
- 3) Where value of goods or services cannot be determined by Rule 1 or 4 then it will be determined by using Reasonable means and which are in consistent with Section 15
- 4) This determines value in respect of services in relation to sale of foreign currency, money changing etc.
- 5) Value of supply in respect of booking tickets for travel by air provided by air travel agent shall be
 - a) in case of domestic booking 5% of basic fare
 - b) In case of international booking 10% of basic fare
- 6) In case of supply of services in relation to life insurance business
 - a) If the policy holder is intimated about the allocation for investment or saving out of the premium charge then value of service will be gross premium charge less amount allocated for investments or savings.
 - b) In case of single premium amity policies other than a above value of supply of services shall be 10% of single premium charge from policy holder.
 - c) In all other cases value of supply of service shall be
 - 25% of the premium charge in the 1st year
 - 12.5% of the premium in subsequent years.

However this is not applicable where the entire premium is only towards risk cover in life insurance.

- 7) In case taxable supply consists of buying and selling of second hand goods with minor processing shall be difference between selling price and purchase price. In this case following points are important:
 - i) The processing should not change nature of goods.
 - ii) No input tax credit is avail on purchase of such goods.

Purchase value of repossessed goods from a defaulting borrower who is not registered shall be taken at 5% reduction for every quarter from the date of purchase and the date of disposal by a person making such repossession.

- 8) Value of token or voucher or coupon etc. redeemable against supply of goods or services shall be the money value of the goods or services.
- 9) Expenditure for cost incurred by supplier as a pure agent of the recipient of supply shall be deducted from the value of supply if certain conditions are satisfied.
- 10) For the purpose of deciding value of supply the rate of exchange shall be as per RBI rate.
- 11) Where the value of supply is inclusive of IGST, CGST, SGST and UGST then value of supply for each of components shall be proportionately taken.

Returns under GST Acts

basic features of the returns mechanism in GST include electronic filing of returns, uploading of invoice level information and auto-population of information relating to Input Tax Credit (ITC) from returns of supplier to that of recipient, invoice-level information matching and auto-reversal of Input Tax Credit in case of mismatch. The returns mechanism is designed to assist the taxpayer to file returns and avail ITC.

Under GST, a regular taxpayer needs to furnish monthly returns and one annual return. There are separate returns for a taxpayer registered under the composition scheme, non-resident taxpayer, taxpayer registered as an Input Service Distributor, a person liable to deduct or collect the tax (TDS/ TCS) and a person granted Unique Identification Number. It is important to note that a taxpayer is NOT required to file all types of returns. In fact, taxpayers are required to file returns depending on the activities they undertake.

All the returns are to be filed online. Returns can be filed using any of the following methods:

1. GSTN portal (www.gst.gov.in)
2. Offline utilities provided by GSTN
3. GST Suvidha Providers (GSPs) - If you are already using the services of ERP providers such as Tally,

SAP, Oracle etc., there is a high likelihood that these ERP providers would provide inbuilt solutions in the existing ERP systems

4. List of various types of returns under GST Law is given below this chapter:

In normal case, a businessman has to file three returns

- GSTR1
- GSTR2
- GSTR3

Terms used:

T: Taxpayer

S: Supplier of Taxpayer. Various suppliers S1, S2, S3 etc.

C: Customer of Taxpayer . Various Customers C1, C2, C3, etc.

1. **GSTR-1 (Statement of Outward Supplies):**

- Taxpayer will fill up this form on the basis of outward supplies made to C1, C2, C3 ... etc. This return will calculate tax liability of the supplier based on the outward supply made by him in the earlier month for the supplies effected during the previous month.
- This return needs to be filed by the **10th** day of the next month.

Example: A statement of all the outward supplies made during the month of October, 2017 needs to be filed by 10th November, 2017.

2. **GSTR 2A –**

- This return is auto generated from GST Site.
- This return will show your input tax credit as shown by your suppliers S1, S2, S3 etc. in their form GST 1.
- If T does not agree with any of the details shown by any of S1, S2, S3 then he has to make corrections in 2A
- Corrections are to be made between **11th to 15**.

3. GSTR-2 (Statement of Inward Supplies):

- This return is filed on the basis of corrections made in 2A generated by the GST site.
- Few fields like imports, and purchases from unregistered suppliers are not auto generated and will have to be filled up by the taxpayer.
- Basis of this return will be form GST 1 filed by S1, S2, S3 and corrections made by us in the form GSTR 2A. It confirms accrual of ITC (Input Tax Credit) from the inputs received during the previous month from supplies made by S1, S2, S3 etc.
- It needs to be filed by the **15th day** of every month in relation to supplies received during the previous month.

Example: A statement of all the inward supplies received during the month of October 2017 needs to be filed by 15th November, 2017.

4. GSTR 1A

- If T makes any corrections in the form 2A in the records shown by any of S1, S2, S3, then such correction will be shown in the form generated in the window of respective supplier.

Example: Out of S1, S2, S3; S1 and S3 have shown correct output tax and it tallies with input tax of T but T has made some corrections in the output tax filed by S2 because it does not tally with input tax records of T, then GSTR 1A as seen by S2 from the site will see such corrections.

- S2 has to either accept or reject the adjustments made by T.
- If S2 accepts the corrections made by T, then his GST1 will get amended automatically.
- Same process will happen with respect to GSTR 1 filed by T. Here the corrections, if any, may be made by C1, C2, C3 etc. with respect to GSTR 1 filed by T. and after corrections in 2A will upload his form 2.

Example: If say C3 makes any correction then it will be seen in 1A generated in the screen of T. He then has to either correct it or reject it.

5. GSTR-3:

- This is a consolidated return. It needs to be filed by the 20th of every month. It consolidates the following details
 - a. Outward Supplies (Auto-Populated from GSTR-1)
 - b. Inward Supplies (Auto-Populated from GSTR-2)

- c. ITC availed
- d. Tax Payable
- e. Tax Paid (Using both Cash and ITC)

➤ Payment as per calculation should be made on or **before 20th of every month.**

6. GST ITC -1 :

- Final acceptance of tax of input tax credit of T and also mismatch of tax credit will be communicated to T in the form GST ITC 1.
- Final acceptance of tax credit of S will be intimated to S and input tax credit of C will be intimated to C.

The timeline given above has been relaxed for the first two months.

Return for the Month of.	Form No.	To be filed before
July 2017	GSTR 1	5th September 2017
July 2017	GSTR 2	10th September 2017
July 2017	GSTR 3	15th September 2017
August 2017	GSTR 1	20th September 2017
August 2017	GSTR 2	25th September 2017
August 2017	GSTR 3	30th September 2017

However, there is new form prescribed form **No. 3B.** for July and August 2017.

This is a simple form which consists of summary of outward and inward supplies. This form has to be filed as per schedule below.

For the month of	To be filed before
July 2017	20th August 2017
August 2017	20th September 2017

GSTR 9: Annual Return

- This return needs to be filed by 31st December of the next Financial Year.

Example: Return for the financial year 17-18 has to be filed before 31st December 2018.

- In this return, the taxpayer needs to furnish details of expenditure and details of income for the entire Financial Year.

Revision of Returns:

The mechanism of filing revised returns for any correction of errors/ omissions has been done away with. The rectification of errors/ omissions is allowed in the subsequent returns. However, no rectification is allowed after furnishing the return for the month of September following the end of the financial year to which, such details pertain, or furnishing of the relevant annual return, whichever is earlier.

Consequences of non- filing, late filing of return or incorrect filing:

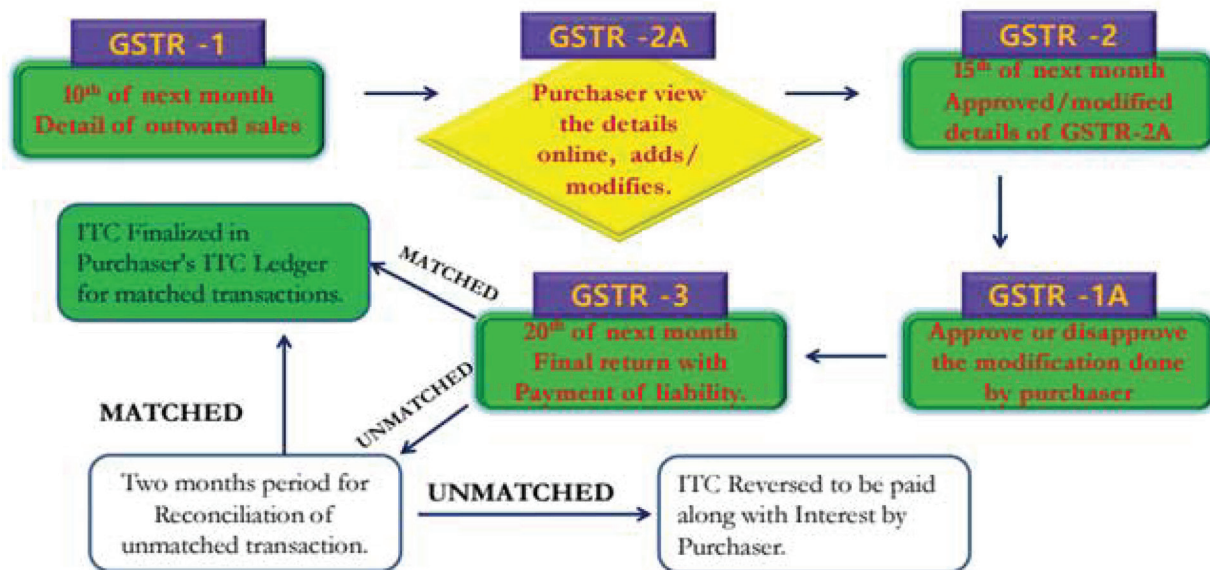
- Any registered person who fails to furnish form GSTR-1, GSTR-2, GSTR-3 or Final Return within the due dates, shall be liable to pay a late fee of Rs. 100 per day, subject to a maximum of Rs. 5,000. ITC Matching and Auto-Reversal:
- Failure to file valid return by the supplier may lead to denial of ITC in the hands of the recipient.
- duplication of ITC claimed by the recipient shall be added to the output tax liability of the recipient in the month in which, such duplication is communicated
- in case the supplier has not rectified the discrepancy communicated in his valid returns for the month in which, the discrepancy is communicated, then such excess ITC as claimed by the recipient shall be added to the output tax liability of the recipient in the succeeding month.
- The recipient shall be liable to pay interest on the excess or duplicate ITC added back to the output tax liability of the recipient from the date of availing of ITC till the corresponding additions are made in their returns.

Process which happens at the end of GSTN

1. It is a mechanism to prevent revenue leakage.
2. The process of ITC Matching begins after the due date for filing of the return (20th of every month).
3. This is carried out by GSTN.
4. the “recipient” of goods and/or services) in form GSTR-2 shall be matched with the corresponding details of outward supply furnished by the corresponding taxable person (i.e. the “supplier” of goods and/or services) in his valid return. A return may be considered to be a **valid return** only **when** the appropriate **GST has been paid in full** by the taxable person, as shown in such return for a given tax period.
5. In case the details match, then the ITC claimed by the recipient in his valid returns shall be considered as finally accepted and such acceptance shall be communicated to the recipient.
6. In case the ITC claimed by the recipient is in excess of the tax declared by the supplier or where the details of outward supply are not declared by the supplier in his valid returns, the **discrepancy** shall be communicated **to both the supplier and the recipient**.

7. in case, there is duplication of claim of ITC, the same shall be communicated to the recipient.
8. The recipient will be asked to rectify the discrepancy of excess claim of ITC.

The process is explained in diagrammatic form below.



Re-claim of ITC

It refers to taking back the ITC reversed in the Electronic Credit Ledger of the recipient by way of reducing the output tax liability. Such re-claim can be made by the recipient only in case the supplier declares the details of the Invoice and/or Debit Notes in his valid return within the prescribed timeframe. In such case, the interest paid by the recipient shall be refunded to him by way of crediting the amount to his Electronic Cash Ledger.

Following are questions answered by the Central Board of Direct Taxes on GST.

1. Does aggregate turnover include value of inward supplies received on which RCM is payable?
Ans. Refer Section 2(6) of CGST Act. Aggregate turnover does not include value of inward supplies on which tax is payable on reverse charge basis.
2. What if the dealer migrated with wrong PAN as the status of firm was changed from proprietorship to partnership?
Ans. New registration would be required as partnership firm would have new PAN.
3. A taxable person's business is in many states. All supplies are below 10 Lakhs. He makes an Inter State supply from one state. Is he liable for registration?
Ans. He is liable to register if the aggregate turnover (all India) is more than 20 lacs or if he is engaged in inter-State supplies.
4. Can we use provisional GSTIN or do we get new GSTIN? Can we start using provisional GSTIN till new one is issued?
Ans. Provisional GSTIN (PID) should be converted into final GSTIN within 90 days. Yes, provisional GSTIN can be used till final GSTIN is issued. PID and final GSTIN would be same.
5. Whether trader of country liquor is required to migrate to GST from VAT as liquor is out of GST law?
Ans. If the person is involved in 100% supply of goods which are not liable for GST, then no registration is required.
6. Not liable to tax as mentioned u/s 23 of CGST means nil rated supply or abated value of supply?
Ans. Not liable to tax means supplies which is not leviable to tax under the CGST/SGST/IGST Act. Please refer to definition under Section 2(78) of the CGST Act.
7. Whether civil contractor doing projects in various states requires separate registration for all states or a single registration at state of head office will suffice?
Ans. A supplier of service will have to register at the location from where he is supplying services.
8. Whether aggregate turnover includes turnover of supplies on which tax is payable by the recipient under reverse charge?
Ans. Outward supplies on which tax is paid on reverse charge basis by the recipient will be included in the aggregate turnover of the supplier.
9. If there are two SEZ units within same state, whether two registrations are required to be obtained?
Ans. SEZs under same PAN in a state require one registration. Please see proviso to rule 8(1) of CGST Rules.

10. Is an advocate providing interstate supply chargeable under Reverse Charge liable for registration?
 Ans. Exemption from registration has been provided to such suppliers who are making only those supplies on which recipient is liable to discharge GST under RCM.
11. When is registration in other state required? Will giving service from Nasik to other state require registration in other state?
 Ans. If services are being provided from Nasik then registration is required to be taken only in Maharashtra and IGST to be paid on inter-state supplies.
12. I have migrated under GST but want to register as ISD. Whether I can apply now & what is the procedure?
 Ans. A separate & new registration is required for ISD. New registrations are being opened from 0800 hrs. on 25.06.2017.
13. I have enrolled in GST but I forgot to enter SAC codes. What should I do? The status is migrated.
 Ans. The same can be filled while filing FORM REG-26 for converting provisional ID to final registration.
14. I have ST number on individual name and have migrated to GST. I wish to transfer this on my proprietorship firm.
 Ans. This conversion may be done while filling FORM REG-26 for converting provisional ID to final registration.
15. Please tell if rental income up to 20 lacs attracts GST or attracts any other charge?
 Ans. GST is leviable only if aggregate turnover is more than 20 lacs. (Rs. 10 lacs in 11 special category States). For computing aggregate supplies turnover of all supplies made by you would be added.
16. If someone trades only 0% GST items (grains, pulses) then is it necessary to register for GST, if the turnover exceeds ?20 lacs?
 Ans. A person dealing with 100% exempted supply is not liable to register irrespective of turnover.
17. Is it correct that person dealing exclusively in NIL rated or exempt goods/ services liable to register if turnover >20/10 Lakh?
 Ans. There is no liability of registration if the person is dealing with 100% exempt supplies.
18. If I register voluntarily though turnover is less than 20 Lakhs, am I required to pay tax from 1st supply I make post registration?
 Ans. Yes, you would be treated as a normal taxable person.
19. Whether a separate GSTIN would be allotted to a registered person for deducting TDS (he has PAN and TAN as well)?
 Ans. Separate registration as tax deductor is required.
20. Is separate registration required for trading and manufacturing by same entity in one state?
 Ans. There will be only one registration per State for all activities.
21. I am registered in TN and getting the service from unregistered dealer of AP, should I take registration in AP to discharge GST under RCM?
 Ans. Any person who makes interstate taxable supply is required to take registration. Therefore, in this case AP dealer shall take registration and pay tax.
22. Is there any concept of area based exemption under GST?
 Ans. There will be no area based exemptions in GST.
23. If a company in Maharashtra holds only one event in Delhi, will they have to register in Delhi? Will paying IGST from Maharashtra suffice?
 Ans. Only if you provide any supply from Delhi you need to take registration in Delhi. Else, registration at Mumbai is sufficient (and pay IGST on supplies made from Mumbai to Delhi)
24. How long can I wait to register in GST ?
 Ans. An unregistered person has 30 days to complete its registration formalities from its date of liability to obtain registration.

25. What If I am not liable to register under GST but I was registered under Service tax ?

Ans. You can apply for cancellation of Provisional ID on or before July 31, 2017.

26. When turnover of agents will be added to that of the principal for registration?

Ans. No.

27. If I am not an existing taxpayer and wish to newly register under GST, when can I do so?

Ans. You would be able to apply for new registration at the GST Portal gst.gov.in from 0800 hrs. on 25th June 2017

REFUND

28. I have a pending export refund in Service Tax. What will happen?

Ans. Refunds under earlier laws will be given under the respective laws only.

29. As an exporter, how do I ensure that my working capital is not blocked as refunds?

Ans. Appropriate provisions have been made in the law by providing for grant of 90 per cent refund on provisional basis within 7 days from filing of registration.

CESS

30. What will be the impact of GST on coal? Will the clean energy Cess on coal go or will it stay?

Ans. Clean Environmental Cess on coal will be replaced by GST Compensation Cess.

COMPOSITION SCHEME

31. Suppose I am in composition scheme in GST. If I purchase goods from unregistered person, then GST will be paid to Government by me or not?

Ans. Yes, you will be liable to pay tax on reverse charge basis for supplies from unregistered person.

CUSTOMS

32. What duties will be levied on import of goods? Customs duty and cess as applicable + IGST+ GST compensation cess.

Ans. IGST and GST compensation cess shall be paid after adding all customs duty and customs cess to the value of imports.

EXPORTS

33. Present procedures have Service Tax on Nepal, But no Goods Tax on Nepal. But, With GST, what tax will apply?

Ans. The export procedure for Nepal would be same as that to other countries.

34. Are there exemptions for SEZ? How will a SEZ transaction happen in GST regime?

Ans. Supplies to SEZs are zero-rated supplies as defined in Section 16 of IGST Act.

35. How would the sale and purchase of goods to and from SEZ will be treated? Will it be export / input?

Ans. Supply to SEZs is zero rated supplies and supplies by SEZs are treated as imports.

36. Please clarify status of international export freight under GST as the same was exempt under POPS rules.

Ans. It is zero rated in most countries. POS for transport of goods determinable in terms of sec 12(8) or sect 13(8) of IGST Act, 2017, depending upon location of service provider/service receiver. Exports are treated as zero rated supplies.

37. When goods are being imported from SEZ who will pay IGST?

Ans. Such supply is treated as import and present procedure of payment of duty continues with the variation that IGST is levied in place of CVD.

38. Who will pay IGST when goods are procured from SEZ?

Ans. Today importer is paying both BCD and CVD. Such supply is treated as import and present procedure of payment continues with the variation that IGST is levied in place of CVD.

INPUT TAX CREDIT

39. Is SGST of Rajasthan charged by supplier on purchase from Rajasthan can be utilize for payment of SGST in Madhya Pradesh?

Ans. SGST of one State cannot be utilised for discharging of output tax liability of another State.

40. How one can use SGST credit for the payment of IGST on another state? SGST Credit can be used for payment of IGST liability under the same GSTIN only.

41. Can one State CGST be used to pay another state CGST?

Ans. The CGST and SGST Credit for a State can be utilized for payment of their respective CGST/SGST liabilities within that State for the same GSTIN only.

42. In case of service supplied, should the credit be given to the state where it is billed or the state it is rendered?

Ans. Tax will be collected in the State from which the supply is made. The supplier will collect IGST and the recipient will take IGST credit.

43. Company is engaged in manufacturing of cement and power. Which rule to be referred for reversal of credit related to power business?

Ans. Detailed rules for reversal of ITC when the supplier is providing exempted and non-exempted supplies have been provided in ITC Rules.

44. How will the credit/debit note from unregistered supplier be reported to GSTN and ITC claimed in the same?

Ans. Like invoice, credit/debit notes on behalf of unregistered person will be given by registered person only. Further, GSTR2 provides for reporting of same by the recipient.

INVOICE

45. A shop sells taxable & exempt products to the same person (B2C), is it required to issue tax invoice and bill of supply separately?

Ans. In such a case the person can issue one tax invoice for the taxable invoice and also declare exempted supply in the same invoice.

46. Do registered dealers have to record Aadhaar/PAN while selling goods to unregistered dealers?

Ans. There is no requirement to take Aadhaar / PAN details of the customer under the GST Act.

47. All expenses like freight / transport / packing which are charged in Sales Invoice are taxable in GST? How to charge in bill?

Ans. All expenses will have to be included in the value and invoice needs to be issued accordingly. Please refer to Section 15 of CGST Act and Invoice Rules.

48. Can we move construction material to builders on delivery challan and issue tax invoice post completion of activity?

Ans. If the goods are meant to be supplied in the course of construction an invoice is necessary. If the goods are tools which are to be used for construction then delivery challan should be issued.

49. How to treat following transaction in GST (i) Delivered supply shortages in Transit. (ii) Customer gets less quantity and pays less.

Ans. The supplier may issue credit note to the customers and adjust his liability.

50. Should we issue Self Invoice for GST liability discharge on RCM or GST can be discharge through expenses booking voucher?

Ans. For RCM liabilities tax invoice has to be issued on self.

RETURNS

51. What would be done on tax paid on advance receipt if advance has to be refunded in any circumstance?

Ans. Advance refunded can be adjusted in return.

52. Do registered dealers have to upload sale details of unregistered dealers also in GST?

Ans. Generally not. But required in case of inter-State supplies having invoice value of more than Rs 2.50 lakh.

53. How to incorporate two supplies in return for pharma with same HSN code of four digits but having different tax rates?

Ans. Returns provide for furnishing rate wise details.

SUPPLY

54. Should we discharge GST liability for all reverse charge having small amounts of Transaction or any amount limit is there?

Ans. It has been decided that Rs 5,000 per day exemption will be given in respect of supplies received from unregistered person. For supplies above this amount, a monthly consolidated bill can be raised.

55. What is treatment of promotional item given free to end consumers by FMCG companies?

Ans. Tax will be charged only on the total consideration charged for such supply.

56. How to comply with 9(4) of CGST Act if POS is in another state of the unregistered supplier?

Ans. Any person making inter-state supply has to compulsorily obtain registration and therefore in such cases, section 9(4) will not come into play.

57. Under supply from unregistered dealer the purchaser have to pay GST on RCM basis.so whether stipend paid to intern will also come under RCM?

Ans. Stipend paid to interns will be employer-employee transactions. Hence, not liable for GST.

58. Salary by partnership firm to Partners as per Income Tax Act liable to GST?

Ans. Salary will not be liable for GST.

59. Sec 9(4) of CGST Act 2017. Do I need to pay under RCM if I purchase stationary worth Rs.100 from an unregistered stationery shop?

Ans. It has been decided that Rs 5,000 per day exemption will be given in respect of supplies received from unregistered person.

60. What is the treatment of promotional item given free to end consumers by FMCG companies? If taxable, whether ITC is allowed?

Ans. Tax is payable on consideration received for the supply.

61. Whether GST will be leviable in case of returnable packing material like drums supplied with finished goods?

Ans. GST will be levied on the value charged for the supply only.

62. How will disposal of scrap be treated in GST?

Ans. If the disposal is in the course or furtherance of business purposes, it will be considered as a supply.

63. I am from MP and providing service to a customer in Maharashtra. I outsource the work to a service provider in Maharashtra, what tax i need to charge?

Ans. Generally these will be two supplies where the supplier from MP will charge IGST from the recipient in Maharashtra. Whereas, the service provider in Maharashtra will charge IGST from the recipient in MP.

64. If address of buyer is Punjab and place of supply is same state of supplier (Rajasthan), then IGST will apply or CGST/SGST?

Ans. If the place of supply and the location of the supplier are in the same state then it will be intra-state supply and CGST / SGST will be applicable.

65. Why is bifurcation of cash deposit as CGST-SGST-IGST required? Is cash held against a GSTIN, to be adjusted via return u/s 39?

Ans. Three levies are under three different statutes and are required to be separately accounted for.

66. What is the difference in between 'Nil rated', 'taxable at 0 per cent' and exempted goods and services?

Ans. Especially in relation with ITC exempt supply includes Nil rated (taxable at zero per cent) and non-taxable supplies and no ITC is available for such supplies.

67. Will professional tax will be abolished in Maharashtra after introducing of GST?

Ans. Professional tax is not a tax on supply of goods or services but on being in a profession. Professional tax not subsumed in GST.

68. Employer provides bus service, meal coupon, telephone at residence, gives vehicle for official and personal use, uniform and shoes, any GST?

Ans. Where the value of such supplies is in the nature of gifts, no GST will apply till value of such gifts exceeds Rs 50,000 in a financial year.

69. The definition of composite supply and the description of same under Section 8 differ. Please explain consequences.

Ans. Section 2(30) defines what will be considered as a composite supply. Whereas, Section 8 provides that in case of a composite supply, the treatment for tax rate etc. will be that of principal supply.

70. Whether slump sale will attract GST. If yes then under which Section?

Ans. It will have the same treatment as normal supply.

71. Salary by Partnership firm to Partners as per Income Tax Act liable to GST?

Ans. Partners are not employees of the firm. Salary will not be leviable of GST.

TRANSITION

72. How do I avail transition credit?

Ans. Transition credit can be availed by filing the respective forms under transition rules upto September 30, 2017.

73. Please provide the clarity on area based exemption 50/2003 in UK and HP.

Ans. Area based exemptions will not be continued under GST. It will be operated through the route of reimbursement as prescribed.

74. We manufactured excisable goods. But unit availed the exception benefits 50/2003. What about my dealers stock?

Ans. The dealer will get deemed credit at the rate of 40 per cent / 60 per cent of the CGST paid on supply of such goods in GST. If the goods are branded and greater than Rs 25,000, full credit using CTD can be availed.

75. A trader buys from manufacturer not registered in excise as his turnover is below 1.5cr. Then in such case can trader take ITC on stock up to 40 per cent?

Ans. Yes, deemed credit will be available subject to satisfaction of other conditions as prescribed.

76. I am a trader. I have excise paid purchase invoice. Whether I can claim credit of full excise duty on closing stock of July 1, 2017?

Ans. Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.

77. If a trader purchases directly from manufacturer and has documents showing excise, will he get full excise credit or 40 per cent of CGST?

Ans. Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.

78. If an FSD purchases directly from manufacturer and has value cum excise duty and excise duty is not separately shown will he get full credit?

Ans. Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.

79. Is the full excise credit also available to traders who purchases directly from manufacturers and excise is separately shown in invoice?

Ans. Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.

80. In June 17 VAT return no amount carried forward and held stock of Rs 50 lakh. Then can we take credit of that stock or not?

Ans. The supplier would be eligible to carry forward the closing balance of ITC from VAT return for June 17.

81. What will be the impact of closing stock which has been already paid vat on 1st July?
 Ans. The supplier would be eligible to carry forward ITC on such stock from VAT return for June 17.
82. If in VAT return refund claimed in June 17 and no balance credit in GST. Then what's the position of submission of Form C Refund claimed under existing law will be handled as per the provisions of the existing law. Form C to be submitted in terms of provision of Rule 1(1) of Transition Rules.
83. Some service was provided on June 28, 2017 but invoice will be raised on July 5, 2017. Whether we have to charge Service Tax or GST?
 Ans. If Point of Tax arises after appointed date, then GST will be chargeable on such supply.
84. Would we be eligible for credit on Capital Goods in transit and received post GST?
 Ans. No provision for such credit is there in GST law.
85. What about VAT balance pending on transition date?
 Ans. Balance VAT credit in the return will be transferred to new provisional ID as SGST Credit.
86. What about deemed export against Form H?
 Ans. Form H will not be there in GST.
87. Who will bear tax difference on closing stocks as on June 30, 2017? Whether the manufacturer/dealer or government?
 Ans. Closing ITC in VAT return will be allowed to be carry forward in GST.
88. How will we get input credit on stock in hand for spare parts billed from other state, excise, CST and entry tax paid?
 Ans. For all inputs with duty paying documents available respective CGST/SGST credit will be available. But credit of CST will not be available.
89. A trader buys from manufacturer not registered in excise as his turnover is below 1.5 crore. Then in such case can traders take ITC on stock up to 40 per cent?
 Ans. Deemed credit will be available on stock in hand provided the conditions of section 140(3) read with Rule 1(4) of Transition Rules are satisfied.
90. Whether we will be eligible for credit of duty paid on Capital Goods in transit and received post GST?
 Ans. No such provision in GST.
91. Can ITC of Swachh Bharat Cess or Krishi Kalyan Cess be carried forward under GST?
 Ans. No.
92. Will Clean Energy CESS on imported Coal at the rate of Rs 400 PMT continue to be applicable in GST?
 Ans. No. Clean Energy Cess is being repealed. Coal, however, will be subject to compensation cess at the rate of Rs 400 per tonne.
93. Whether closing balance of education cess and secondary higher education cess prior to March 1, 2015 can be carried forward in GST?
 Ans. No, it will not be carried forward in GST as it is not covered by definition of "eligible duties and taxes" under Section 140 of the CGST Act.
94. Can you clarify for 40 per cent benefit on closing stock does one year limit apply or not?
 Ans. Deemed credit will be available for all stock procured within a 1 year period.

95. Till what time is transition credit available? Where do I need to declare my input stock?

Ans. The window to declare transition credit forms is three months from the appointed day. Please refer to transition rules for more details.

UTGST

96. Will there be GST in Andaman and Nicobar Islands as previously there was no VAT?

Ans. Yes. For supplies within Andaman and Nicobar Islands, CGST plus UTGST would be leviable.

OTHERS

97. Whether IGST would be levied twice on high seas sales? First on high seas sales and second on custom clearance. IGST paid on 1 available as ITC?

Ans. IGST shall be levied only once on imports.

98. Will Krishi Mandi Fee (imposed in U.P.) be waived off in GST?

Ans. GST does not concern such fee so GST does not affect it.

99. Is E-Way Bill applicable from July 1, 2017?

Ans. The present system for E-way Bill in states will continue till the E-Way Bill procedures are finalised.

100. Is there a sunset clause for Anti-Profiteering law?

Ans. Yes, the sunset clause for Anti-profiteering Authority is of two years.

Unit 2.3 Rules

Unit Objectives



At the end of the unit, you will be able to:

- Identify Instances for eligibility of Input Credit
- Identify set-offs under GST wherever applicable
- Identify in detail carry over credit, capital goods credit, embedded credits etc.
- Differentiate between consideration and valuation

Input Tax Credit Rules

Documentary requirements and conditions for claiming input tax credit

1. The input tax credit shall be availed by a registered person, including the Input Service Distributor, on the basis of any of the following documents, namely:-
 - a. an invoice issued by the supplier of goods or services or both in accordance with the provisions of section 31;
 - b. a debit note issued by a supplier in accordance with the provisions of section 34;
 - c. a bill of entry;
 - d. an invoice issued in accordance with the provisions of clause (f) of sub-section (3) of section 31;
 - e. a document issued by an Input Service Distributor in accordance with the provisions of sub-rule (1) of rule invoice.7;
 - f. a document issued by an Input Service Distributor, as prescribed in clause (g) of sub-rule (1) of rule 4.
2. Input tax credit shall be availed by a registered person only if all the applicable particulars as prescribed in Chapter ---- (Invoice Rules) are contained in the said document, and the relevant information, as contained in the said document, is furnished in **FORM GSTR-2** by such person.
3. No input tax credit shall be availed by a registered person in respect of any tax that has been paid in pursuance of any order where any demand has been raised on account of any fraud, willful misstatement or suppression of facts.

Reversal of input tax credit in case of non-payment of consideration

- (1) A registered person, who has availed of input tax credit on any inward supply of goods or services or both, but fails to pay to the supplier thereof the value of such supply along with the tax payable thereon within the time limit specified in the second proviso to sub-section (2) of section 16, shall furnish the details of such supply and the amount of input tax credit availed of in **FORM GSTR-2** for the month immediately following the period of one hundred and eighty days from the date of issue of invoice.
- (2) The amount of input tax credit referred to in sub-rule (1) shall be added to the output tax liability of the registered person for the month in which the details are furnished.

- (3) The registered person shall be liable to pay interest at the rate notified under sub-section (1) of section 50 for the period starting from the date of availing credit on such supplies till the date when the amount added to the output tax liability, as mentioned in sub-rule (2), is paid.

3. Claim of credit by a banking company or a financial institution

A banking company or a financial institution, including a non-banking financial company, engaged in supply of services by way of accepting deposits or extending loans or advances that chooses not to comply with the provisions of sub-section (2) of section 17, in accordance with the option permitted under sub-section (4) of that section, shall follow the procedure specified below -

- (a) the said company or institution shall not avail the credit of tax paid on inputs and input services that are used for non-business purposes and the credit attributable to supplies specified in sub-section (5) of section 17, in **FORM GSTR-2**;
- (b) the said company or institution shall avail the credit of tax paid on inputs and input services referred to in the second proviso to sub-section (4) of section 16 and not covered under clause (a);
- (c) fifty per cent. of the remaining input tax shall be the input tax credit admissible to the company or the institution and shall be furnished in **FORM GSTR-2**;
- (d) the amount referred to in clauses (b) and (c) shall, subject to the provisions of sections 41, 42 and 43, be credited to the electronic credit ledger of the said company or the institution.

4. Procedure for distribution of input tax credit by Input Service Distributor

9. An Input Service Distributor shall distribute input tax credit in the manner and subject to the conditions specified below-

the input tax credit available for distribution in a month shall be distributed in the same month and the details thereof shall be furnished in **FORM GSTR-6** in accordance with the provisions of Chapter ---- (Return Rules);

the Input Service Distributor shall, in accordance with the provisions of clause (d), separately distribute the amount in-eligible as input tax credit under the provisions of sub-section (5) of section 17 and the amount eligible as input tax credit;

the input tax credit on account of central tax, State tax, Union territory tax and integrated tax shall be distributed separately in accordance with the provisions of clause (d);

the input tax credit that is required to be distributed in accordance with the provisions of clause (d) and (e) of sub-section (2) of section 20 to one of the recipients 'R1', whether registered or not, from amongst the total of all the recipients to whom input tax credit is attributable, including the recipient(s) who are engaged in making exempt supply, or are otherwise not registered for any reason, shall be the amount, "C1", to be calculated by applying the following formula:-

$$C1 = (t1 \div T) \times C$$

where,

“C” is the amount of credit to be distributed,

“t1” is the turnover, as referred to in section 20, of person R1 during the relevant period, and

“T” is the aggregate of the turnover of all recipients during the relevant period;

- (e) the input tax credit on account of integrated tax shall be distributed as input tax credit of integrated tax to every recipient;
- (f) the input tax credit on account of central tax and State tax shall,
 - (i) in respect of a recipient located in the same State in which the Input Service Distributor is located, be distributed as input tax credit of central tax and State tax respectively;
 - (ii) in respect of a recipient located in a State other than that of the Input Service Distributor, be distributed as integrated tax and the amount to be so distributed shall be equal to the aggregate of the amount of input tax credit of central tax and State tax that qualifies for distribution to such recipient in accordance with clause (d);
- (g) The Input Service Distributor shall issue an ISD invoice, as prescribed in sub-rule (1) of rule invoice-7, clearly indicating in such invoice that it is issued only for distribution of input tax credit.
- (h) The Input Service Distributor shall issue an ISD credit note, as prescribed in sub-rule (1) of rule Invoice-7, for reduction of credit in case the input tax credit already distributed gets reduced for any reason.
 - (i) Any additional amount of input tax credit on account of issuance of a debit note to an Input Service Distributor by the supplier shall be distributed in the manner and subject to the conditions specified in clauses (a) to (g) and the amount attributable to any recipient shall be calculated in the manner provided in clause (d) above and such credit shall be distributed in the month in which the debit note has been included in the return in **FORM GSTR-6**.
 - (j) Any input tax credit required to be reduced on account of issuance of a credit note to the Input Service Distributor by the supplier shall be apportioned to each recipient in the same ratio in which input tax credit contained in the original invoice was distributed in terms of clause (d) above, and the amount so apportioned shall be,-
 - (i) reduced from the amount to be distributed in the month in which the credit note is included in the return in **FORM GSTR-6**; and
 - (ii) added to the output tax liability of the recipient and where the amount so apportioned is in the negative by virtue of the amount of credit to be distributed is less than the amount to be adjusted.

- (2) If the amount of input tax credit distributed by an Input Service Distributor is reduced later on for any other reason for any of the recipients, including that it was distributed to a wrong recipient by the Input Service Distributor, the process prescribed in clause (j) of sub-rule (1) shall, mutatis mutandis apply for reduction of credit.
- (3) Subject to sub-rule (2), the Input Service Distributor shall, on the basis of the ISD credit note specified in clause (h) of sub-rule (1), issue an ISD Invoice to the recipient entitled to such credit and include the ISD credit note and the ISD Invoice in the return in **FORM GSTR-6** for the month in which such credit note and invoice was issued.

5. Manner of claiming credit in special circumstances

- (1) Input tax credit claimed in accordance with the provisions of sub-section (1) of section 18 on the inputs lying in stock or inputs contained in semi-finished or finished goods lying in stock, or the credit claimed on capital goods in accordance with the provisions of clauses (c) and (d) of the said sub-section, shall be subject to the following conditions -
 - (a) The input tax credit on capital goods, in terms of clauses (c) and (d) of sub-section (1) of section 18, shall be claimed after reducing the tax paid on such capital goods by five percentage points per quarter of a year or part thereof from the date of invoice or such other documents on which the capital goods were received by the taxable person.
 - (b) The registered person shall within thirty days from the date of his becoming eligible to avail of input tax credit under sub-section (1) of section 18 shall make a declaration, electronically, on the Common Portal in **FORM GST ITC-01** to the effect that he is eligible to avail of input tax credit as aforesaid;
 - (c) The declaration under clause (b) shall clearly specify the details relating to the inputs lying in stock or inputs contained in semi-finished or finished goods lying in stock, or as the case may be, capital goods—
 - (i) on the day immediately preceding the date from which he becomes liable to pay tax under the provisions of this Act, in the case of a claim under clause (a) of sub-section (1) of Section 18,
 - (ii) on the day immediately preceding the date of grant of registration, in the case of a claim under clause (b) of sub-section (1) of Section 18,
 - (iii) on the day immediately preceding the date from which he becomes liable to pay tax under section 9, in the case of a claim under clause (c) of sub-section (1) of Section 18,
 - (iv) on the day immediately preceding the date from which supplies made by the registered person becomes taxable, in the case of a claim under clause (d) of sub-section (1) of Section 18.

- (d) The details furnished in the declaration under clause (c) shall be duly certified by a practicing chartered account or cost accountant if the aggregate value of claim on account of central tax, State tax and integrated tax exceeds two lakh rupees.
- (e) The input tax credit claimed in accordance with clauses (c) and (d) of sub-section (1) of section 18 shall be verified with the corresponding details furnished by the corresponding supplier in **FORM GSTR-1** or as the case may be, in **FORM GSTR- 4**, on the Common Portal.

6. Transfer of credit on sale, merger, amalgamation, lease or transfer of a business

- (1) A registered person shall, on sale, merger, de-merger, amalgamation, lease or transfer or change in ownership of business for any reason, furnish the details of sale, merger, de-merger, amalgamation, lease or transfer of business, in **FORM GST ITC-02** electronically on the Common Portal along with a request to transfer the unutilized input tax credit lying in his electronic credit ledger to the transferee:

Provided that in the case of demerger, the input tax credit shall be apportioned in the ratio of the value of assets of the new units as specified in the demerger scheme.

- (2) The transferor shall also submit a copy of a certificate issued by a practicing chartered account or cost accountant certifying that the sale, merger, de-merger, amalgamation, lease or transfer of business has been done with a specific provision for transfer of liabilities.
- (3) The transferee shall, on the Common Portal, accept the details so furnished by the transferor and, upon such acceptance, the un-utilized credit specified in **FORM GST ITC-02** shall be credited to his electronic credit ledger.
- (4) The inputs and capital goods so transferred shall be duly accounted for by the transferee in his books of account.

7. Manner of determination of input tax credit in certain cases and reversal thereof

- (1) The input tax credit in respect of inputs or input services, which attract the provisions of sub-sections (1) or (2) of section 17, being partly used for the purposes of business and partly for other purposes, or partly used for effecting taxable supplies including zero rated supplies and partly for effecting exempted supplies, shall be attributed to the purposes of business or for effecting taxable supplies in the following manner, namely,-
 - (a) total input tax involved on inputs and input services in a tax period, be denoted as 'T';
 - (b) the amount of input tax, out of 'T', attributable to inputs and input services intended to be used exclusively for purposes other than business, be denoted as 'T1';
 - (c) the amount of input tax, out of 'T', attributable to inputs and input services intended to be used exclusively for effecting exempt supplies, be denoted as 'T2';

- (d) the amount of input tax, out of 'T', in respect of inputs on which credit is not available under sub-section (5) of section 17, be denoted as 'T3';
- (e) the amount of input tax credit credited to the electronic credit ledger of registered person, be denoted as 'C1' and calculated as:

$$C1 = T - (T1 + T2 + T3);$$

- (f) the amount of input tax credit attributable to inputs and input services used exclusively in or in relation to taxable supplies including zero rated supplies, be denoted as 'T4';
- (g) 'T1', 'T2', 'T3' and 'T4' shall be determined and declared by the registered person at the invoice level in **FORM GSTR-2**;
- (h) Input tax credit left after attribution of input tax credit under clause (g) shall be called common credit, be denoted as 'C2' and calculated as:

$$C2 = C1 - T4;$$

- (i) The amount of input tax credit attributable towards exempt supplies, be denoted as 'D1' and calculated as:

$$D1 = (E \div F) \times C2$$

where,

'E' is the aggregate value of exempt supplies, that is, all supplies other than taxable and zero rated supplies, during the tax period, and

'F' is the total turnover of the registered person during the tax period:

Provided that where the registered person does not have any turnover during the said tax period or the aforesaid information is not available, the value of 'E/F' shall be calculated by taking values of 'E' and 'F' of the last tax period for which details of such turnover are available, previous to the month during which the said value of 'E/F' is to be calculated;

Explanation: For the purposes of this clause, the aggregate value of exempt supplies and total turnover shall exclude the amount of any duty or tax levied under entry 84 of List I of the Seventh Schedule to the Constitution and entry 51 and 54 of List II of the said Schedule.

- (j) the amount of credit attributable to non-business purposes if common inputs and input services are used partly for business and partly for non-business purposes, be denoted as 'D2', and shall be equal to five per cent. of C2; and
- (k) the remainder of the common credit shall be the eligible input tax credit attributed to the purposes of business and for effecting taxable supplies including zero rated supplies and shall be denoted as 'C3', where,-

$$C3 = C2 - (D1+D2);$$

- (l) The amount 'C3' shall be computed separately for input tax credit of central tax, State tax, Union territory tax and integrated tax;
- (m) The amount equal to 'D1' and 'D2' shall be added to the output tax liability of the registered person:

Provided that if the amount of input tax relating to inputs or input services which have been used partly for purposes other than business and partly for effecting exempt supplies has been identified and segregated at invoice level by the registered person, the same shall be included in 'T1' and 'T2' respectively, and the remaining amount of credit on such input or input services shall be included in 'T4'.

- (2) The input tax credit determined under sub-rule (1) shall be calculated finally for the financial year before the due date for filing the return for the month of September following the end of the financial year to which such credit relates, in the manner prescribed in the said sub-rule and,
 - (a) where the aggregate of the amounts calculated finally in respect of 'D1' and 'D2' exceeds the aggregate of the amounts determined under sub-rule (1) in respect of 'D1' and 'D2', such excess shall be added to the output tax liability of the registered person for a month not later than the month of September following the end of the financial year to which such credit relates and the said person shall be liable to pay interest on the said excess amount at the rate specified in sub-section (1) of section 50 for the period starting from first day of April of the succeeding financial year till the date of payment; or
 - (b) where the aggregate of the amounts determined under sub-rule (1) in respect of 'D1' and 'D2' exceeds the aggregate of the amounts calculated finally in respect of 'D1' and 'D2', such excess amount shall be claimed as credit by the registered person in his return for a month not later than the month of September following the end of the financial year to which such credit relates.

8. Manner of determination of input tax credit in respect of capital goods and reversal thereof in certain cases

- (1) Subject to the provisions of sub-section (3) of section 16, the input tax credit in respect of capital goods, which attract the provisions of sub-sections (1) and (2) of section 17, being partly used for the purposes of business and partly for other purposes, or partly used for effecting taxable supplies including zero rated supplies and partly for effecting exempt supplies, shall be attributed to the purposes of business or for effecting taxable supplies in the following manner, namely,-
 - (a) the amount of input tax in respect of capital goods used or intended to be used exclusively for non-business purposes or used or intended to be used exclusively for effecting exempt supplies shall be indicated in **FORM GSTR-2** and shall not be credited to his electronic credit ledger;

- (b) the amount of input tax in respect of capital goods used or intended to be used exclusively for effecting taxable supplies including zero-rated supplies shall be indicated in **FORM GSTR-2** and shall be credited to the electronic credit ledger;
- (c) the amount of input tax in respect of capital goods not covered under clauses (a) and (b), denoted as 'A', shall be credited to the electronic credit ledger and the useful life of such goods shall be taken as five years:

Provided that where any capital goods earlier covered under clause (a) is subsequently covered under this clause, the value of 'A' shall be arrived at by reducing the input tax at the rate of five percentage points for every quarter or part thereof and the amount 'A' shall be credited to the electronic credit ledger;

- (d) the aggregate of the amounts of 'A' credited to the electronic credit ledger under clause (c), to be denoted as 'Tc', shall be the common credit in respect of capital goods for a tax period:

Provided that where any capital goods earlier covered under clause (b) is subsequently covered under this clause, the value of 'A' arrived at by reducing the input tax at the rate of five percentage points for every quarter or part thereof shall be added to the aggregate value 'Tc';

- (e) the amount of input tax credit attributable to a tax period on common capital goods during their residual life, be denoted as 'Tm' and calculated as:-

$$T_m = T_c \div 60$$

- (f) the amount of input tax credit, at the beginning of a tax period, on all common capital goods whose residual life remains during the tax period, be denoted as 'Tr' and shall be the aggregate of 'Tm' for all such capital goods.
- (g) the amount of common credit attributable towards exempted supplies, be denoted as 'Te', and calculated as:

$$T_e = (E \div F) \times T_r$$

where,

'E' is the aggregate value of exempt supplies, that is, all supplies other than taxable and zero rated supplies, during the tax period, and

'F' is the total turnover of the registered person during the tax period:

Provided that where the registered person does not have any turnover during the said tax period or the aforesaid information is not available, the value of 'E/F' calculated by taking values of 'E' and 'F' of the last tax period for which details of such turnover are available, previous to the month during which the said value of 'E/F' is to be calculated;

Explanation: For the purposes of this clause, the aggregate value of exempt supplies and total turnover shall exclude the amount of any duty or tax levied under entry 84 of List I of the Seventh Schedule to the Constitution and entry 51 and 54 of List II of the said Schedule;

- (h) the amount T_e along with applicable interest shall, during every tax period of the residual life of the concerned capital goods, be added to the output tax liability of the person making such claim of credit.
- (2) The amount T_e shall be computed separately for central tax, State tax, Union territory tax and integrated tax.

9. Manner of reversal of credit under special circumstances

- (1) The amount of input tax credit, relating to inputs lying in stock, inputs contained in semi-finished and finished goods lying in stock, and capital goods lying in stock, for the purposes of sub-section (4) of section 18 or sub-section (5) of 29, shall be determined in the following manner namely,-
 - (a) For inputs lying in stock, and inputs contained in semi-finished and finished goods lying in stock, the input tax credit shall be calculated proportionately on the basis of corresponding invoices on which credit had been availed by the registered taxable person on such input.
 - (b) For capital goods lying in stock the input tax credit involved in the remaining residual life in months shall be computed on pro-rata basis, taking the residual life as five years;

Illustration

Capital goods have been in use for 4 years, 6 month and 15 days.

The residual remaining life in months= 5 months ignoring a part of the month Input tax credit taken on such capital goods= C

Input tax credit attributable to remaining residual life= C multiplied by $5/60$

- (2) The amount, as prescribed in sub-rule (1) shall be determined separately for input tax credit of IGST and CGST.
- (3) Where the tax invoices related to the inputs lying in stock are not available, the registered person shall estimate the amount under sub-rule (1) based on the prevailing market price of goods on the effective date of occurrence of any of the events specified in sub-section (4) of section 18 or, as the case may be, sub-section (5) of section 29.
- (4) The amount determined under sub-rule (1) shall form part of the output tax liability of the registered person and the details of the amount shall be furnished in **FORM GST ITC-03**, where such amount relates to any event specified in sub-section (4) of section 18 and in **FORM GSTR-10**, where such amount relates to cancellation of registration.

10: Conditions and restriction in respect of inputs and capital goods sent to the job worker

- (1) The inputs or capital goods shall be sent to the job worker under the cover of a challan issued

by the principal, including where the inputs or capital goods are sent directly to job-worker.

- (2) The challan issued by the principal to the job worker shall contain the details specified in rule Invoice.8:
- (3) The details of challans in respect of goods dispatched to a job worker or received from a job worker during a tax period shall be included in **FORM GSTR-1** furnished for that period.
- (4) If the inputs or capital goods are not returned to the principal within the time stipulated in section 143, the challan issued under sub-rule (1) shall be deemed to be an invoice for the purposes of this Act.

Explanation.- For the purposes of this Chapter,-

- (1) “capital goods” shall include “plant and machinery” as defined in the Explanation to section 17;
- (2) for determining the value of an exempt supply as referred to in sub-section (3) of section 17:-
 - (a) the value of land and building shall be taken as the same as adopted for the purpose of paying stamp duty; and
 - (b) the value of security shall be taken as one per cent. of the sale value of such security.

Unit 2.4 Frequently Asked Questions (FAQs)

GST Migration

Q1. I am an existing PAN-based Service Tax (ST) and Central Excise (CE) assessee, and wish to enroll in GST. I have business premises and factories in the State of Telangana. Through the ACES portal, I received the Provisional ID and password for the State of Andhra Pradesh, whereas my Principle Place of Business is in Telangana.

A: Assessee's situated in the State of "Telangana", but incorrectly issued Provisional IDs and passwords for "Andhra Pradesh", have now been issued new Provisional IDs and passwords for "Telangana". The previous Provisional IDs and passwords issued for "Andhra Pradesh" have been cancelled, and can no longer be used for migrating to GST. You are requested to get new Provisional IDs and passwords through the ACES portal at www.aces.gov.in and complete the GST migration process. In case of any difficulties, please contact the CBEC Mitra Helpdesk at cbecmitra.helpdesk@icegate.gov.in or call at the toll-free number 1800-1200-232.

Q2. I am an existing PAN-based Service Tax (Centralized registration) assessee, and wish to enroll in GST. I have multiple registered business premises in different States (i.e., 5 different States on the same PAN) from where services are provided. I have not received the Provisional IDs and passwords for all the different States (i.e., I have received the Provisional IDs and passwords for two States only).

A: On ACES portal, the Centralized Registration (CR) captures the address details (including State) of the assessee's registered business premises in a State, as well as, branches or many registered addresses in different States across the country from where services are provided.

As a policy, these assessee's are issued only one Provisional ID and password for each State (across the CR premises and all branches).

Example: An assessee having CR number ABCDE1234FSD002 is having business premises in Delhi, and branches in Haryana, Karnataka, Maharashtra and Tamil Nadu. In this case, the assessee is issued five Provisional IDs and passwords, one for each State.

The CR assessee may also have a factory (under Central Excise or CE registration) or a Service Tax (ST) single premises registration (independent of CR) in the State of Tamil Nadu (registration number ABCDE1234FXM001 or ABCDE1234FSD001). Then a Provisional ID and password for the State of Tamil Nadu will be issued against either the CE or ST registration number mentioned earlier. In this case, the CR assessee will get four Provisional IDs and passwords for the remaining States i.e. Delhi, Haryana, Maharashtra and Karnataka.

Q3. I am an existing taxpayer and wish to enroll in GST. To complete the Provisional Registration process on the GST Common Portal, I need to enter the one-time-password (OTP) in the OTP Verification window. However, I received the OTP on my mobile number, and not on my registered email ID.

A: For further assistance, please contact the GST helpdesk at helpdesk@gst.gov.in or call at 0124-

4688999. To find the answer to your question, you can also refer to the Frequently Asked Questions or FAQs on the GST Common Portal.

Q4. I am an existing taxpayer and wish to enroll in GST. For migrating to GST, I created a new username and password on the GST Common Portal. However, I have forgotten the username (or password) created. When I tried to create a new username (or password), I received the message: "Provisional ID entered is already mapped to a user. Kindly login with a valid username".

A: For further assistance, please contact the GST helpdesk at helpdesk@gst.gov.in or call at 0124-4688999. To find the answer to your question, you can also refer to the Frequently Asked Questions or FAQs on the GST Common Portal.

Q5. I am an existing taxpayer and wish to enroll in GST. I have received the Provisional ID and password. On the Login page of the GST Common Portal, I entered the Provisional ID and password. After clicking the LOGIN button, I received the message: "User name or password is not valid. Please ensure that enrollment for your State has started".

A: For further assistance, please contact the GST helpdesk at helpdesk@gst.gov.in or call at 0124-4688999. To find the answer to your question, you can also refer to the Frequently Asked Questions or FAQs on the GST Common Portal.

Q6. I am an existing taxpayer and wish to enroll in GST. I received the Provisional ID and password for migrating to GST. On the GST Common Portal, on the Login page, I entered the Provisional ID and password in the respective fields. After clicking the LOGIN button, I got the message: "Not activated".

A: For further assistance, please contact the GST helpdesk at helpdesk@gst.gov.in or call at 0124-4688999. To find the answer to your question, you can also refer to the Frequently Asked Questions or FAQs on the GST Common Portal.

Q7. I am an existing PAN-based Service Tax (ST), Central Excise (CE) and State VAT assessee. I received the Provisional ID and password from the State VAT. While migrating to GST through VAT on the GST Common Portal, I did not add my ST and CE details in the Enrolment Application.

A: The facility to add existing registrations in the Enrolment Application is available on the GST Common Portal. You can add the remaining registrations at the time of enrolment under GST. However, if you have submitted the Enrolment Application with DSC or E-sign without adding the remaining registrations, and have already received the Application Reference Number (ARN), you will not be able to add the remaining registrations now. You will be able to add or remove the other registrations in the Enrolment Application only after the appointed date (i.e., date of implementation of GST) through the process of amendment (non-core).

Q8. I am an existing PAN-based Service Tax (ST), Central Excise (CE) and State VAT assessee. I did not receive the Provisional ID and password for migrating to GST.

A: You may have multiple registrations under the State VAT department. For further investigation, please contact CBEC Mitra Helpdesk at cbecmitra.helpdesk@gst.gov.in or call at the toll-free number 1800-1200-232. When requesting help, please provide your registration details to CBEC Mitra Helpdesk. CBEC Mitra Helpdesk will notify you as soon as the issue is resolved.

Q9. I am an existing PAN-based Service Tax (ST), Central Excise (CE) and State VAT assessee. For migrating to GST, I received the Provisional ID and password from the State VAT department. Do I also need to add my ST and CE registration details in the Enrolment Application also?

A: Yes, you must add your Service Tax (ST) and Central Excise (CE) registration details in GST FORM-20 on the GST Common Portal.

Note: Since GST registration is based on PAN and State, only one Provisional ID and password will be issued to a given PAN for a given State, irrespective of the number of registrations on that PAN within the State. In case the assessee wishes to enroll in GST for the other registrations as well, the details of these registrations (addresses of premises) may be included as 'Additional Place of Business'.

Q10. I am an existing PAN-based Service Tax (ST) and Central Excise (CE) assessee. After logging into the ACES portal, under SERVICE TAX, the Provisional ID is showing "Awaited".

A: If you are already registered as a Central Excise (CE) or Service Tax (ST) assessee on the ACES portal, after 31.01.2017, then your Provisional ID and password for migrating to GST has not yet been generated. You are advised to wait for the same. Any updates on issuance of Provisional IDs and passwords, to such assessees, will be published on both the CBEC and ACES websites. So, please checking the status of your registration at www.cbec.gov.in and www.aces.gov.in.

Q11. I am an existing taxpayer and wish to enroll in GST. My previous registration number was ST001 and after cancellation (or surrender), my current registration number is ST002. However, a Provisional ID and password has been issued against my previous registration number ST001. I logged into the ACES portal (using my existing ACES username and password), and received the Provisional ID and password for my previous registration number ST001, but not for the current registration number ST002.

A: As a policy, if the assessee has multiple registrations within a State on the same PAN, only one Provisional ID and password will be issued, as per the following order: Only one Provisional ID and password will be issued to a given PAN within a State, irrespective of the number of registrations on that PAN within that State.

Apparently, you have more than one registration i.e., ST001 and ST002, of which registration number ST001 is either "Inactive" or "Surrendered". However, as per CBEC guidelines, a Provisional ID and password has already been allotted against the registration number ST001. For further assistance, please contact CBEC Mitra Helpdesk at cbecmitra.helpdesk@gst.gov.in or call at the

toll-free number 1800-1200-232, and provide your registration details (both earlier and current registration numbers).

Note: As per the ACES website, the registration number ST001 is “Active” and thus eligible for issuance of Provisional ID and password.

Q12. I am an existing taxpayer and wish to enroll in GST. I have received the Provisional ID and password. On the GST Common Portal, I entered the Provisional ID and password in the respective fields. After clicking the LOGIN button, I received the message: “Provisional ID is invalid”.

A: Firstly, clear your web browser’s cache i.e., delete your browsing history, and then sign into the GST Common Portal again. You will receive a 10-digit access token (or password) along with the Provisional ID. In case you have received an access token of less than 10 digits, please insert a “0” or zero as prefix to the token i.e., if you received an access token of “12345678”, then the corrected token number is “0012345678”. If the issue persists, please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124-4688999 for further assistance. When you send your service request over email or phone, a support ticket is registered with GST Helpdesk and the issue is forwarded to the appropriate technical team for analysis and resolution.

Q13. I am an existing taxpayer and wish to enroll in GST. I received the Provisional ID and password for migrating to GST. On the GST Common Portal, on the Login page, I entered the Provisional ID and password in the respective fields. After clicking the LOGIN button, I got the message: “Not activated”.

A: Multiple causes may have contributed to this problem. For further investigation, please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124-4688999. When you send your service request over email or phone, a support ticket is registered with GST Helpdesk and the issue is forwarded to the appropriate technical team for analysis and resolution.

Q14. I am an existing taxpayer and wish to enroll in GST. For enrolment under GST, I want to create a new username and password. However, I have not received the one-time- password (OTP) on my registered mobile number. The problem continued even after I clicked the “RESEND OTP” button on the GST Common Portal.

A: Your mobile number may be registered for Do Not Disturb (DND) services, due to which the OTP cannot not be delivered. You are advised to de-activate DND services from your mobile network. Once de-registered, you must redo the entire process of registration on the GST Common Portal. If the problem persists, please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124-4688999 for further investigation.

Q15. I am an existing taxpayer and wish to enroll in GST. For enrolment under GST, I wanted to create a new username and password. However, I have not received the one- time- password (OTP) on my registered email. The problem continued even after I clicked the “RESEND OTP” button on the GST Common Portal.

A: The one-time-password (OTP) may have been delivered to the spam folder of your registered email ID. Please check the spam folder of your email account. If you find the OTP in the spam folder, please change the spam-filter policy settings of your email account to allow legitimate emails sent by GSTN. This will ensure that a future OTP sent by GSTN is not marked or filtered as spam. If you do not find the OTP in the spam folder, please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124- 4688999 for further investigation. When you send your service request over email or phone, a support ticket is registered with GST Helpdesk and the issue is forwarded to the appropriate technical team for analysis and resolution.

Q16. I am an existing taxpayer and wish to enroll in GST. While submitting GST FORM-20 with DSC, I received the error message: "DSC is not registered with authorised signatory".

A: Please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124-4688999 for further investigation. When you send your service request over email or phone, a support ticket is registered with GST Helpdesk and the issue is forwarded to the appropriate technical team for analysis and resolution.

Q17. I am an existing taxpayer and wish to enroll in GST. I have submitted the Enrolment Application i.e., GST FORM-20 on the GST Common Portal. However, I have not received the Application Reference Number (ARN) through email with all details.

A: Please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124-4688999 for further investigation. When you send your service request over email or phone, a support ticket is registered with GST Helpdesk and the issue is forwarded to the appropriate technical team for analysis and resolution.

Q18. I am an existing taxpayer and wish to enroll in GST. On submitting the Enrolment Application i.e., GST FORM-20 on the GST Common Portal, I received the message: "Submitted & Pending for verification".

A: Please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124-4688999 for further investigation. When you send your service request over email or phone, a support ticket is registered with GST Helpdesk and the issue is forwarded to the appropriate technical team for analysis and resolution.

Q19. I am an existing taxpayer and wish to enroll in GST. On the GST Common Portal, while filing GST FORM-20, the desired RANGE CODE is not appearing in the drop-down list.

A: Please contact the GST Helpdesk at helpdesk@gst.gov.in or call at 0124-4688999 for further investigation. When you send your service request over email or phone, a support ticket is registered with GST Helpdesk and the issue is forwarded to the appropriate technical team for analysis and resolution.

Sr. No	Form Number	Content
1	GST REG-01	Application for Registration under Section 19(1) of Goods and Services Tax Act, 20--
2	GST REG-02	Acknowledgement
3	GST REG-03	Notice for Seeking Additional Information / Clarification / Documents relating to Application for <<Registration/Amendment/Cancellation>>
4	GST REG-04	Application for filing clarification/additional information/document for <<Registration/Amendment/Cancellation/Revocation of Cancellation>>
5	GST REG-05	Order of Rejection of Application for <Registration / Amendment / Cancellation/ Revocation of Cancellation>>
6	GST REG-06	Registration Certificate issued under Section 19(8A) of the Goods and Services Tax Act, 20--
7	GST REG-07	Application for Registration as Tax Deductor or Tax Collector at Source under Section 19(1) of the Goods and Service Tax Act, 20--
8	GST REG -08	Order of Cancellation of Application for Registration as Tax Deductor or Tax Collector at Source under Section 21 of the Goods and Service Tax Act, 20--.
9	GST REG-09	Application for Allotment of Unique ID to UN Bodies/ Embassies /any other person under Section 19(6) of the Goods and Service Tax Act, 20--.
10	GST REG-10	Application for Registration for Non Resident Taxable Person.
11	GST REG-11	Application for Amendment in Particulars subsequent to Registration
12	GST REG-12	Order of Amendment of existing Registration
13	GST REG-13	Order of Allotment of Temporary Registration/ Suo Moto Registration
14	GST REG-14	Application for Cancellation of Registration under Goods and Services Tax Act, 20--.
15	GST REG-15	Show Cause Notice for Cancellation of Registration
16	GST REG-16	Order for Cancellation of Registration
17	GST REG-17	Application for Revocation of Cancelled Registration under Goods and Services Act, 20--.
18	GST REG-18	Order for Approval of Application for Revocation of Cancelled Registration
19	GST REG-19	Notice for Seeking Clarification / Documents relating to Application for << Revocation of Cancellation>>
20	GST REG-20	Application for Enrolment of Existing Taxpayer
21	GST REG-21	Provisional Registration Certificate to existing taxpayer
22	GST REG-22	Order of cancellation of provisional certificate
23	GST REG-23	Intimation of discrepancies in Application for Enrolment of existing taxpayer
24	GST REG-24	Application for Cancellation of Registration for the Migrated Taxpayers not liable for registration under Goods and Service Tax Act 20--
25	GST REG- 25	Application for extension of registration period by Casual / Non-Resident taxable person.
26	GST REG-26	Form for Field Visit Report

Unit 2.5 Forms & Practice

Unit Objectives



At the end of the unit, you will be able to:

- List the different type of payment, due date, modes of payment with rules and collection of tax, penalties etc.
- Differentiate on TDS versus TCS
- Calculate the amount of tax payable
- Make the payment online

Registration Forms

Following are the various forms required in the process of registration. Form No. GST REG -01 Is for registration of a new person in usual cases. There are different forms prescribed for different situations. e.g. registration as a tax deductor, registration for a person who is already registered under existing law, registration for casual taxable person, registration for non- resident taxable person etc. All such form nos. along with the purpose of the forms are listed below and formats of the forms are given thereafter.

Government of India / State Government
Department of -----

Form GST REG-01

[See Rule ----]

Application for Registration under Section 19(1) of Goods and Services Tax Act, 20--

Part -A

1	Legal Name of the Business (As mentioned in PAN)	
2A	PAN (Enter PAN of the Business; PAN of Individual in case of Proprietorship concern)	
2B	Email Address	
2C	Mobile Number	

Note - Information submitted at Sr. No. 1 to 2C above is subject to online verification before proceeding to fill up Part-B.

Part –B

3	Trade Name (Optional)				
4	Constitution of Business (Please Select the Appropriate)				
	Proprietorship	☐	Partnership	☐	
	Hindu Undivided Family	☐	Private Limited Company	☐	
	Public Limited Company	☐	Society/Club/Trust/Association of Persons	☐	
	Government Department	☐	Public Sector Undertaking	☐	
	Unlimited Company	☐	Limited Liability Partnership	☐	
	Local Authority	☐	Statutory Body	☐	
	Foreign Limited Liability Partnership	☐	Foreign Company Registered (in India)	☐	
	Others (Please Specify)	☐		☐	
5	Name of the State	▲	District	▲	
5A	Sector, Circle, Ward, etc. as applicable				
5B	Center Jurisdiction	▲			
6	Option For Composition	Yes	☐	No	☐

6A. Composition Declaration <input type="checkbox"/> I hereby declare & verify that the likely aggregate turnover of all registered taxable persons having the PAN as specified at Sr.No.1 of Part A will remain below the limit specified for availing composition scheme during the financial year <20 - >.			
7	Date of commencement of business.		DD/MM/YYYY
8	Date on which liability to pay tax arises		DD/MM/YYYY
8A	Are you applying for registration as a casual taxable person?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
9	If selected yes in 8A, estimated supplies and estimated net tax liability during the period of registration		
	Type of Tax	Turnover (Rs.)	Net Tax Liability (Rs.)
(i)	Integrated Goods and Service Tax (IGST)		
(ii)	Central Goods and Service Tax (CGST)		
(iii)	State Goods and Service Tax (SGST)		
9A	If selected yes in 8A, period for which registration is required –		
	From	DD/MM/YYYY	To DD/MM/YYYY
10	Reason to obtain registration		
	1. Due to crossing the Threshold	9. Aggregator	
	2. Due to inter-State supply	10. E-Commerce operator (other than facilitator to supply goods and/or services of other suppliers)	
	3. Due to liability to pay as recipient of services	11. Taxpayer selling through e-Commerce portal	
	4. Due to transfer of Business which includes change in the ownership of business (if transferee is not a registered entity)	12. Voluntary Basis	
	5. Due to death of the Proprietor (if the successor is not a registered entity)	13. Input Service Distributor only	
	6. Due to de-merger	14. Persons supplying goods and/or services on behalf of other registered taxable persons	
	7. Due to change in constitution of business	15. Other (Not covered above) – Specify	
	8. Due to Merger /Amalgamation of two or more registered taxpayers		
11.	Indicate Existing Registrations, if applicable		
Central Excise Registration Number			
Service Tax Registration Number			

State VAT Registration (TIN)			
Central Sales Tax Registration Number			
IEC No. (Importer Exporter Code Number)			
Corporate Identity Number (CIN/ LLPIN/ FLLPIN/ FCRN)			
GSTIN			
Temporary Registration ID			
12.	Address of Principal Place of Business		
Building No./Flat No.		Floor No.	
Name of the Premises/Building		Road/Street	
Locality/Village		City/District	
State		PIN Code	
Latitude		Longitude	
Contact Information			
Office Email Address		Office Telephone number	STD
Mobile Number		Office Fax Number	STD
12A Nature of possession of premises			
Own	Leased	Rented	Consent
			Shared
12B Nature of Business Activity being carried out at above mentioned Premises (Please tick applicable)			
Factory / Manufacturing	<input type="checkbox"/>	Wholesale Business	<input type="checkbox"/>
		Retail Business	<input type="checkbox"/>
Warehouse/Deport	<input type="checkbox"/>	Bonded Warehouse	<input type="checkbox"/>
		Service Provision	<input type="checkbox"/>
Office/Sale Office	<input type="checkbox"/>	Leasing Business	<input type="checkbox"/>
		Service Recipient	<input type="checkbox"/>
EOU/ STP/ EHTP	<input type="checkbox"/>	SEZ	<input type="checkbox"/>
		Input Service Distributor (ISD)	<input type="checkbox"/>
Works Contract	<input type="checkbox"/>		

13. Details of Bank Accounts (s)

Total number of Bank Accounts maintained by the applicant for conducting business	
---	--

Details of Bank Account 1

Account Number																
----------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Type of Account		IFSC
Bank Name		
Branch Address	To be auto-populated (Edit mode)	

Note – Add more accounts -----

14. Details of the Goods/ Commodities supplied by the Business

Please specify top 5 Commodities		
Sr. No.	Description of Goods	HSN Code
1		
2		
...		
5		

15. Details of Services supplied by the Business.

Please specify top 5 Services		
Sr. No.	Description of Services	Service Accounting Code
1		
2		
...		
5		

16. Details of Additional Place of Business(s)

Number of additional places	
-----------------------------	--

Premises 1

Details of Additional Place of Business

Building No/Flat No		Floor No	
Name of the Premises/Building		Road/Street	
Locality/Village		City/District	
State		PIN Code	

Contact Information

Office Email Address		Office Telephone number	STD	
----------------------	--	-------------------------	-----	--

Mobile Number		Office Fax Number	STD		
16A Nature of possession of premises					
Own	Leased	Rented	Consent	Shared	
16 B Nature of Business Activity being carried out at above mentioned Premises (Please tick applicable)					
Factory / Manufacturing	<input type="checkbox"/>	Wholesale Business	<input type="checkbox"/>	Retail Business	<input type="checkbox"/>
Warehouse/Deport	<input type="checkbox"/>	Bonded Warehouse	<input type="checkbox"/>	Service Provision	<input type="checkbox"/>
Office/Sale Office	<input type="checkbox"/>	Leasing Business	<input type="checkbox"/>	Service Recipient	<input type="checkbox"/>
EOU/ STP/ EHTP	<input type="checkbox"/>	SEZ	<input type="checkbox"/>	Input Service Distributor (ISD)	<input type="checkbox"/>
Works Contract	<input type="checkbox"/>				

Note – Add more -----

17. Details of Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc.

Particulars	First Name	Middle Name	Surname
Name			
Photo			
Name of Father			
Date of Birth	DD/MM/YYYY	Gender	<Male, Female, Other>
Mobile Number		Email address	
Telephone No. with STD			
Designation /Status		Director Identification Number (if any)	
PAN		Aadhaar Number	
Are you a citizen of India?	Yes / No	Passport No. (in case of foreigners)	
Residential Address			
Building No/Flat No		Floor No	
Name of the Premises/Building		Road/Street	
Locality/Village		City/District	

State		PIN Code							
-------	--	----------	--	--	--	--	--	--	--

Note – Add more -----

18. Details of Authorized Signatory

Checkbox for Primary Authorized

☐

Signatory Details of Signatory No. 1

Particulars	First Name	Middle Name	Surname
Name			
Photo			
Name of Father			
Date of Birth	DD/MM/YYYY	Gender	<Male, Female, Other>
Mobile Number		Email address	
Telephone No. with STD			
Designation /Status		Director Identification Number (if any)	
PAN		Aadhaar Number	
Are you a citizen of India?	Yes / No	Passport No. (in case of foreigners)	
Residential Address			
Building No/Flat No		Floor No	
Name of the Premises/Building		Road/Street	
Locality/Village		City/District	
State		PIN Code	

Note – Add more ---

19. Details of Authorized Representative

Enrolment ID			
	First Name	Middle Name	Last Name
Name of Person			
Status			

Mobile Number											
Email address											
Telephone No. with STD						FAX No. with STD					

20. State Specific Information

Professional Tax Employee Code (EC) No.

Professional Tax Registration Certificate (RC) No.

State Excise License No. and the

Name of the person in whose name Excise License is held

a. *Field 1*b. *Field 2*

c.

d.

e. *Field n***21. Document Upload***A customized list of documents required to be uploaded (refer Rule/) as per the field values in the form.***22. Consent**

I on behalf of the holder of Aadhaar number <pre-filled based on Aadhaar number provided in the form> give consent to "Goods and Services Tax Network" to obtain my details from UIDAI for the purpose of authentication. "Goods and Services Tax Network" has informed me that identity information would only be used for validating identity of the Aadhaar holder and will be shared with Central Identities Data Repository only for the purpose of authentication.

23. Verification (by authorized signatory)

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from

Place

Name of Authorized Signatory

Date

Designation /Status.....

E-Sign / Digital Signature

List of documents to be uploaded as evidence are as follows:-

1.	<p>Photographs (wherever specified in the Application Form)</p> <p>(a) Proprietary Concern – Proprietor</p> <p>(b) Partnership Firm / LLP – Managing/Authorized/Designated Partners (personal details of all partners is to be submitted but photos of only ten partners including that of Managing Partner is to be submitted)</p> <p>(c) HUF – Karta</p> <p>(d) Company – Managing Director or the Authorised Person</p> <p>(e) Trust – Managing Trustee</p> <p>(f) Association of Person or Body of Individual –Members of Managing Committee (personal details of all members is to be submitted but photos of only ten members including that of Chairman is to be submitted)</p> <p>(g) Local Authority – CEO or his equivalent</p> <p>(h) Statutory Body – CEO or his equivalent</p> <p>(i) Others – Person in Charge</p>
2.	<p>Constitution of Taxpayer: Partnership Deed in case of Partnership Firm, Registration Certificate/Proof of Constitution in case of Society, Trust, Club, Government Department, Association of Person or Body of Individual, Local Authority, Statutory Body and Others etc.</p>
3.	<p>Proof of Principal/Additional Place of Business:</p> <p>(a) For Own premises –</p> <p>Any document in support of the ownership of the premises like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(b) For Rented or Leased premises –</p> <p>A copy of the valid Rent / Lease Agreement with any document in support of the ownership of the premises of the Lessor like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(c) For premises not covered in (a) & (b) above–</p> <p>A copy of the Consent Letter with any document in support of the ownership of the premises of the Consenter like Municipal Khata copy or Electricity Bill copy. For shared properties also, the same documents may be uploaded.</p>
4	<p>Bank Account Related Proof:</p> <p>Scanned copy of the first page of Bank passbook / one page of Bank Statement</p> <p>Opening page of the Bank Passbook held in the name of the Proprietor / Business Concern – containing the Account No., Name of the Account Holder, MICR and IFSC and Branch details.</p>
5	<p>Authorization Form:-</p> <p>For each Authorised Signatory mentioned in the application form, Authorization or copy of Resolution of the Managing Committee or Board of Directors to be filed in the following format:</p> <p>Declaration for Authorised Signatory (Separate for each signatory)</p>

I/We --- (Details of Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc)			
1. << Name of the Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc>>			
2.			
3.			
hereby solemnly affirm and declare that <<name of the authorized signatory>> to act as an authorized signatory for the business << GSTIN - Name of the Business>> for which application for registration is being filed/ is registered under the Goods and Service Tax Act, 20__.			
All his actions in relation to this business will be binding on me/ us.			
Signatures of the persons who are Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc.			
S. No.	Full Name	Designation/Status	Signature
1.			
<div style="border: 1px solid black; padding: 5px;"> <p>I <<(Name of the authorized signatory)>> hereby solemnly accord my acceptance to act as authorized signatory for the above referred business and all my acts shall be binding on the business.</p> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <p>Place</p> <p>Date</p> </div> <div style="text-align: right;"> <p>Signature of Authorised Signatory (Name)</p> <p>Designation/Status</p> </div> </div> </div>			

2.

Acceptance as an authorized signatory**Instruction for filling Application for New Registration.**

1. Enter Name of taxpayer as recorded on PAN of the Business. In case of Proprietorship concern, enter name of proprietor at Legal Name and mention PAN of the proprietor. PAN shall be verified with Income Tax database.
2. Provide Email Id and Mobile Number of primary authorized signatory for verification and future communication which will be verified through One Time Passwords to be sent separately, before filling up Part-B of the application.
3. Applicant need to upload scanned copy of the declaration signed by the Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc. in case the business declares a person as Authorised Signatory.

4. Following person can digitally sign application for New Registration:-

Constitution of Business	Person who can digitally sign the application
Proprietorship	Proprietor
Partnership	Managing / Authorized Partners
Hindu Undivided Family	Karta
Private Limited Company	Managing / Whole-time Directors and Key Managerial Persons
Public Limited Company	Managing / Whole-time Directors and Key Managerial
Society/ Club/ Trust/ AOP	Members of Managing Committee
Government Department	Person In charge
Public Sector Undertaking	Managing / Whole-time Director and Key Managerial Person
Unlimited Company	Managing/ Whole-time Director and Key Managerial Person
Limited Liability Partnership	Designated Partners
Local Authority	Chief Executive Officer (CEO) or Equivalent
Statutory Body	Chief Executive Officer (CEO) or Equivalent
Foreign Company	Authorized Person in India
Foreign Limited Liability Partnership	Authorized Person in India
Others	Person In charge

5. Information in respect of Authorized Representative is optional. Please select your Authorized representative from the list as provided under Tax Return Preparer (TRP).

6. State specific information are relevant for the concerned State only.

7. Application filed by undermentioned persons shall be signed digitally:-

Sr. No	Type of Applicant	Digital Signature required
1.	Private Limited Company Public Limited Company Public Sector Undertaking Unlimited Company Limited Liability	Digital Signature Certificate(DSC)
2.	Other than above	Digital Signature Certificate e-Signature or as may be notified

8. All information related to PAN, Aadhaar, DIN, CIN shall be online validated by the system and Acknowledgment Receipt Number will be generated after successful validation of all the filled information.

9. Status of the online filed Application can be tracked on the Common Portal.

10. No fee is payable for filing application for registration.

11. Authorised signatory should not be a minor.

12. Any person having multiple business verticals within a State, requiring a separate registration for any of its business verticals under sub-section (2) of section 19 shall need to apply in respect of each of the verticals subject to the following conditions: Such person has more than one business vertical as defined under sub-section (18) of section 2 of the Act.

13. A registered taxable person eligible to obtain separate registration for business verticals may file separate application in FORM GST REG-1 in respect of each such vertical.

14 After approval of application Registration Certificate shall be made available indicating all additional places of business for the principal place of business and separate registration certificate for every declared additional place of business indicating the address of that place besides address of principal place of business. Such certificate shall be made available to the applicant on the Common Portal.

15. The certificate of registration shall be effective from the date on which the person becomes liable to registration where the application for registration has been submitted within **30** days from such date. In case application for registration is filled after **30** days, certificate of registration shall be effective from the date of registration.

Government of India/ < State>

Department of....

Form GST REG-02

[See Rule - -]

Acknowledgment

Application Reference Number (ARN)

Your application has been successfully filed against <Application Reference Number>

Form No. :

Form Description :

Date of Filing :

Time of filing :

Taxpayer Name :

Center Jurisdiction :

State Jurisdiction :

Filed by :

Payment details* : CIN

: Date

Place :

It is a system generated acknowledgement and does not require any signature.

Government of India / <<State>>

Department of -----

Form GST REG-03

[See Rule ---]

Notice for Seeking Additional Information / Clarification / Documents relating to Application for
<<Registration/Amendment/Cancellation >>

Reference Number :

<< Date— DD/MM/YYYY>>

To

Name of the Applicant/ Taxpayer

Address of the Applicant/Taxpayer

GSTIN*

Application Reference No. (ARN):

Dated— DD/MM/YYYY

This is with reference to your <<registration>> application referred above, filed under Section ---- of the Goods and Services Tax Act, 20---. The Department has examined your application and is not satisfied with it for the following reasons:

- 1.
- 2.
- 3.

...

☐ You are directed to submit your reply by (DD/MM/YYYY)

☐ *You are hereby directed to appear before the undersigned authority on (DD/MM/YYYY) at (HH:MM)

If no response is received by the stipulated date and time as stated above, your application is liable for rejection. Please note that no further notice / reminder will be issued in this matter.

Digital

Signature Name of the

Proper Officer

Designation

* (Not applicable for Application for New Registration)

Government of India /<<State>>
Department of -----

Form GST REG-04
[See Rule ----]

Application for filing clarification/additional information/document for

<<Registration/Amendment/Cancellation/Revocation of Cancellation>>

1.	Reference No. of Notice		Date	
2.	Application Reference No. (ARN)		Date	
3.	GSTIN, if applicable			
4.	Change in the Application filed.- Yes <input type="checkbox"/> No <input type="checkbox"/> (Tick one)			
	Note – Original application will be available in editable mode if Yes is selected, else, field for additional information will get displayed			
5.	Additional Information			
6.	Verification I/We _____ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my/our knowledge and belief and nothing has been concealed there from. <div style="text-align: right;"> E-Sign / Digital Signature of Authorised Signatory Full Name (first name, middle, surname) </div>			

**Government of India /<<State>>
Department of**

**Form GST REG-05
[See Rule ---]**

Reference

<< Date—

To

(Name of the taxable
.....)

Application Reference No. (ARN)

Dated —

Order of Rejection of Application for <Registration / Amendment / Cancellation/ Revocation of

This is with reference to your application filed under the Central/State Goods and Services Tax Act, 20__ vide ARN --- dated----. The Department has examined your reply referred above, filed in response to the notice issued vide reference no. ---- dated ----- and the same has not been

- 1.
- 2.
- 3.
- ...

Therefore, your application is hereby rejected in accordance with the provisions of ---- Goods and Service Tax Act, 20....

Or

You have not replied to the notice issued vide reference no. dated within the time specified therein. Therefore, your application is hereby rejected in accordance with the provisions of Goods and Service Tax Act 20 .

.....

Digital
Signature
Name of the Proper
Officer



Government of India And

Government of <State>

Form GST REG-06

[See Rule ----]

Registration Certificate issued under Section -----

Central Goods and Services Tax Act, 20-- and <State> Goods and Services Tax Act, 20--

Registration Number: <GSTIN/Unique ID Number (UIN) generated by the system>

1.	Legal Name			
2.	Trade Name, if any			
3.	Constitution			
4.	Address of Principal Place of Business			
5.	Date of Liability	DD/MM/ YYYY		
6.	Date of Validity	From	DD/MM/YYYY	
		To* (Applicable only in case of Non-Resident Taxpayers or Casual Taxpayers)	DD/MM/YYYY	
7.	Type of Registration			
Central Goods and Services Tax Act, 20		<State> Goods and Services Tax Act, 20		
Signature		Signature		
Name	<Name of Proper Officer>	Name	<Name of Proper Officer>	
Designation	Designation of Proper Officer	Designation	Designation of Proper Officer	
8. Date of Certificate				
Jurisdictional Office		Center	State	
Note: The registration certificate is required to be prominently displayed at all places of				

Annexure A



Details of <Proprietor / all partners / Karta / Managing Director and whole-time Director / Members of the Managing Committee of Association of Persons / Board of Trustees etc.>

GSTIN

Legal Name

1.



Name

<Name of the 1st Promoter

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

2.



Name

<Name of the 2nd Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

3.



Name

<Name of the 3rd Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

4.

*Place for Photo*

Name

<Name of the 4th Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

5.

*Place for Photo*

Name

<Name of the 5th Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

6.

*Place for Photo*

Name

<Name of the 6th Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promote

7.



Name

<Name of the 7th Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

8.



Name

<Name of the 8th Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

9.



Name

<Name of the 9th Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

10.



Name

<Name of the 10th Promoter>

Designation/Status

<Designation of the Promoter>

Resident of State

<Residential Status of Promoter>

Annexure B*
**Details of Additional Place of
Business(s)**
GSTIN
Legal Name

Total Number of Additional Place of Business(s) in

the State Sr. No. Address

1

2

3

...

Note * To be created if Taxpayer has any additional place of business within the state. **Certificate of registration in FORM GST REG-6, shall be made available indicating all additional places of business for the principal place of business and separate registration certificate for every declared additional place of business indicating the address of that place besides address of principal place of business , shall be printed on Registration Certificate.**

Government of India / State Government
Department of -----

Form GST REG-07

[See Rule ----]

**Application for Registration as Tax Deductor or Tax Collector at Source under Section --- of the
Goods and Service Tax Act, 20--**

Part –A

1	Legal Name of the Tax Deductor/ Tax Collector(As mentioned in PAN/ TAN)	
2A	PAN (Enter PAN of the Business; PAN of Individual in case of Proprietorship concern)	
2B	TAN (Enter TAN taken for place of business)	
2C	Email Address	
2D	Mobile Number	

Note - Information submitted at Sr. No. 1 to 2D above is subject to online verification before proceeding to fill up Part-B.

Part –B

3	Trade Name (optional)			
4	Constitution of Business (Please Select the Appropriate)			
5	Name of the State	▲	District	▲
6	Sector, Circle, Ward, etc. as applicable	▲		
7	Center Jurisdiction	▲		
8	Type of registration	Tax Deductor <input type="radio"/> Tax Collector <input type="radio"/>		
9	Type of Government (For Government departments only)	State <input type="radio"/> Center <input type="radio"/>		
10	Address of Principal place of business			
Building No./Flat No.		Floor No.		
Name of the Premises/Building		Road/Street		
Locality/Village		City/District		
State		PIN Code		
Contact Information				
Office Email Address		Office Telephone number	STD	

Mobile Number		Office Fax Number		STD		
11	Nature of possession of premises					
Own		Leased		Rented		Consent
Shared						
12	Have you obtained any other registrations under GST in the same State?				<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, mention GSTIN						
13	IEC (Importer Exporter Code), if applicable					
14	Details of DDO (Drawing and Disbursing Officer) / Person responsible for deducting tax/collecting tax					
Particulars		First Name		Middle Name		Surname
Name						
Name of Father						
Date of Birth		DD/MM/YYYY		Gender		<Male, Female, Other>
Mobile Number				Email address		
Telephone No. with STD						
Designation /Status				Director Identification Number (if any)		
PAN				Aadhaar Number		
Are you a citizen of India?		Yes / No		Passport No. (in case of foreigners)		
Residential Address						
Building No/Flat No				Floor No		
Name of the Premises/Building				Road/Street		
Locality/Village				City/District		
State				PIN Code		
15.	Consent <i>I on behalf of the holder of Aadhar number <pre-filled based on Aadhar number provided in the form> give consent to "Goods and Services Tax Network" to obtain my details from UIDAI for the purpose of authentication. "Goods and Services Tax Network" has informed me that identity information would</i>					

	<i>be used for validating identity of the Aadhar holder and will be shared with Central Identities Data Repository only for the purpose of authentication.</i>		
16.	Verification		
	<i>I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from</i>		
		(Digital Signature/E-Sign)	
	Place	Name of DDO/ Person responsible for deducting tax/collecting tax	
	Date	Designation	

List of documents to be uploaded as evidence are as follows:-

1.	<p>Proof of Principal Place of Business:</p> <p>(a) For Own premises – Any document in support of the ownership of the premises like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(b) For Rented or Leased premises – A copy of the valid Rent / Lease Agreement with any document in support of the ownership of the premises of the Lessor like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(c) For premises not covered in (a) & (b) above – A copy of the Consent Letter with any document in support of the ownership of the premises of the Consenter like Municipal Khata copy or Electricity Bill copy. For shared properties also, the same documents are to be uploaded.</p>
----	---

Instruction for filling Application for Registration as Tax Deductor/Tax Collector.

1. Enter Name of Tax Deductor/Tax Collector as recorded on TAN/ PAN of the Business. TAN/PAN shall be verified with Income Tax database.
2. Provide Email Id and Mobile Number of DDO (Drawing and Disbursing Officer) / Person responsible for deducting tax/collecting tax for verification and future communication which will be verified through One Time Passwords to be sent separately, before filling up of the application.
3. Person who is acting as DDO/ Person deducting/collecting tax can sign the application.
4. Application filed by undermentioned persons shall be signed digitally:-

Sr. No	Type of Applicant	Digital Signature required
1.	Private Limited Company Public Limited Company Public Sector Undertaking Unlimited Company Limited Liability	Digital Signature Certificate(DSC)
2.	Other than above	Digital Signature Certificate e-Signature or as may be notified

5. All information related to PAN, Aadhaar, DIN, CIN shall be online validated by the system and Acknowledgment Receipt Number will be generated after successful validation of all the filled information.

6. Status of the online filed Application can be tracked on the Common Portal.

7. No fee is payable for filing application for registration.

Government of India /<<State>>
Department of

Form GST REG-08

[See Rule ----]

Reference No

<< Date– DD/MM/YYYY >>

To

(Name of the taxable person)

(Address of the taxable person)

Application Reference No. (ARN) (Reply)

Dated – DD/MM/YYYY

**Order of Cancellation of Application for Registration as Tax Deductor or Tax Collector at Source
under Section -- of the Goods and Service Tax Act, 20--**

This is with reference to show-cause notice issued vide Reference Number dated for
Cancellation of Registration referred above under Goods and Services Tax Act, 20--.

☐ Whereas no reply to show cause notice has been filed; or

☐ Whereas on the day fixed for hearing you did not appear; or

Whereas the Department has examined your Reply and submissions made at the time of hearing,
and is of the opinion that your registration is liable to be cancelled for following reason(s).

- 1.
- 2.

The effective date of Cancellation of registration is <<DD/MM/YYYY >>.

Cancellation of registration under Central Goods and Service Tax/State Goods and Service Tax is
deemed to be cancellation under State Goods and Service Tax/Central Goods and Service Tax Act
also.

You are required to pay the following amounts within <ten days> from the date of service failing

Head	IGST	CGST	SGST
Tax			
Interest			
Penalty			
Others			
Total			

Digital
Signature Name of the
Proper Officer

Designation

Government of India /<<State>>
Department of -----

Form GST REG-09
[See Rule ---]

Application for Allotment of Unique ID Number (UIN) to UN Bodies/ Embassies /any other person

1	Name of the Entity			
2	Type of Entity (Choose one)	UN Body <input type="radio"/> Embassy <input type="radio"/> Other Person <input type="radio"/>		
3	MEA Letter No. & date , if applicable			
4	Country			
5	Notification No.		Notification Date	DD/MM/YYYY
6	Address of office of UN Body/ Embassy /any other person in State			
	Building No./Flat No.		Floor No.	
	Name of the Premises/Building		Road/Street	
	Locality/Village		City/District	
	State		PIN Code	
	Contact Information			
	Office Email Address		Office Telephone number	STD
	Mobile Number		Office Fax Number	STD
7	Center Jurisdiction			
8	Sector, Circle, Ward, etc. as applicable			
9	Authorized Signatory Details			
	Particulars	First Name	Middle Name	Surname
	Name			
	Name of Father			
	Date of Birth	DD/MM/YYYY	Gender	<Male, Female, Other>

Mobile Number		Email address	
Telephone No. with STD			
Designation /Status		Director Identification Number (if any)	
PAN		Aadhaar Number	
Are you a citizen of India?	Yes / No	Passport No. (in case of foreigners)	
Residential Address			
Building No/Flat No		Floor No	
Name of the Premises/Building		Road/Street	
Locality/Village		City/District	
State		PIN Code	<div style="display: flex; justify-content: space-between;"> <div style="width: 10px; height: 10px;"></div> <div style="width: 10px; height: 10px;"></div> <div style="width: 10px; height: 10px;"></div> <div style="width: 10px; height: 10px;"></div> <div style="width: 10px; height: 10px;"></div> <div style="width: 10px; height: 10px;"></div> <div style="width: 10px; height: 10px;"></div> <div style="width: 10px; height: 10px;"></div> </div>
10	Bank Account Details of UN Body/ Embassy /any other person		
	Account Number		
	Type of Account		
	IFSC		
	Bank Name		
	Branch Address		
11	Document Upload <i>The authorized person who has in possession of the documentary proof (UN Body/ Embassy etc.) must upload the scanned copy of such documents including the copy of resolution / power of attorney, authorizing the applicant to represent the UN Body / Embassy etc. in India.</i> Or <i>The authorized tax official who has collected the documentary proof from the applicant (UN Body/ Embassy etc.) must upload the scanned copy of such documents including the copy of resolution / power of attorney, authorizing the applicant to represent the UN Body / Embassy etc. in India and link it along with the UIN generated and allotted to respective UN Body/ Embassy etc.</i>		
12	Verification <i>I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from.</i>		

Place		(Digital Signature/ E-sign)
Date		Name of Authorized Signatory

Or

		(Digital Signature of the Proper Officer)
Place		Name of Authorized Proper Officer
Date		Designation

Instruction for filing Application for registration for UN Bodies/ Embassies/Any other person notified by the Government.

- ☑ Every person required to obtain a unique identity number under sub-section -- of section -- shall submit an application, electronically.
- ☑ Application can be filed through common portal or registration can be suo-moto granted by proper officer from the back end.
- ☑ Notification issued by the Government/ Ministry of External Affairs with notification number and date will be required to be uploaded along-with details of the applicant and the address of the office/embassies.
- ☑ Unique identification number may be granted after processing the application filed on the common portal or it can be processed through backend by proper officer State/Center jurisdiction. UIN generated is required to be communicated after generation to the concerned State/Center authority.
- ☑ Application filed on the Common portal is required to be signed electronically or any other mode as specified by the Government.

Government of India / State Government

Department of -----

Form GST REG-10

[See Rule ---]

Application for Registration for Non Resident Taxable Person Part

-A

1	Legal Name of the Non –Resident Taxpayer	
1A	Permanent Account Number (PAN)	
2	Name of the Authorized Signatory (as per PAN/Passport)	
2A	Passport Number/PAN (Enter PAN of the Business or ; Passport number of Individual in case of Proprietorship concern)	
2B	Email Address	
2C	Mobile Number (+91)	

Note - Information submitted at Sr. No. 1 to 2C above is subject to online verification before proceeding to

Part -B

3	Details of Authorized Signatory		
	First Name	Middle Name	Last Name
	Photo		
	Gender	Male / Female / Others	
	Designation		
	Date of Birth	DD/MM/YYYY	
	Nationality		
	Aadhar		
	Passport Number		
	Name of the Country Issuing Passport		
	Person of Indian Origin (PIO) Number, if applicable		
	Email Address		
	Mobile Number with Country code		

4	Period for which Registration is required			
	From	DD/MM/YYYY	To	DD/MM/YYYY
5	Estimated Turnover (Rs.)		Estimated Tax Liability (Net) (Rs.)	
		CGST	SGST	IGST
				Total
6	Address of Non Resident Taxpayer in the Country of Origin			
	Address Line 1			
	Address Line 2			
	Address Line 3			
	Country (Drop Down)			
	Zip Code			
	E mail Address			
	Telephone Number (Landline with ISD)			
7	Center Jurisdiction			
8	Sector, Circle, Ward, etc. as applicable			
9	Address of Principal Place of Business in India			
	Building No./Flat No.		Floor No.	
	Name of the Premises/Building		Road/Street	
	Locality/Village		City/District	
	State		PIN Code	
	Mobile Number		Telephone Number	
	E mail Address		Fax Number with STD	
	Details of Bank Account in India			
10	Account Number			
	Type of account		IFSC	
	Bank Name		Branch Address	
11	Document Upload			
	<i>A customized list of documents required to be uploaded (refer Instruction) as per the field</i>			

	<i>the form</i>
12	<p>Declaration</p> <p><i>I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from.</i></p> <p style="text-align: right;">Digital Signature/ E- Sign</p> <p style="text-align: right;">Name of Authorized Signatory</p> <p style="text-align: right;">Designation</p> <p>Place</p> <p>Date</p>

Note: Non-Resident Taxpayer will require to upload declaration (as per under mentioned format) along with scanned copy of the passport and photograph.

List of documents to be uploaded as evidence are as follows:-

1.	<p>Proof of Principal Place of Business:</p> <p>(a) For Own premises –</p> <p>Any document in support of the ownership of the premises like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(b) For Rented or Leased premises –</p> <p>A copy of the valid Rent / Lease Agreement with any document in support of the ownership of the premises of the Lessor like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(c) For premises not covered in (a) & (b) above –</p> <p>A copy of the Consent Letter with any document in support of the ownership of the premises of the Consenter like Municipal Khata copy or Electricity Bill copy. For shared properties also, the same documents may be uploaded.</p>
2.	<p>Proof of Non-resident Taxpayer:</p> <p>Scanned copy of the passport of the Non -resident tax payer with VISA details. In case of Company/Society/LLP/FCNR/ etc. person who is holding power of attorney with authorization letter.</p>
3	<p>Bank Account Related Proof:</p> <p>Scanned copy of the first page of Bank passbook / one page of Bank Statement</p> <p>Opening page of the Bank Passbook held in the name of the Proprietor / Business Concern – containing the Account No., Name of the Account Holder, MICR and IFSC and Branch details.</p>
4	<p>Authorization Form:-</p> <p>For Authorised Signatory mentioned in the application form, Authorization or copy of Resolution of the Managing Committee or Board of Directors to be filed in the following format:</p> <p>Declaration for Authorised Signatory (Separate for each signatory)</p>

<p>I/We ---(Details of Non-Resident Foreign Taxpayer) hereby solemnly affirm and declare that <<name of the authorized signatory>> to act as an authorized signatory for the business << Name of the Business>> for which application for registration is being filed/ is registered under the Goods and Service Tax Act, 20 .</p> <p>All his actions in relation to this business will be binding on me/ us.</p>			
S. No.	Full Name	Designation/Status	Signature
1.	<p>Acceptance as an authorized signatory</p> <p>I <<(Name of authorized signatory)>> hereby solemnly accord my acceptance to act as authorized signatory for the above referred business and all my acts shall be binding on the business.</p> <p style="text-align: right;">Signature of Authorised Signatory</p> <p>Place (Name)</p> <p>Date Designation/Status</p>		

Instruction for filling Application for registration as Non Resident Taxable Person.

1. Enter Name of the applicant Non-Resident taxpayer as recorded on Passport.
2. The applicant shall apply at least **Five** days prior to commencement of the business at the Common Portal.
3. Applicant need to provide Email Id and Mobile Number for verification and future communication which will be verified through One Time Passwords to be sent separately, before filling up Part-B of the application.
4. Applicant need to upload scanned copy of the declaration signed by the Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc. in case the business declares a person as Authorized Signatory.
5. Application filed by undermentioned persons shall be signed digitally:-

Sr. No	Type of Applicant	Digital Signature required
1.	Private Limited Company Public Limited Company Public Sector Undertaking Unlimited Company Limited Liability Partnership Foreign Company	Digital Signature Certificate(DSC)

Sr. No	Type of Applicant	Digital Signature required
2.	Other than above	Digital Signature Certificate e-Signature or as may be notified

6. All information related to PAN, Aadhaar, shall be online validated by the system and Acknowledgment Receipt Number will be generated after successful validation of all the filled information.
7. Status of the online filed Application can be tracked on the Common Portal.
8. No fee is payable for filing application for registration
9. Authorized signatory should not be a minor.

Government of India /<<State>>
Department of -----

Form GST REG-11
[See Rule ---]

Application for Amendment in Particulars subsequent to Registration

1. GSTIN				
2. Full Name of Applicant Taxpayer				
3. Type of registration				
4. Amendment summary				
Field Reference	Field Name	Effective Date (DD/MM/YYYY)	Reasons(s)	
5. List of documents uploaded				
(a)				
(b)				
(c)				
...				
6. Declaration				
<i>I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from</i>				
		Digital Signature/E-Sign		
Place	Name and Signature of Authorized Signatory			
Date	Designation / Status			

Instruction for filing Application for Amendment

1. Application FORM GST REG-11, can be filed online through registered Taxpayer dashboard.
2. Any change in any of the particulars provided in the application for registration in FORM GST REG- 1, FORM GST REG-7, FORM GST REG-9 or FORM GST-REG-10, as the case may be, either at the time of obtaining registration or as amended from time to time, the registered taxable person shall, within fifteen days of such change, submit an application electronically, duly signed, electronically, along with documents relating to such change at the Common Portal.
3. Change relates to the Name of Business, Principal Place of Business, and details of partners or directors, karta, Managing Committee, Board of Trustees, Chief Executive Officer or equivalent, responsible for day to day affairs of the business which does not warrant cancellation of registration, are Core fields which shall be approved by the Proper Officer after due verification.
4. Such amendment shall take effect from the date of occurrence of the event warranting amendment in case the application for amendment has been submitted within the time prescribed in this behalf.
5. For Non-Core fields, no approval of the Proper Officer is required.
6. Taxpayer can update information pertaining to Non-Core fields at any point of time and can generate Amended Certificate of Registration for their record.
7. Where a change in the constitution of any business results in change of the Permanent Account Number (PAN) of a registered taxable person, the said person shall be required to apply for fresh registration in FORM GST REG-1.
8. Any change in the mobile number or the e-mail address of authorized signatory submitted under rule 1, as amended from time to time, shall be carried out only after online verification through the Common Portal in the manner provided as specified under rule 1.
9. All information related to PAN, Aadhaar, DIN, CIN shall be online validated by the system and Acknowledgment Receipt Number will be generated after successful validation of all the filled information.
10. Status of the online filed Application can be tracked on the Common Portal.
11. No fee is payable for filing application for filing Amendment.
12. Authorized signatory should not be a minor.

**Government of
India/State.... Department
of.....**

Form GST REG-12
[See Rule-----]

Reference Number<< >>

Date – DD/MM/YYYY

To

(Name)

(Address)

Registration Number (GSTIN/Unique ID Number (UIN))

Application Reference No. (ARN)

Dated – DD/MM/YYYY

Order of Amendment of existing Registration

This is with reference to your amendment application referred above, filed under the ---- Goods and Services Tax Act, 20___. The Department has examined your application and the same has been found satisfactory. Amended certificate of registration is uploaded on your dashboard.

Approval of amendment under the CGST/SGST Act, is deemed to be approved under the SGST/CGST Act.

Date

Place

Digital Signature
Name of the Proper Officer
(Designation)
Central/State Jurisdiction

Government of India /<<State>>

Department of -----

Form GST REG-13

Reference Number<< >>

Date – DD/MM/YYYY

To

(Name)

(Address)

*[See Rule]***Order of Allotment of Temporary Registration/ Suo Moto Registration**

Whereas the undersigned has sufficient reason to believe that you are liable for registration under the Center/State Goods and Service Tax Act 20..... , and therefore, you are hereby registered on temporary basis. The particulars of the business as ascertained from the business premises are given as under:

Basic Details		
1.	No. of Detention Memo/ Seizure Memo/Statement of Unregistered Person, etc.	
2.	Date of Detention Memo/Seizure Memo/Statement of Unregistered Person, etc.	
3.	Reason for Detention Memo/ Seizure Memo/Statement of Unregistered Person, etc.	
Details of Person to whom temporary registration granted		
4.	Legal Name	
5.	Gender	Male/Female/Other
6.	Father's Name	
7.	Date of Birth	DD/MM/YYYY
8.	Address of the Person	
	Building No./ Flat No.	
	Floor No.	
	Name of Premises/ Building	
	Road/ Street	
	Locality/ Village	

		District/City	
		State	
		PIN Code	
9.	PAN of the person, if available		
10.	Mobile No.		
11.	Email Address		
12.	Other ID (Voter ID No./ Passport No./Driving License No./ Aadhaar No./ Other)		
Details of goods detained / seized			
13.	Description of Goods		
14.	Measurement Unit (Tonne/Litres/etc)		
15.	Quantity of Goods		
16.	Value of Goods		
17.	Goods found in a vehicle	Yes/No	
Details of Vehicle Owner/ Driver			
18.	Vehicle Registration Number		
19.	Driver Name		
20.	Driver License Number		
21.	Vehicle Owner Name		
22.	Vehicle Owner Mobile No.		
23.	Vehicle Owner PAN		
24.	Vehicle Owner Address		
25.	Place where vehicle was detained		
26.	Consignor Name and Address		
27.	Consignee Name and Address		

28.	Goods Receipt Number	
29.	Nature of Goods Movement	
Details of place where the goods were found		
30.	Full Address	
31.	Name of possessor of the place	
32.	Gender Male/Female/Other	
33.	Father's Name	
34.	Date of Birth	
35.	Mobile No.	
36.	Aadhaar /PAN/Driving License relating to identity proof.	
37.	Name of Owner of Place	
38.	Owner Address	
39.	Owner Mobile No.	
Details of Documents Seized (scalable)		
40.	Document Description	
41.	Document Date	
42.	Effective date of registration / temporary ID	
43.	Registration No. / Temporary ID	
Declaration <p>The particulars given above are as per information gathered from the business premises. The person is hereby directed to file application for proper registration _ within 30 days of the issue of this order.</p> <div style="display: flex; justify-content: space-between;"> <div> <p>Date</p> <p>Place</p> </div> <div> <p>Digital Signature</p> <p><< Name of the Officer>></p> <p>Designation/ Jurisdiction</p> </div> </div> <p>Note: A copy of the order will be sent to the corresponding Central/ State Jurisdictional Authority.</p>		

Government of India / <<State>>

Department of -----

Form GST REG-14

[See Rule ----]

Application for Cancellation of Registration under Goods and Services Tax Act, <20-->

1	Registration ID (GSTIN/ Unique ID)		
2	Full Name of Registrant		
3	Trade Name, if any		
4	Address of Principal Place of Business		
5	Address for future correspondence (Email, mobile, landline etc.)	Building No./ Flat No.	Floor No.
		Name of Premises/ Building	Road/ Street
		Locality/ Village	District/City
		State	PIN Code
		Mobile (with country code)	Telephone with STD code
		Email Address	Fax Number with STD code
6.	Reason for Cancellation (Select one)	<ul style="list-style-type: none"> ○ Discontinuance of business/ Closure of Business ○ Ceased to be liable to pay tax ○ Transfer of business on account of amalgamation, merger, sale, leased or otherwise disposed off ○ Change in constitution of business leading to change in PAN ○ Death of Sole Proprietor* ○ Others (Reasons not more than 20 words) 	
<i>(In case of death of Sole Proprietor, application will have to be made by the legal heir / successor manually before the concerned tax authorities)*</i>			
7.	In case of Transfer of Business, particulars of registration in which merged, amalgamated, transferred, etc.		
(i)	GSTIN		
(ii)	Name		
(iii)	Principal Place of Business		
<i>(The new entity in which the applicant proposes to amalgamate itself must be registered with the tax authority before filing of the surrender application. This application can only be made after that.)</i>			
8.	Date from which registration under Goods and Service Tax Act, 20-- is to be surrendered.	<DD/MM/YYYY>	
9	Last Return Filed	<DD/MM/YYYY>	

10. Amount of GST payable in respect of goods/capital goods held in stock on the effective date of Cancellation of registration.	Description		Value of Stock		Input Tax Credit/ Tax Payable (whichever is higher) (Values in		
					IGST	CGST	SGST
	Trading Stock						
	Raw Material						
	Packaging Material						
	Finished Goods						
	Capital Goods						
	Total						
11. Details of tax paid equivalent to Input Tax Credit / Tax Liable (which is higher) on Stock as above	Payment from Cash						
	S. No.	Debit Entry No.		IGST	CGST	SGST	
	1.						
	2.						
		Total					
	Payment from ITC Ledger						
	S. No.	Debit Entry No.		IGST	CGST	SGST	
	1.						
	2.						
		Total					
		Amount of Tax Paid					
12. Documents uploaded (Refer instruction)							
13. Verification							
I/We <> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed.							
Digital Signature /E Sign of Authorized Signatory							
Place				Name of the Authorised Signatory			
Date				Designation / Status			

Note: Before applying for Cancellation, please file **your tax return due** for the tax period in which the effective date of surrender of registration falls.

Instruction for filing Application for Cancellation:-

- ❑ A registered taxable person seeking cancellation of his registration shall electronically submit an application including details of closing stock and liability thereon.
- ❑ The registered taxable person may submit, along with the application, relevant document in support thereof at the Common Portal either directly or through a Facilitation Centre, notified by the Board or Commissioner.
- ❑ No application for cancellation of registration shall be considered in case of a taxable person, who has registered voluntarily, before the expiry of a period of one year from the effective date of the registration.
- ❑ The registered taxable person, other than a person paying tax under section 8, seeking cancellation of registration shall submit a final return within the time as specified.
- ❑ Following person can digitally sign application for cancellation:

Constitution of Business	Person who can digitally sign the application
Proprietorship	Proprietor
Partnership	Managing / Authorized Partners
Hindu Undivided Family	Karta
Private Limited Company	Managing / Whole-time Directors and Key Managerial Persons
Public Limited Company	Managing / Whole-time Directors and Key Managerial Person
Society/ Club/ Trust/ AOP	Members of Managing Committee
Government Department	Person In charge
Public Sector Undertaking	Managing / Whole-time Director and Key Managerial Person
Unlimited Company	Managing/ Whole-time Director and Key Managerial Person
Limited Liability Partnership	Designated Partners
Local Authority	Chief Executive Officer (CEO) or Equivalent
Statutory Body	Chief Executive Officer (CEO) or Equivalent
Foreign Company	Authorized Person in India
Foreign Limited Liability Partnership	Authorized Person in India
Others	Person In charge

- ❑ Status of the online filed Application can be tracked on the Common Portal.
- ❑ No fee is payable for filing application for cancellation.
- ❑ After filing application for cancellation the taxpayer can make payment and can file returns due of the past periods through his user id and password.
- ❑ Taxpayer can also update his contact address and update his mobile number and e mail address.

Government of India /<<State>>

Department of -----

Form GST REG-15

Reference No << Reference Number>>

<< Date

To

Registration Number

(GSTIN/Unique ID) (Name)

(Address)

Show Cause Notice for Cancellation of Registration

Whereas on the basis of information which has come to my knowledge, I am satisfied that your registration needs to be cancelled for the following reasons: -

1

2

3

....

☐ You are hereby directed to reply to this Show Cause Notice by DD/MM/YYYY

☐ You are hereby directed to appear before the undersigned on DD/MM/YYYY at HH/MM to show cause as to why your registration under ----- Goods & Services Tax Act, 20 should not be cancelled.

Please take a note that in the event of your failure to comply with this notice; your

Place

:

Digital
Signature< Name of the
Officer>

Designation

Government of India /<<State>>			
Department -----			
Form GST REG-16			
<i>[See Rule ---]</i>			
Reference No << Reference Number >>		<< Date-DD/MM/YYYY>>	
To			
(Name and Address)			
Registration ID (GSTIN/Unique ID)			
Application Reference No. (ARN)		Dated – DD/MM/YYYY	
Order for Cancellation of Registration			
This is with reference to your Application for Cancellation of Registration referred above filed under the ---			
<input type="checkbox"/> - Goods and Services Tax Act, 20 .			
<input type="checkbox"/> Whereas no reply to show cause notice has been filed; or			
Whereas on the day fixed for hearing you did not appear; or			
Whereas the Department has examined your Reply and submissions made at the time of hearing, and is of the opinion that your registration is liable to be cancelled for following reason(s).			
1.			
2.			
The effective date of Cancellation of registration is <<DD/MM/YYYY >>.			
Cancellation of registration under Central Goods and Service Tax/State Goods and Service Tax is also deemed to be cancellation under State Goods and Service Tax/Central Goods and Service Tax Act.			
You are required to pay the following amounts including the amount on account of reversal on the input tax credit claimed on the goods lying in stock, including capital goods as per section ____ of CGST/			
Head	IGST	CGST	SGST
Tax			
Interest			
Penalty			
Others			
Total			
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div> Place : Date: </div> <div style="text-align: right;"> Digital Signature < Name of the Officer> Designation Center/State Jurisdiction </div> </div>			

Last Registration Certificates shall be marked with following Text across all the pages of the Registration Certificates.

*Registration Cancelled effective from << effective date of cancellation of
registration>>*

Government of India /<<State>>
Department of -----

Form GST REG-17

[See Rule -----]

Application for Revocation of Cancelled Registration under Goods and Services Act, 20...

1.	GSTIN (cancelled)					
2.	Legal Name					
3.	Trade Name					
4.	Address (Principal place of business)					
5.	Cancellation Order No.				Date –	
6	Reason for cancellation					
7	Details of last return filed					
	Period of Return		ARN		Date of filing	DD/MM/YYYY
8	Reason for revocation of cancellation		Reasons in brief. Detailed reasons can be filed as an attachment			
9	Upload Documents					
1	<p>Verification</p> <p>I/We <<>> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.</p> <p style="text-align: right;">E Sign /Digital Signature of Authorised Signatory Full Name (first name, middle, surname) Designation/Status</p>					

Instruction for filing application for Revocation of Cancellation

- ❑ A taxable person, whose registration is cancelled by the proper officer on his own motion, may apply for revocation of cancellation of registration, within thirty days from the date of service of the order of cancellation of registration at the Common Portal either directly or through a Facilitation Centre, notified by the Board or Commissioner.
- ❑ No application for revocation shall be filed if the registration has been cancelled for the failure of the taxable person to furnish returns unless such returns are filed and any amount due as tax in terms of such returns has been paid along with any amount payable towards interest, penalties and late fee payable in respect of the said returns.
- ❑ The proper officer may require the applicant to furnish, such additional information or clarification as, in his opinion, may be required for verifying the particulars furnished in the said application and the applicant shall furnish the information or the clarification within seven common working days from the date of the service of notice.
- ❑ Any change in the mobile number or the e-mail address of authorized signatory submitted under rule --, as amended from time to time, shall be carried out only after online verification through the Common Portal in the manner provided as specified under rule --.
- ❑ Status of the online filed Application can be tracked on the Common Portal.
- ❑ No fee is payable for filing application for Revocation of cancellation.

Government of India /<<State>>

Department of -----

Form GST REG-18

[See Rule -----]

To

GSTIN/Unique

ID (Name of

—

Application Reference No.

Dated —

Order for Approval of Application for Revocation of Cancelled Registration

This is with reference to your Application for Revocation of Cancelled Registration referred above filed under the Goods and Services Tax Act, 20--. The Department has examined your application and the same has been found satisfactory and your registration is hereby restored.

As per section ---, revocation of cancellation of registration under CGST Act / SGST Act is also deemed to

Digital Signature

Name of Proper officer

(Designation) Jurisdiction

– Center/ State

Date

Place

Government of India /<<State>>

Department of -----

Form GST REG-19

[See Rule-----]

Notice for Seeking Clarification / Documents relating to Application for

<< Revocation of Cancellation>>

Reference Number :

<< Date— DD/MM/YYYY>>

To

Name of the Applicant/ Taxpayer

Address of the Applicant/Taxpayer

GSTIN*

Application Reference No. (ARN):

Dated— DD/MM/YYYY

This is with reference to your <<registration>> application referred above, filed under the --- Goods and Services Tax Act, 20--. The Department has examined your application and is not satisfied with it for the following reasons:

- 1.
- 2.
- 3.

¢ You are directed to submit your reply by (DD/MM/YYYY)

¢ *You are hereby directed to appear before the undersigned authority on (DD/MM/YYYY) at (HH:MM)

If no response is received by the stipulated date and time as stated above, your application is liable for rejection. Please note that no further notice / reminder will be issued in this matter.

Digital

Signature Name of the

Proper Officer

Designation

Government of India / <<State >> Government

Department of -----

Form GST REG-20

[See Rule -----]

Application for Enrolment of Existing Taxpayer**Taxpayer Details**

1. Provisional ID	
2. Legal Name (As per PAN)	
3. Legal Name (As per State/Center)	
4. Trade Name	
5. PAN of the Business	
6. Constitution	
7. State	
7A Sector, Circle, Ward, etc. as applicable	
7B. Center Jurisdiction	
8. Reason of liability to obtain Registration	Registration under earlier law

9. Existing Registrations

Sr. No.	Type of Registration	Registration Number	Date of Registration
1	State VAT Registration		
2	CST Registration No.		
3	Service Tax Registration		
4	Central Excise Registration		
5	IEC No. (Importer Exporter Code)		
6	Corporate / LLP Identity Number		

10. Details of Principal Place of Business

Building No. /Flat No.		Floor No	
Name of the Premises/Building		Road/Street	
Locality/Village		City / District	

State		PIN Code	
Latitude		Longitude	
Contact Information			
Office Email Address		Office Telephone Number	
Mobile Number		Office Fax No	
10A.Nature of Possession of Premises		(Own; Leased; Rented; Consent; Shared)	
10B.Nature of Business Activities being carried out			
Factory / Manufacturing <input type="radio"/>	Wholesale Business <input type="radio"/>	Retail Business <input type="radio"/>	Warehouse/Depot <input type="radio"/>
Bonded Warehouse <input type="radio"/>	Service Provision <input type="radio"/>	Office/Sale Office <input type="radio"/>	Leasing Business <input type="radio"/>
Service Recipient	EOU/ STP/ EHTP <input type="radio"/>	SEZ <input type="radio"/>	Input Service Distributor (ISD) <input type="radio"/>
Works Contract			
11. Details of Additional Places of Business			
Building No/Flat No		Floor No	
Name of the Premises/Building		Road/Street	
Locality/Village		City/ District	
State		PIN Code	
Latitude		Longitude	
Contact Information			
Office Email Address		Office Telephone Number	
Mobile Number		Office Fax No	
11A.Nature of Possession of Premises		(Own; Leased; Rented; Consent; Shared)	
11B.Nature of Business Activities being carried out			
Factory / Manufacturing <input type="radio"/>	Wholesale Business <input type="radio"/>	Retail Business <input type="radio"/>	Warehouse/Depot <input type="radio"/>
Bonded Warehouse <input type="radio"/>	Service Provision <input type="radio"/>	Office/Sale Office <input type="radio"/>	Leasing Business <input type="radio"/>
Service Recipient	EOU/ STP/ EHTP <input type="radio"/>	SEZ <input type="radio"/>	Input Service Distributor (ISD) <input type="radio"/>
			(ISD)
Works Contract			
Add More ----- <input type="radio"/>			

12. Details of Goods/ Services supplied by the Business

Sr. No.	Description of Goods	HSN Code
Sr. No.	Description of Services	Service Accounting Code

13. Total Bank Accounts maintained by you for conducting Business

Sr. No.	Account Number	Type of Account	IFSC	Bank Name	Branch Address

14. Details of Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc.

Name	<First Name>	<Middle Name>	<Last Name>	<Photo>
Name of Father/Husband	<First Name>	<Middle Name>	<Last Name>	
Date of Birth	DD/ MM/ YYYY	Gender	<Male, Female, Other>	
Mobile Number		Email Address		
Telephone Number				

Identity Information

Designation		Director Identification Number	
PAN		Aadhaar Number	
Are you a citizen of India?	<Yes/No>	Passport Number	

Residential Address

Building No/Flat No		Floor No	
Name of the Premises/Building		Road/Street	

Locality/Village		City/ District	
State		PIN Code	
15. Details of Primary Authorized Signatory			
Name	<First Name>	<Middle Name>	<Last Name>
Name of Father/Husband	<First Name>	<Middle Name>	<Last Name>
Date of Birth	DD / MM / YYYY	Gender	<Male, Female, Other>
Mobile Number		Email Address	
Telephone Number			
Identity Information			
Designation		Director Identification Number	
PAN		Aadhaar Number	
Are you a citizen of India?	<Yes/No>	Passport Number	
Residential Address			
Building No/Flat No		Floor No	
Name of the Premises/Building		Road/Street	
Locality/Village		City/ District	
State		PIN Code	
Add More ---			
List of Documents Uploaded			
A customized list of documents required to be uploaded as per the field values in the form should be auto-populated with provision to upload relevant document against each entry in the list. (Refer instruction)			
16. Aadhaar Verification			
I on behalf of the holders of Aadhaar numbers provided in the form, give consent to “Goods and Services Tax Network” to obtain details from UIDAI for the purpose of authentication. “Goods and Services Tax Network” has informed me that identity information would only be used for validating identity of the Aadhaar holder and will be shared with Central Identities Data Repository only for the purpose of authentication.			
17. Declaration			
I, hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.			
Digital Signature/E-Sign			
Name of the Authorized Signatory		Place	
Designation of Authorized Signatory		Date	

Instruction for filing Application for enrolment

1. Every person registered under an earlier law and who has provided a Permanent Account Number issued under the Income Tax Act, 1961 under that law shall be granted registration on a provisional basis.
2. Every person who has been granted a provisional registration shall furnish the information electronically by filing application along with such documents as specified in the said application, on the Common Portal either directly or through a Facilitation Centre, notified by the Board or Commissioner.
3. The information can be uploaded on the Common Portal by logging on the portal with provisional identity and password provided to the taxpayers.
4. If the information and the particulars furnished in the application are found, by the proper officer, to be correct and complete, the provisional registration granted under sub-rule --- of rule --- shall be confirmed.
5. If the particulars and/or information specified have either not been furnished or not found to be correct and complete, the proper officer shall cancel the provisional registration granted under sub-rule --- of rule --- after giving an opportunity of being heard.
6. Certificate of registration, incorporating the Goods and Service Tax Identification Number (GSTIN) therein, shall be made available on the Common Portal.
7. Every person registered under any of the earlier laws, who is not liable to register under the Act may, at his option, file electronically an application at the Common Portal for cancellation of the registration granted provisionally to him and the proper officer shall, after such enquiry as may be deemed fit, cancel the said provisional registration.

8. Authorization Form:-

For each Authorised Signatory mentioned in the application form, Authorization or copy of Resolution of the Managing Committee or Board of Directors to be filed in the following format:

Declaration for Authorised Signatory (Separate for each signatory)

I/We ---

(Details of Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc)

1. << Name of the Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc>>
- 2.
- 3.

hereby solemnly affirm and declare that <<name of the authorized signatory>> to act as an authorized signatory for the business << GSTIN - Name of the Business>> for which application for registration is being filed/ is registered under the Goods and Service Tax Act, 20 .

All his actions in relation to this business will be binding on me/ us.

Signatures of the persons who are Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc.

S.No.	Full Name	Designation/Status	Signature 1.
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2.

I <<(Name of the authorized signatory)>> hereby solemnly accord my acceptance to act as authorized signatory for the above referred business and all my acts shall be binding on the business.

Signature of Authorised
Signatory

Designation/Status

Acceptance as an authorized signatory

Instruction for filing online form:-

- Enter your Provisional ID and password as provided by the State VAT/Central Excise/Service Tax Department for log in on the GST Portal.
- Correct Email address and Mobile number of the Primary Authorised Signatory are to be provided. The Email address and Mobile Number would be filled as contact information of the Primary Authorised Signatory.
- E mail and Mobile number to be verified by separate One Time Passwords. Taxpayer shall change his user id and password after first login.
- Taxpayer shall require to fill the information required in the application form related details of Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees, Principal Place of Business and details in respect of Authorised signatories.
- Information related to additional place of business, Bank account, commodity in respect of goods and services dealt in (top five) are also required to be filled.
- Applicant need to upload scanned copy of the declaration signed by the Proprietor/all Partners/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc. in case he/she declares a person as Authorised Signatory as per Annexure specified.
- Documents required to be uploaded as evidence are as follows:-

1	<p>Photographs wherever specified in the Application Form (maximum 10) Proprietary Concern – Proprietor</p> <p>Partnership Firm / LLP – Managing/ Authorized Partnership Firm / LLP – Managing/ Authorized</p> <p>Partners (personal details of all partners is to be submitted but photos of only ten partners including that of Managing Partner is to be submitted)</p> <p>HUF – Karta</p> <p>Company – Managing Director or the Authorised Person</p>
	<p>Association of Person or Body of Individual –Members of Managing Committee (personal details of all members is to be submitted but photos of only ten members including that of Chairman is to be submitted)</p> <p>Local Body – CEO or his equivalent</p> <p>Statutory Body – CEO or his equivalent</p> <p>Others – Person in Charge</p>
2.	Constitution of Taxpayer: Partnership Deed in case of Partnership Firm, Registration Certificate/Proof of Constitution in case of Society, Trust, Club, Government Department, Association of Person or Body of Individual, Local Authority, Statutory Body and Others etc.
3.	<p>Proof of Principal/Additional Place of Business:</p> <p>(a) For Own premises –</p> <p>Any document in support of the ownership of the premises like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(b) For Rented or Leased premises –</p> <p>A copy of the valid Rent / Lease Agreement with any document in support of the ownership of the premises of the Lessor like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.</p> <p>(c) For premises not covered in (a) & (b) above –</p> <p>A copy of the Consent Letter with any document in support of the ownership of the premises of the Consenter like Municipal Khata copy or Electricity Bill copy. For shared properties also, the same documents may be uploaded.</p>
4	<p>Bank Account Related Proof:</p> <p>Scanned copy of the first page of Bank passbook / one page of Bank Statement</p> <p>Opening page of the Bank Passbook held in the name of the Proprietor / Business Concern</p> <p>– containing the Account No., Name of the Account Holder, MICR and IFSC and Branch details.</p>
5	For each Authorised Signatory: Letter of Authorization or copy of Resolution of the Managing Committee or Board of Directors to that effect as specified.

- After submitting information electronic signature shall be required. Following person can electronically sign application for enrolment:-

Constitution of Business	Person who can digitally sign the application
Proprietorship	Proprietor
Partnership	Managing / Authorized Partners
Hindu Undivided Family	Karta
Private Limited Company	Managing / Whole-time Directors and Key Managerial Persons
Public Limited Company	Managing / Whole-time Directors and Key Managerial Person
Society/ Club/ Trust/ AOP	Members of Managing Committee
Government Department	Person In charge
Public Sector Undertaking	Managing / Whole-time Director and Key Managerial Person
Unlimited Company	Managing/ Whole-time Director and Key Managerial Person
Limited Liability Partnership	Designated Partners
Local Authority	Chief Executive Officer (CEO) or Equivalent
Statutory Body	Chief Executive Officer (CEO) or Equivalent
Foreign Company	Authorized Person in India
Foreign Limited Liability Partnership	Authorized Person in India
Others	Person In charge

- Application is required to be mandatorily digitally signed as per following :-

Sl. No	Type of Applicant	Digital Signature required
1.	Private Limited Company Public Limited Company Public Sector Undertaking Unlimited Company Limited Liability Partnership Foreign Company Foreign Limited Liability Partnership	Digital Signature Certificate(DSC)
2.	Other than above	Digital Signature Certificate e-Signature

Note :- 1. Applicant shall require to register their DSC on Common portal.

2. e-Signature facility will be available on the common portal for Aadhar holders.

All information related to PAN, Aadhaar, DIN, CIN, LLPIN shall be online validated by the system and Acknowledgment Reference Number will be generated after successful validation of all the filled up information.

Status of the online filed Application can be tracked on the Common Portal.

1. Authorised signatory should not be minor.
2. No fee is applicable for filing application for enrolment.

Acknowledgement

Enrolment Application - Form GST- has been filed against Application Reference Number (ARN) <.....>.

Form Number : <.....>

Form Description : <Application for Enrolment of Existing Taxpayers>

Date of Filing : <DD/MM/YYYY>

Taxpayer Trade Name : <Trade Name>

Provisional ID Number : <Legal Name as shared by State/Center>

It is a system generated acknowledgement and does not require any signature



Government of India And

Government of <State>

Department of.....

Form GST REG-21

[See rule -----]

Provisional Registration Certificate

Central Goods and Services Tax Act, <20--> and <State> Goods and Services Tax Act, <20-->

1.	Provisional ID		
2.	PAN		
3.	Legal Name		
4.	Trade Name		
5.	Registration Details under Earlier Law		
	Act	Registration Number	
(a)			
(b)			
(c)			
Date	<Date of creation of Certificate>	Place	<State>

This is a Provisional Registration Certificate issued under the provisions of Central Goods and Services Tax Act, 20-- and <State> Goods and Services Tax Act, 20--.

This certificate will be valid till <30th September, 20 > or any other date notified in the Official Gazette. Final Registration Certificate will be issued after verification of Application for Enrolment.

Government of India / <<State>>

Department -----

Form GST REG-22*[See Rule ---]***Reference No << Reference Number >>**

<< Date-DD/MM/YYYY>>

To

(Name and Address)

Registration ID (GSTIN/Provisional ID)

Application Reference No. (ARN)

Dated – DD/MM/YYYY

**Order for Cancellation of Provisional
Registration**

This is with reference to your Application for enrolment referred above filed under the ---- Goods and Services Tax Act, 20 .



Whereas no reply to show cause notice has been filed; or



Whereas on the day fixed for hearing you did not appear; or

Whereas the Department has examined your Reply and submissions made at the time of hearing, and is of the opinion that your registration is liable to be cancelled for following reason(s).

1.

2.

The effective date of Cancellation of registration is <<DD/MM/YYYY >>.

Cancellation of registration under Central Goods and Service Tax/State Goods and Service Tax is also deemed to be cancellation under State Goods and Service Tax/Central Goods and Service Tax Act.

You are required to pay the following amounts including the amount on account of reversal on the input tax credit claimed on the goods lying in stock, including capital goods as per section_of CGST/

Head	IGST	CGST	SGST
Tax			
Interest			
Penalty			
Others			
Total			

Place

:

Date:

Digital Signature

< Name of the Officer>

Designation

Center/State Jurisdiction

Government of India / <<State>>

Department -----

Form GST REG-23

Reference No << Reference Number>>

<<Date-

To

Provisional

ID Name

A 11 - - - -

Application Reference Number(ARN)

Dated –

Intimation of discrepancies in Application for Enrolment of Provisional ID

This is with reference to your application referred above, filed under the Goods and Services Tax Act, 2017. The Department has examined your application and the same has not been found satisfactory for the following reasons:-

1

2

...

You are required to file an Amendment Application within 15 days from the receipt of this intimation, if not filed already to rectify the above errors. Failure to rectify the discrepancies could entail initiation of cancellation proceedings.

Name and DSC of the Proper Officer

Designation

in Jurisdiction Center/

State

Government of India /<<State>>

Department of -----

Form GST REG-24

[See rule -----]

**Application for Cancellation of Registration for the Migrated Taxpayers not liable for
registration under Goods and Service Tax Act 20....**

Part A

1. Provisional ID	
2. Password	
3. Email ID	
4. Mobile Number	
Part B	
5. Legal Name (As per PAN)	
6. Legal Name (As shared by State/Centre)	
7. Address for correspondence	Building No./ Flat No.
	Floor No.
	Name of Premises/ Building
	Road/ Street
	Locality/ Village
	District
	State
	PIN Code
	Email
	Mobile (with country code)
	Telephone Number (with STD code)
	FAX Number
8. Reason for Cancellation	Ceased to be liable to pay tax
9. Declaration	
(i) I / We < Name of the Proprietor/Karta/Authorised Signatory>, being <Designation> of <Legal Name (As per PAN)> do hereby state that I/We am/ are not liable to registration under	

Goods and Service Tax Act 20.....

(ii) The Provisional ID issued to me shall be deemed to have not been issued.

10. Verification

I/We < > hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed.

Aadhaar Number		Permanent Account Number	
Digital Signature/E-Sign of Authorized Signatory			
Full Name			
Designation / Status			
Place			
Date		DD/MM/YYYY	

Government of India /<<State>>

Department of -----

Form GST REG-25

[See Rule ---]

Application for extension of registration period by Casual / Non-Resident taxable person

1.	GSTIN	(Based on login to be auto populated)			
2.	Name	(To be auto-populated)			
3.	Address	(To be auto-populated)			
4.	Period of Validity (original)	<From	DD/MM/YYYY	To	DD/MM/YYYY>
5.	Period for which extension is requested.	<From	DD/MM/YYYY	To	DD/MM/YYYY>
6	Estimated Turnover for the extended period (Rs.)	Estimated Tax Liability (Net) for the extended period (Rs.)			
		IGST	CGST	SGST	Total
7	Payment detail				
	CIN	Date		Amount	
	CIN	Date		Amount	
8.	Declaration <i>I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from.</i>				
Place		Digital Signature/E-Sign			
Date		Name of Authorized Signatory			
		Designation / Status			

Instruction for filing application for extension of validity

- 1 Application can be filed online before the expiry of the period of validity.
2. Application can only be treated as filed when advance payment of the net tax liability is being done.
3. After successful filing ARN will be generated which can be tracked online on Taxpayer/Applicant dashboard.

Government of India/State

Department of -----

Form GST REG-26

[See Rule -----]

Form for Field Visit Report

Center/State Jurisdiction (Ward/Circle/Zone)

Name of the Officer:- << to be prefilled>>

Date of Submission of Report:-

Name of the Taxpayer

GSTIN/Unique ID Number –

Task Assigned by:- < Name of the Authority- to be prefilled>

Date and Time of Assignment of task:- < System date and

S. No.	Particulars	Input
1.	Date of Visit	
2.	Time of Visit	
3.	Location details	
	Latitude	
	Longitude	
	North – Bounded By	
	South – Bounded By	
	West – Bounded By	
	East – Bounded By	
4.	Whether address is same as mentioned in application.	Y / N
5.	Particulars of the Persons available at the time of Visit	
(i)	Name	
(ii)	Father Name	
(iii)	Residential Address	
(iv)	Mobile Number	
(v)	Designation / Status	
(vi)	Relationship with taxpayer, if applicable.	
6.	Functioning status of the Business	Functioning - Y /
7.	Details of the premises	
	Open Space Area (in sq m.) - (approx.)	

	Covered Space Area (in sq m.) - (approx.)	
	Floor on which business premises located	
8.	Documents verified	Yes/No
9.	Upload photograph of the place with the person who is present at the place where site verification is conducted.	
10.	Comments (not more than < 1000 characters>	
	Signature	
	Name of the Officer	
	Designation	
	Jurisdiction	

GOODS AND SERVICES TAX RULES, 20--

RETURN FORMATS & List of GST Returns/Statements to be furnished by Registered Persons

1	Form GSTR-1	Details of outward supplies of taxable goods and/or services effected
2	Form GSTR-1A	Details of outward supplies as added, corrected or deleted by the recipient
3	Form GSTR-2	Details of inward supplies of taxable goods and/or services claiming input tax credit
4	Form GSTR-2A	Details of inward supplies made available to the recipient on the basis of FORM GSTR-1
5	Form GSTR-3	Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax
6	Form GSTR-3A	Notice to a registered taxable person who fails to furnish return under section 27 and 31
7	Form GSTR-4	Quarterly Return for compounding Taxable persons
8	Form GSTR-4A	Details of inward supplies made available to the recipient registered under composition
		scheme on the basis of FORM GSTR-1 furnished by the supplier
9	Form GSTR-5	Return for Non-Resident foreign taxable person
10	Form GSTR-6	ISD return
11	Form GSTR-6A	Details of inward supplies made available to the ISD recipient on the basis of FORM GSTR-1 furnished by supplier
12	Form GSTR-7	Return for authorities deducting tax at source
13	Form GSTR-7A	TDS Certificate
14	Form GST-ITC-1	Communication of acceptance, discrepancy or duplication of input tax credit claim
15	Form GSTR-8	Details of supplies effected through e-commerce operator and the amount of tax collected
		as required under sub-section (1) of section 43C
16	Form GSTR-9	Annual return
17	Form GSTR-9A	Simplified Annual return by Compounding taxable persons registered under section 8
18	Form GSTR-9B	Reconciliation Statement
19	Form GSTR-10	Final return
20	Form GSTR-11	Details of inward supplies to be furnished by a person having UIN
21	Form GST-TRP-1	Application for enrolment as Tax return preparer
22	Form GST-TRP-2	Enrolment certificate as Tax return preparer
23	Form GST-TRP-3	Show cause to as Tax return preparer
24	Form GST-TRP-4	Order of cancelling enrolment as Tax return preparer
25	Form GST-TRP-5	List of Tax return preparers
26	Form GST-TRP-6	Consent of taxable person to Tax return preparer
27	Form GST-TRP-7	Withdrawal of authorization to tax return preparer