

CA FINAL MAY 2025 INDIRECT TAX LAWS AMENDMENTS

INTRODUCTION TO GST

Levy of GST Compensation cess extended till 31st March 2026.

No proceedings of GST Council shall be invalid merely because there is any defect or vacancy.

SUPPLY UNDER GST

Amendment in SCHEDULE III:

Actionable claims, other than specified actionable claims.

Specified actionable claim means the actionable claim claims involved in or by way of –

- (i) betting;
- (ii) casinos;
- (iii) gambling;
- (iv) horse racing;
- (v) lottery; or
- (vi) online money gaming [Section 2(102A)].

Online money gaming means online gaming in which players pay or deposit money or money's worth, including virtual digital assets, in the expectation of winning money or money's worth, including virtual digital assets, in any event including game, scheme, competition or any other activity or process, whether or not its outcome or performance is based on skill, chance or both and whether the same is permissible or otherwise under any other law for the time being in force.

Supply of food and beverages at cinema halls taxable as restaurant service

The cinema operator:

- (i) may run these refreshment/eating stalls/ kiosks/ counters/ restaurant themselves or
- (ii) they may give it on contract to a third party. The customer may like to avail the services supplied by these refreshment/snack counters or choose not to avail these services. Further, the cinema operator can also install vending machines, or supply any other recreational service such as through coin-operated machines etc. which a customer may or may not avail.

It is hereby clarified that:

- i. supply of food or beverages in 'restaurant service' as long as:
 - a. the food or beverages are supplied by way of or as part of a service, and
 - b. supplied independent of the cinema exhibition service.
- ii. where the sale of cinema ticket and supply of food and beverages are clubbed together, and such bundled supply satisfies the test of composite supply, the

entire supply will attract GST at the rate applicable to service of exhibition of cinema, the principal supply

In case of motor insurance claims, there are two possibilities:

- (i) deduct the value of salvage/wreckage of the motor vehicle as deductibles from the claim amount paid to the insured, the salvage remains the property of insured and insurance companies are not liable to discharge GST liability on the same.
- (ii) do not deduct the value of salvage/wreckage of the motor vehicle and pay the full amount of insurance claim, the salvage becomes the property of the insurance company and the insurance company will be obligated to discharge GST on supply of salvage to the salvage buyer.

Circular No. 215/9/2024 GST dated 26.06.2024: (newly added)

GST on Location Charges or Preferential Location Charges (PLC) collected along with consideration for sale/transfer of properties

PLC paid along with the consideration for the construction service forms part of composite supply where supply of construction services is the main service and PLC is naturally bundled with it and are eligible for same tax treatment as the main supply of construction service

Taxability of employee stock option plan (ESOP)/ employee stock purchase plan (ESPP) restricted stock unit (RSU) provided by foreign holding company to employees of Indian subsidiary company where cost of such shares reimbursed by domestic subsidiary company

- a.** It reimbursed on actual cost to cost basis then it is not a supply as securities are neither goods nor services
- b.** If additional amount over and above the cost of shares or securities is charged by foreign holding company from domestic subsidiary company then GST would be leviable on RCM basis for supply of facilitating or arranging transaction in shares or securities

CHARGE OF GST

RCM In Case of Services as Per Section 9(3) Of CGST Act - New Entry Added:

RCM (In case of Goods): Metal Scrap (when supplied by unregistered person to any registered person) are taxable under reverse charge.

Tax on services supplied by director of a company in his personal capacity such as renting of immovable property to the company/body corporate not payable under reverse charge mechanism

Tax on services supplied by director of a company/body corporate to the said company or the body corporate is payable by the company/body corporate under reverse charge mechanism (RCM).

It is clarified that services supplied by a director of a company/body corporate to the company/body corporate in his private/personal capacity such as services supplied by way of renting of immovable property are not taxable under RCM.

Only those services supplied by director of company/body corporate, which are supplied by him as or in the capacity of director of that company or body corporate shall be taxable under RCM in the hands of the company or body corporate.

Circular No. 201/13/2023 GST dated 01.08.2023

TIME OF SUPPLY

Clarification on the time of supply in respect of time of supply of services of construction of road and maintenance thereof of National Highway Projects of National Highways Authority of India (NHAI) in Hybrid Annuity Mode (HAM) model

Issue: Under the Hybrid Annuity Mode (HAM) model of National Highways Authority of India (NHAI), the concessionaire has to construct the new road and provide Operation & Maintenance of the same which is generally over a period of 15-17 years and the payment of the same is spread over the years. What is the time of supply for the purpose of payment of tax on the said service under the HAM model?

Under the Hybrid Annuity Model (HAM) of concession agreements, the highway development projects are under Design, Build, Operate and Transfer model (DBOT), wherein the concessionaire is required to undertake new construction of Highway, as well as the Operation and Maintenance (O&M) of Highways. The payment terms for the construction portion as well as the O&M portion of the contract are provided in the agreement between National Highways Authority of India (NHAI) and the concessionaire.

In HAM contract, the payment is made spread over the contract period in installments and payment for each installment is to be made after specified periods, or on completion of an event, as specified in the contract. The same appears to be covered under the 'Continuous supply of services' as defined under section 2(33) of the CGST Act, 2017. It is clarified that the tax liability on the concessionaire under the HAM contract, including on the construction portion, would arise at the time of issuance of invoice, or receipt of payments, whichever is earlier, if the invoice is issued on or before the specified date or the date of completion of an event, as specified in the contract. The same appears to be covered under the 'Continuous supply of services' as defined under section 2(33) of the CGST Act, 2017.

Circular No. 221/15/2024 GST dated 26.06.2024

Clarification on time of supply of services of spectrum usage and other similar services under GST:

Under the spectrum allocation model followed by Department of Telecommunications (DoT), bidder (the telecom operator) bids for securing the right to use spectrum offered by the Government. Here,

service provider is the Government of India (through DoT) and service recipient is the bidder/telecom operator. The GST is to be discharged on the supply of spectrum allocation services by the recipient of services (the telecom operator) on reverse charge basis.

In case where full upfront payment is made by the telecom operator, GST would be payable when the payment of the said upfront amount is made or is due, whichever is earlier.

In case where deferred payment is made by the telecom operator in specified installments, same shall be considered as 'continuous supply of services' as defined under section 2(33), since the supply of services (spectrum usage) is agreed to be provided by the supplier (DoT) to the recipient (telecom operator) continuously for a period which is exceeding three months with periodic payment obligations.

Circular No. 222/16/2024 GST dated 26.06.2024 (newly added)

EXEMPTIONS UNDER GST

Services provided by Government

Services provided by Ministry of Railways (Indian Railways) to individuals by way of

- (a) sale of platform tickets
- (b) facility of retiring rooms/waiting rooms;
- (c) cloak room services;
- (d) battery operated car services

Services provided by one zone/division under Ministry of Railways (Indian Railways) to under Ministry of Railways (Indian Railways)

Services provided by SPVs to Indian Railways by allowing Indian Railways to use the infrastructure built and owned by them during the concession period against consideration and

Services of maintenance supplied by Indian Railways to SPVs in relation to said infrastructure built and owned by the SPVs during the concession period against consideration.

Clarification related to GTA:

It is clarified by CBIC that ancillary or incidental services provided by GTA in the course of transportation of goods by road, such as loading/unloading, packing/unpacking, transshipment, warehousing etc. will be treated as composite supply of transport of goods.

The method of invoicing used by GTAS Will not generally alter the nature of the composite supply of service.

However, if such services are not provided in the course of transportation of goods and are invoiced separately, then these services will not be treated as composite supply of transport of goods.

General insurance business services

Entry 36A

Services by way of reinsurance of the insurance schemes specified in serial number 35 or 36 or 40" "Retrocession " means a reinsurance transaction whereby a part of assumed reinsured risk is further ceded to another Indian Insurer or a CBR (Cross Border Reinsurer). It has been clarified" that the term "reinsurance" includes "retrocession" services.

Services provided to the Government

Services provided to a Governmental Authority by way of (a) water supply (b) public health (c) sanitation conservancy (d) solid waste management and (e) slum improvement

Other exempt services

Entry 12A

Supply of accommodation services having value of supply less than or equal **to twenty thousand rupees per person** per month provided that the accommodation service is supplied for **a minimum continuous period of ninety days**.

Entry 25A

Supply of services by way of providing metering equipment on rent, testing meters/transformers/capacitors etc., releasing electricity connection, shifting of meters/service lines, issuing duplicate bills etc., which are incidental or ancillary to the supply of transmission and of electricity provided by electricity transmission distribution utilities to their consumers.

Entry 66A

Services of affiliation provided by a Central or State Educational or Council or any other similar by whatever name called, to an established, owned or controlled by the Central Government, State Government, Union Territory, local authority, Governmental authority or Government entity.

Accordingly, affiliation provided to other schools, universities and colleges would be taxable.

Entry 44A

Research and development services against consideration received in the form of grants supplied by–

(a) a Government Entity; or

(b) a research association, university, college or other institution, notified under clauses (ii)

or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961.

The condition to be fulfilled in this case is that the research association, university, college or other institution, notified under clauses (ii) or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961 is so notified at the time of supply of the research and development service.

Entry No. 69: (Entry replaced)

Any services provided by –

- (a) the National Skill Development Corporation (NSDC) set up by the Government of India;
 - (b) the National Council for Vocational Education and Training; (NCVET)
 - (c) an Awarding Body recognized by the National Council for Vocational Education and Training;
 - (d) an Assessment Agency recognized by the National Council for Vocational Education and Training;
 - (e) a Training Body accredited with an Awarding Body that is recognized by the National Council for Vocational Education and Training,
- in relation to
- (i) the National Skill Development Programme or any other scheme implemented by the National Skill Development Corporation; or
 - (ii) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or
 - (iii) any National Skill Qualification Framework aligned qualification or skill in respect of which the National Council for Vocational Education and Training has approved a qualification package.

Approved Flying Training Courses conducted by Flying Training Organisations approved by the Director General of Civil Aviation

The approved flying training courses conducted by FTOs approved by DGCA, wherein the DGCA mandates the requirement of a completion certificate are exempt as services provided by educational institutions (an institution providing services by way of education as a part of a curriculum for obtaining a qualification recognized by any law for the time being in force) to its students, faculty and staff are exempt from levy of GST.

Statutory collections made by the Real Estate Regulatory Authority (RERA)

RERA is a 'governmental authority' and is covered under the scope of entry no. 4. It is hereby clarified that statutory collections made by RERA are covered under the entry no. 4 and thus, exempt from GST Circular No. 228/22/2024 GST dated 15.07.2024

Import of services by an establishment of a foreign company in India, which is an airline company, from a related person or from any of its other establishments outside India, when made without consideration.

Conditions to be fulfilled:

- (i) GST at applicable rates is paid by the establishment of the foreign airline company in India on

transport of goods and passengers as may be applicable.

(ii) Ministry of Civil Aviation certifies that the establishment of the foreign company in India is that of an airline company which has been designated by the foreign government under the applicable bilateral air services agreement with India.

(iii) Ministry of Civil Aviation certifies that on a reciprocal basis, designated Indian airlines are not subject to levy of similar taxes by whatever name called for the same services appearing under the entry, by the Government of the country designating the foreign airline company.

VALUE OF SUPPLY:

- In case of corporate guarantee to bank or financial institution on behalf of related recipient, the value of supply shall be 1% of amount guaranteed per annum or actual consideration whichever is higher. VOS is based on amount guaranteed and not based on amount disbursed.
- In case of loan given by an overseas affiliate to an Indian party where there is no consideration in the form of processing fee but there is interest or discount, then it cannot be said that any supply of service is being provided between the related persons in the form of processing or facilitating the loan. However, if any fee is charge separately over and above the interest then GST would apply on the same.

PLACE OF SUPPLY:

In case of supply of goods to unregistered person through ECO, POS shall be the delivery address and not the billing address – Section 10(1)(ca) of IGST Act.

POS in case of custodial services by Banks:

The custodial services provided by banks or financial institutions to FPIs are not to be treated as services provided to 'account holder'. Therefore, the said services are not covered under section 13(8)(a) and the place of supply of custodial services will not be determined under section 13(8)(a). Therefore, the place of supply of such services is to be determined under the default provision i.e., section 13(2).

POS in case of Hosting services:

(a) DHSP provides data hosting services to the CCSP on principal-to-principal basis on his own account and is not acting as a broker or agent for facilitating supply of service between CCSPs and their end users/consumers.

(b) Data hosting services provided by DHSP to the said CCSPs cannot be considered in relation to the goods "made available" by the said CCSPs to the DHSP in India.

(c) Data hosting services cannot be considered as the services provided directly in relation to immovable property or physical premises.

In terms of the above discussion, it is inferred and clarified that the place of supply in such cases needs to be determined according to the default provision under section 13(2), i.e. the location of the recipient of the services.

INPUT TAX CREDIT

Section 16(2)(aa) read with Rule 36(4) (Amended)

Details of invoices/debit notes uploaded by the supplier in his GSTR-1 or using IFF and details communicated in Form GSTR-2B:

Input tax credit in respect of any supply of goods or services or both is available to a registered person only if the details of the invoice/debit note in respect of said supply has been furnished by the supplier in the statement of outward supplies (Form GSTR-1 or as amended in Form GSTR-1A if any or IFF) and such details have been communicated to the recipient of such invoice/debit note in Form GSTR-2B

Clarification on time limit under Section 16(4) of the CGST Act, 2017 in respect of RCM supplies received from unregistered persons

It is clarified that in cases of supplies received from unregistered suppliers, where tax has to be paid by the recipient under reverse charge mechanism (RCM) and where invoice is to be issued by the recipient of the supplies in accordance with section 31(3)(f) of the CGST Act, 2017 the relevant financial year for calculation of time limit for availment of input tax credit under the provisions of section 16(4) of the CGST Act, 2017 will be the financial year in which the invoice has been issued by the recipient under section of CGST Act, subject to payment of tax on the said supply by the recipient and fulfilment of other conditions and restrictions of section 16 and 17 of the CGST Act, 2017.

Time limit or taking ITC in case revoked registration cancellation [Section 16(6)]

In case where registration of a taxpayer is cancelled and subsequently, it is revoked, return for the period from date of cancellation/ effective date of cancellation till the date of revocation of cancellation cannot be filed on the portal by the taxpayers till their cancellation of registration is revoked. In such cases, where the recipient has not claimed the ITC in respect of any invoice/debit note pertaining to that financial year and in the meantime, time-limit stipulated in section 16(4) lapses, he would not be able to claim ITC on the said invoice/debit note.

Consequently, relaxation has been given and the time limit to avail ITC under section 16(4) in respect of any invoice/debit note, is extended till the date of filing return in cases where the returns for the period from date of cancellation of registration/effective date of cancellation of registration till the date of revocation of cancellation of registration are filed within 30 days of revocation of cancellation of registration, subject to the condition that the time limit to avail ITC in respect of the said invoice or the debit note under section 16(4) had not already expired on the date of cancellation of registration.

Clarification on availability of ITC on ducts and manholes used in network of optical fiber cables (OFCs) in terms of section 17(5)

Issue: Whether the input tax credit on the ducts and manholes used in network of optical fiber cables (OFCs) for providing telecommunication services is barred in terms of clauses (c) and (d) of section 17(5) of the CGST Act, read with Explanation to section 17 of the CGST Act, 2017?

Clarification: Ducts and manholes are basic components for the optical fiber cable (OFC) network used in providing telecommunication services. The OFC network is generally laid with the use of PVC ducts/sheaths in which OFCs are housed and service/connectivity manholes, which serve as nodes of the network, and are necessary for not only laying of optical fiber cable but also their upkeep and maintenance. In view of the Explanation in section 17 of the CGST Act, 2017 it appears that ducts and manholes are covered under the definition of "plant and machinery" as they are used as part of the OFC network for making outward supply of transmission of telecommunication signals from one point to another.

Moreover, ducts and manholes used in network of optical fiber cables (OFCs) have not been specifically excluded from the definition of "plant and machinery" in the Explanation to section 17 of the CGST Act, 2017 as they are neither in nature of land, building or civil structures nor are in nature of telecommunication towers or pipelines laid outside the factory premises.

Accordingly, it is clarified that availment of input tax credit is not restricted in respect of such ducts and manhole used in network of optical fiber cables (OFCs), either under clause (c) or under clause (d) of section 17(5) of the CGST Act, 2017.

Circular No. 219/13/2024 GST dated 26.06.2024

Clarification on availability of input tax credit in respect of demo vehicles which are motor vehicles for transportation of passengers having approved seating capacity of not more than 13 persons (including the driver), in terms of clause(g) of section 17(5):

As demo vehicles are used by authorized dealers to provide trial run and to demonstrate features of the vehicle to potential buyers, it helps the potential buyers to make a decision to purchase a particular kind of motor vehicle. Therefore, as demo vehicles promote sale of similar type of motor vehicles, they can be considered to be used by the dealer for making 'further supply of such motor vehicles'. Accordingly, input tax credit in respect of demo vehicles is not blocked under clause (a) of section 17(5) of CGST Act 2017

Clarification on availability of input tax credit (ITC) in respect of warranty replacement of parts and repair services during warranty period.

<u>Sr.no</u>	<u>Issue</u>	<u>Clarification</u>
1.	There are cases where the original equipment manufacturer offers warranty for the goods supplied by him to the customer and provides replacement of goods or its parts and/ or repair services to the customer during the warranty period, without separately charging any consideration at the time of such replacement/ repair services. Whether in such cases, the manufacturer	In such cases, the value of original supply of goods (provided along with warranty) by the manufacturer to the customer includes the likely cost of replacement of goods or its parts, as the case may be and / or repair services to be incurred during the warranty period. Therefore, these supplies cannot be considered as exempt supply and accordingly, the manufacturer, who provides replacement of goods or its parts, as the case

	is required to reverse the input tax credit in respect of such replacement of goods or its parts, as the case may be or supply of repair services as part of warranty, in respect of which no additional consideration is charged from the customer?	may be and/ or repair services to the customer during the warranty period, is not required to reverse the ITC in respect of the said replacement of goods or its parts, as the case may be or on the repair services provided.
<u>2.</u>	Where the distributor provides replacement of parts to the customer as part of warranty on behalf of the manufacturer, whether the distributor would be required to reverse the ITC in respect of such replacement of parts?	<p>There can be 4 instances as discussed below:-</p> <p>(a) There may be cases where the distributor replaces the part(s) to the customer under warranty either by using his stock or by purchasing from a third party and charges the consideration for the part(s) so replaced from the manufacturer, by issuance of a tax invoice, for the said supply made by him to the manufacturer.</p> <p>In such a case, GST would be payable by the distributor on the said supply by him to the manufacturer and the manufacturer would be entitled to avail the input tax credit of the same, subject to other conditions of the CGST Act, 2017. In such case, no reversal of ITC by the distributor is required in respect of the same.</p> <p>(b) There may be cases where the distributor raises a requisition to the manufacturer for the part(s) to be replaced by him under warranty and the manufacturer then provides the said part(s) to the distributor for the purpose of such replacement to the customer as part of warranty.</p> <p>In such a case, where the manufacturer is providing such part(s) to the distributor for replacement to the customer during the warranty period, without separately charging any consideration at the time of such replacement, no GST is payable on such replacement of parts by the manufacturer. Further, no reversal of ITC is required to be made by the manufacturer in respect of the parts so</p>

		<p>replaced by the distributor under warranty.</p> <p>(c) There may be cases where the distributor replaces the part(s) to the customer under warranty out of the supply already received by him from the manufacturer and the manufacturer issues a credit note in respect of the parts so replaced subject to provisions of section 34(2) of the CGST Act, 2017. Accordingly, the tax liability may be adjusted by the manufacturer, subject to the condition that the said distributor has reversed the ITC availed against the parts so replaced.</p> <p>(d) There may be cases where the distributor replaces the goods or its parts to the customer under warranty by using his stock and then raises a requisition to the manufacturer for the goods or the parts, as the case may be. The manufacturer then provides the said goods or the parts, as the case may be, to the distributor through a delivery challan, without separately charging any consideration at the time of such replenishment. In such a case, no GST is payable on such replenishment of goods or the parts, as the case may be. Further, no reversal of ITC is required to be made by the manufacturer in respect of the goods or the parts, as the case may be, so replenished to the distributor</p>
3.	Where the distributor provides repair service, in addition to replacement of parts or otherwise, to the customer without any consideration, as part of warranty, on behalf of the manufacturer but charges the manufacturer for such repair services either by way of issue of tax invoice or a debit note, whether ITC is available on such activity	<p>In such scenario, there is a supply of service by the distributor and the manufacturer is the recipient of such supply of repair services in accordance with the provisions of section 2(93)(a) of the CGST Act, 2017.</p> <p>Hence, GST would be payable on such provision of service by the distributor to the manufacturer and the manufacturer would be entitled to avail the ITC of the same, subject to other conditions of the CGST Act, 2017</p>

Clarification on the requirement of reversal of input tax credit in respect of the portion of the premium for life insurance policies which is not included in taxable value

It is clarified that the amount of the premium for taxable life insurance policies, which is not included in the taxable value as determined under rule 32(4) of the CGST Rules, cannot be considered as pertaining to a non-taxable or exempt supply and therefore, there is no requirement of reversal of input tax credit as per provisions of rule 42 or rule 43 of CGST Rules, read with sub-section (1) and sub-section (2) of section 17 of CGST Act, in respect of the said amount

Entitlement of ITC by the insurance companies on the expenses incurred for repair of motor vehicles in case of reimbursement mode of insurance claim settlement

Under reimbursement mode of claim settlement, the insured avails repair services from non-network garages with which the insurance companies do not have routine business relationship. The said garages issue the invoice in the name of the insurance company

ITC is available to insurance companies for MV repair expenses incurred under the reimbursement mode

Conditions

- (i) Invoices are issued in the name of the insurance company and
- (ii) ITC is claimed solely for the amount reimbursed to the insured.

Accordingly, the policy holder/ insured makes payment of such repair services, and subsequently, the insurance company reimburses the approved claim cost to the insured.

Further, irrespective of the fact that the payment of the repair services to the garage is first made by the insured, which is then reimbursed by the insurance company to the insured to the extent of the approved claim cost, the liability to pay for the repair service for the approved claim cost lies with the insurance company, and thus, the same is covered in the definition of "recipient" under section 2(93), to the extent of approved repair liability.

Moreover, availment of ITC on motor vehicle repair services received by the insurance company for outward supply of insurance services for such MV is not barred under section 17(5).

Section 17(5) provides that ITC in respect of services of repair of MVs is available where received by a taxable person engaged in the supply of general insurance services in respect of MVs insured by him.

Accordingly, it is clarified that ITC is available to Insurance Companies in respect of MVs repair expenses incurred by them in case of reimbursement mode of claim settlement.

Following issues have been clarified in respect of ITC availment by insurance companies in case of reimbursement mode of claim settlement.

Q: What is the extent of ITC available to the insurer in case of issue of two separate invoices by the garage for repair service - one to the insurance company for the approved claim cost & another to the customer for any excess amount?

Clarification: ITC is available to insurance company only on the invoice issued to it subject to

reimbursement of said amount by insurance company to customer.

Q: What is the extent of ITC available to the insurer in case of issue of single invoice by the garage - covering the full amount for repair service & the insurance company reimburses only the approved claim cost.

Clarification: ITC is available to the insurance company only to the extent of the reimbursement of the approved claim cost to the insured, and not on the full invoice value.

Q: Whether ITC is available to the insurer if invoice for vehicle repair is not in insurance company's name?

Clarification: ITC is not available to the insurance company

REGISTRATION

Person making intra-State supplies of good through an ECO with aggregate turnover up to the threshold limit are exempt from applying registration subject to the following conditions, namely:

- ❖ Such persons shall not make any inter-State supply of goods;
- ❖ Such persons shall not make supply of goods through ECO in more than one State/Union territory;
- ❖ Such persons shall be required to have a PAN issued under the Income-tax Act, 1961;
- ❖ Such persons shall, before making any supply of goods through ECO, declare on the common portal:
 - their PAN
 - address of their place of business and
 - State/UT in which such persons seek to make such supply, which shall be subjected to validation on the common portal;
- ❖ Such persons have been granted an enrolment number on the common portal on successful validation of the PAN declared above;
- ❖ Such persons shall not be granted more than one enrolment number in a State/UT;
- ❖ No supply of goods shall be made by such persons through ECO unless such persons have been granted an enrolment number on the common portal; and
- ❖ Where such persons are subsequently granted registration under section 25, the enrolment number shall cease to be valid from the effective date of registration.

[Notification No. 34/2023 CT dated 31.07.2023]

Furnishing of bank account details [Rule 10A]

The registered person is allowed to furnish information **within a period of 30 days from the date of grant of registration, or before furnishing the details of outward supplies of goods or services or both under section 37 in GSTR-1 or using IFF, whichever is earlier, furnish information with respect to details of bank account on the common portal.** In short, a taxpayer has an option to give his bank account details after obtaining registration, within 30 days from the date of grant of registration or the due date of furnishing details of outward supplies, whichever is earlier. However, this relaxation is not available for those who have been granted registration as TDS deductor / TCS collector under rule 12 or Suo-motu registration under rule 16. They are mandatorily required to furnish the bank account details at the time of filing the application for registration.

Revocation of cancellation of registration [Section 30 read with rule 23]

Procedure for revocation of cancellation

- ☐ Where the registration of a person is cancelled suo-motu by the proper officer, such registered person, subject to the provisions of rule 10B, may apply for revocation of the cancellation to such proper officer, **within a period of 90 days** from the date of the service of the order of cancellation of registration.**
- ☐ Said period of 90 days may, on sufficient cause being shown and for reasons to be recorded in writing, be extended by the Commissioner or an officer authorised by him in this behalf, not below the rank of Additional Commissioner/Joint Commissioner, as the case may be, **for a further period not exceeding 180 days.**
- ☐ If the proper officer is satisfied that there are sufficient grounds for revocation of cancellation, he may revoke the cancellation of registration, by an order **within 30 days** of receipt of application and communicate the same to applicant.
- ☐ Otherwise, he may reject the revocation application. However, before rejecting the application, he has to first issue SCN to the applicant who shall furnish the clarification within 7 working days of service of SCN. The proper officer shall dispose the application (accept/reject the same) within 30 days of receipt of clarification.

TAX INVOICE, DEBIT NOTE AND CREDIT NOTE

Particulars of a tax invoice Sections 31(1) & (2) read with rule 46

In cases involving supply of online money gaming or in cases where any taxable service is supplied by or through an ECO or by a supplier of OIDAR services to a recipient who is unregistered, irrespective of the value of such supply, a tax invoice issued by the registered person shall contain the name of the State of the recipient and the same shall be deemed to be the address on record of the recipient.

PAYMENT OF TAX:

Manner of calculating interest on delayed payment of tax (rule 88B)

If any amount has been credited in the Electronic Cash Ledger as per provisions of section 49(1) on or before the due date of filing the said return, but is debited from the said ledger for payment of tax while filing the said return after the due date, the said amount shall not be taken into consideration while calculating such interest if the said amount is lying in the said ledger from the due date till the date of its debit at the time of filing return.

TDS and TCS:

Addition in list of deductors - Notified Persons/category of persons [Section 51(1)(d)]:

(d) any registered person receiving supplies of metal scrap falling under Chapters 72 to 81 in the First Schedule to the Customs Tariff Act, 1975, from other registered person

Categories of persons not liable to deduct TDS

Tax is not liable to be deducted at source in the following cases:-

(i) When goods and/or services are supplied from a public sector undertaking (PSU) to another PSU, whether or not a distinct person

(ii) When supply of goods and/or services takes place between one person to another person specified in clauses (a), (b), (c) and (d) of section 51(1) of the CGST Act except the person referred to in clause (d)

It has been further provided that TDS shall be deducted by the recipient on supply of metal scrap even when it is supplied between persons mentioned in clause (a), (b), (c) and (d) of section 51(1).

Reduction of rate of tax to be collected at source by electronic commerce operator:

Rate of TCS has been reduced to 0.25% + 0.25%.

RETURNS

A registered person shall not be allowed to furnish GSTR-1/IFF, if he has not furnished the details of the bank account as per the provisions of rule 10A

Details of outward supplies are required to be furnished in GSTR-1 and IFF:

Additional details or the amendments of the details of outward supplies of goods or services or both furnished in Form GSTR- 1A, as per the requirement of the registered person

S.NO	Invoice -wise details of ALL	Consolidated details of ALL	Debit and Credit Notes
(i)	Interstate and intra state supplies made to registered persons B2B supplies	Intra state supplies made to unregistered persons for each rate of tax	Issued during the month for invoices issued previously
(ii)	Inter-State supplies to unregistered supplies with invoice value exceeding Rs.1,00,000 B2C Supplies	Inter -State Supplies made to unregistered persons with invoice value Rs.1,00,000 for each rate of tax separately for each State	

From the above discussion, it can be inferred that for B2B supplies, details of all invoices need to be uploaded in GSTR-1/ Form GSTR-1A irrespective of whether they are intra-State or inter-State supplies. This is because the recipient will take ITC basis such invoices.

For B2C supplies, uploading of details in general is not required as the buyer will not be taking ITC. However, still to implement the destination-based principle, details of invoices of value more than Rs.1 lakh in inter-State B2C supplies need to be uploaded.

For inter-State invoices upto Rs.1 lakh, State wise summary is sufficient and for all intra-State invoices, only consolidated details need to be given.

How are the details of outward supply furnished in the current period amended?

In cases where a taxpayer, after having filed Form GSTR-1, realizes that some amendment (downward or upward) is required to be made in his tax liability in Form GSTR-1, an optional Form GSTR-1A is provided to him.

This allows him to add any particulars of the current tax period missed out in reporting in Form GSTR-1 of current tax period or amend any particulars already declared in Form GSTR-1 of current tax period (including those declared in IFF, for the first and second months of a quarter, if any, for quarterly taxpayers).

A registered person may, after furnishing the details of outward supplies of goods or service or both in Form GSTR-1 for a tax period but before filing of return in Form GSTR-3B for the said tax period, at his own option, amend or furnish additional details of outward supplies of goods or services or both in Form GSTR-1A for the said tax period

Key features of Form GSTR-1A are as follows:

- ☐ Form GSTR-1A is an optional facility.
- ☐ It can be filed only once for a return period.
- ☐ It allows to amend the records filed in the Form GSTR-1 of current tax period only.
- ☐ The corresponding effect of the changes made through Form GSTR-1A on the liability of the taxpayer shall be reflected in Form GSTR-3B for the same tax period.
- ☐ At the recipient's end, the ITC for the supplies declared or amended by the suppliers through Form GSTR-1A will be available to the recipient in Form GSTR-2B generated for the next tax period
- ☐ It can be amended only electronically through the common portal, either directly or through a Facilitation Centre as may be notified by the Commissioner.

GSTR 4-time limit amendment:

GSTR-4 for a financial year is required to be filled by **30th June** following the end of Financial Year.

Appeals and Revision:

- Following monetary limits have been fixed for filing appeal or application or Special Leave Petition, as the case may be, by the Central Tax officers before Goods and Service Tax Appellate Tribunal (GSTAT), High Court and Supreme Court:

GSTAT	20,00,000/-
High Court	1,00,00,000/-
Supreme Court	2,00,00,000/-

- Principles to be considered while determining whether the case falls within the monetary limit or not:

S.No.	Dispute relates to demand of	Amount to be considered for applying the monetary limit
1.	Tax (with or without penalty and/or interest)	Only the aggregate amount of tax in dispute (including CGST, SGST/UTGST, IGST and Compensation Cess)
2.	Only interest	Amount of interest
3.	Only penalty	Amount of penalty
4.	Only late fee	Amount of late fee
5.	Interest, penalty and/or late fee (without involving any disputed tax amount)	Aggregate amount of interest, penalty and late fee
6.	Erroneous refund	Amount of refund in dispute (including CGST, SGST/UTGST, IGST and Compensation Cess)

- Following cases to be taken on merits irrespective of the monetary limits:
- Where any provision of the CGST Act or SGST/UTGST Act or IGST Act or GST (Compensation to States) Act has been held to be ultra vires to the Constitution of India
 - Where any rules or regulations under CGST Act or SGST/UTGST Act or IGST Act or GST (Compensation to States) Act has been held to be ultra vires to the Parent Act
 - Where any order, notification, instruction, or circular issued by the Government or the Board has been held to be ultra vires of CGST Act or SGST/UTGST Act or IGST Act or GST (Compensation to States) Act or the Rules made thereunder
 - Where the matter is related to –
 - Valuation of goods or services; or
 - Classification of goods or services; or
 - Refunds; or
 - Place of Supply; or
 - Any other issue,
 which is recurring in nature and/or involves interpretation of the provisions of the Act /the Rules/ notification/circular/order/instruction etc.
 - Where strictures/adverse comments have been passed and/or cost has been imposed against the Government/Department or their officers.
 - Any other case or class of cases, where in the opinion of the Board, it is necessary to contest in the interest of justice or revenue.

MISCELLANEOUS PROVISIONS:

ANTI-PROFITEERING MEASURE [SECTION 171]:

Anti-profiteering Authority

Authority” means the Authority notified under sub-section (2) of section 171 of the Act. Thus, anti-profiteering Authority has been constituted by the Central Government to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in

a commensurate reduction in the price of the goods and/or services supplied by him.

The Government has empowered the Competition Commission of India established under Section 7(1) of the Competition Act, 2002 as an authority under Section 171(2) of the CGST Act, 2017 w.e.f. 1.12.2022 [Notification No. 23/2022 CT dated 23.11.2022].

Earlier, National Anti-Profiteering Authority was constituted. Now, that authority has been abolished w.e.f. 1.12.2022.

Henceforth, all investigations, based on complaints filed by consumers, will be done by the Directorate General of Anti-profiteering (DGAP) which will then submit a report to Competition Commission of India (CCI).

Notification No. 18/2024-CT dated 30.09.2024:

The Central Government has empowered the Principal Bench of the Appellate Tribunal to hear cases of Antiprofitteering and examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by that registered person. This notification has become effective from 1st October 2024.

Notification No. 19/2024-CT dated 30.09.2024

Sunset date for Anti-profiteering: The Central Government has appointed 1st April, 2025 as the date from which the Anti-Profiteering Authority shall not accept any request for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by that registered person.

REFUNDS:

Amendment in Rule 89 - Application for refund of tax, interest, penalty, fees or any other amount: (w.e.f 08.10.2024)

Sub-rules (4A) and (4B) of rule 89 have been omitted.

CUSTOMS:

- In case of Section 20, reimportation of goods – time limit for reimportation is 5 years further extendable for a period upto 2 years.
- Concept of protective duty has been removed.