

GOODS & SERVICES TAX UPDATE – 25

CENTRAL GOODS & SERVICES TAX

Extension of time limits for filing Form GSTR-2 & GSTR-3 for July,2017

The Commissioner, vide [Notification No. 54/2017- Central tax dated 30th October, 2017](#) exercised the powers conferred by the first proviso to sub-section (2) of section 38 and sub-section (6) of section 39 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017), made amendment in Notification No. 30/2017- Central Tax dated 11th September extending the **due date for filing of Form GSTR-2 for the month of July, 2017 upto 30th November, 2017** (earlier 31st October, 2017) and **GSTR-3 for the month of July, 2017 upto 11th December, 2017** (earlier 10th November, 2017).

[[Notification No. 54/2017- Central tax dated 30th October, 2017](#)]

Extension of time limits for filing Form GST CMP-03, REG-26, TRAN-1 and ITC-04

The Commissioner, on the recommendations of the Council, has extended the time limit for filing the following forms:

<u>FORM</u>	<u>Description</u>	<u>DUE DATE PRIOR TO THIS NOTIFICATION</u>	<u>EXTENDED DATE</u>
GST CMP-03	Form for intimation of details of stock held on the date preceding the date from which the option for composition levy is exercised.	31 st October, 2017	30 th November, 2017
GST REG-26	Form for submitting application by a person who holds a provisional certificate of registration.	3 months from the appointed date	31 st December, 2017
GST TRAN-1	Form for submitting the declaration of stock held on the appointed day under rule 120A and rule 117 of the CGST Rules	31 st October, 2017	30 th November, 2017
GST ITC-04	Form for making the declaration in respect of goods dispatched to a job worker or received from a job worker	25 th October, 2017	30 th November, 2017

	or sent from one job worker to another, during the quarter July to September		
GST ITC-01	Form to be filed by registered person after taking registration to the effect that he is eligible to avail the input tax credit	31 st October, 2017	30 th November, 2017
GST REG-29	Form for submitting an application electronically for the cancellation of registration granted to every person registered under any of the existing laws.	31 st October, 2017	31 st December, 2017

[/Order No. 05/2017- Central Tax dated 28th October, 2017, Order No. .06/2017- Central Tax dated 28th October, 2017, Order No. 07/2017- Central tax dated 28th October, 2017, Order No. 08/2017- Central Tax dated 28th October, 2017, Notification No. 53/2017 –Central Tax dated 28th October, 2017, Notification No. 52/2017- Central Tax dated 28th October, 2017, Notification No. 51/2017- Central Tax dated 28th October, 2017/](#)

Amendment in CGST Rules, 2017

The Commissioner, on the recommendations of the Council, vide [Notification No. 51/2017- Central Tax dated 28th October, 2017](#) has issued Central Goods and Services Tax ((Eleventh Amendment) Rules, 2017, to clarify the following in relation to Central Goods and Services Tax Rules, 2017:

Extension of time period for submitting Form GST ITC-04

The notification amended the rule 45, sub-rule (3), whereby after the words “succeeding the said quarter”, the words “or within such further period as may be extended by the Commissioner by a notification in this behalf:

Provided that any extension of the time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.” shall be inserted.

New proviso added to the Rule 96 sub-rule (2) and Rule 96A sub-rule (2)

A proviso to the Rule 96 sub-rule (2) and Rule 96A sub-rule (2) as under: -

“Provided that where the date for furnishing the details of outward supplies in FORM GSTR-1 for a tax period has been extended in exercise of the powers conferred under section 37 of the

Act, the supplier shall furnish the information relating to exports as specified in Table 6A of FORM GSTR-1 after the return in FORM GSTR-3B has been furnished and the same shall be transmitted electronically by the common portal to the system designated by the Customs:

Provided further that the information in Table 6A furnished under the first proviso shall be auto-drafted in FORM GSTR-1 for the said tax period.”;

[\[Notification No. 51/2017- Central Tax dated 28th October, 2017\]](#)

Comment: The notification has been issued keeping in view the extensions in time limit for filling various forms granted by the Commissioner, on the recommendation of the Council, from time to time.

Clarification on Unstitched Salwar Suits

The Central Board of Excise & Customs vide [Circular No. 354/129/2017-TRU dated 27th October, 2017](#) clarifies the doubts which have been raised regarding the classification of Cut pieces of Fabrics under GST. It has been represented that before becoming readymade articles or an apparel, the fabric is cut from bundles or thans and sold in that unstitched state. The consumers buy these sets or pieces and get it stitched to their shape and size. Fabrics are classifiable under chapters 50 to 55 of the First Schedule to the Customs Tariff Act, 1975 on the basis of their constituent materials and attract a uniform GST rate of 5% with no refund of the unutilized input tax credit. Mere cutting and packing of fabrics into pieces of different lengths from bundles or thans, will not change the nature of these goods and such pieces of fabrics would continue to be classifiable under the respective heading as the fabric and attract the 5% GST rate.

[\[Circular No. 354/129/2017-TRU dated 27th October, 2017\]](#)

Clarification regarding applicability of GST on the superior kerosene oil retained for the manufacture of Linear Alkyl Benzene

The Central Board of Excise & Customs vide [Circular No. 354/117/2017-TRU\(Pt-III\) dated 26th October, 2017](#) clarifies the issue on the basis of references received. In this context, LAB manufacturers have stated that they receive superior Kerosene oil (SKO) from, a refinery, say, Indian Oil Corporation (IOC). They extract n-Paraffin (C9-C13 hydrocarbons) from SKO and return back the remaining of SKO to the refinery. In this context, the issue has arisen as to whether in this transaction GST would be levied on SKO sent by IOC for extracting n-paraffin or only on the n-paraffin quantity extracted by the LAB manufactures. Further, doubt has also been raised as to whether the return of remaining Kerosene by LAB manufactures would separately attract GST in such transaction.

The matter was examined. LAB manufacturers generally receive superior kerosene oil [SKO] from a refinery through a dedicated pipeline; on an average about 15 to 17% of the total quantity of SKO received from refinery is retained and balance quantity ranging from 83%- 85% is returned back to refinery. The retained SKO is towards extraction of Normal Paraffin, which is used in the manufacturing of LAB. In this transaction consideration is paid by LAB manufactures only on the quantity of retained SKO (n-paraffin).

In this context, the GST Council in its 22nd meeting held on 06.10.2017 discussed the issue and recommended for issuance of a clarification that in this transaction GST will be payable by the refinery on the value of net quantity of superior kerosene oil (SKO) retained for the manufacture of Linear Alkyl Benzene (LAB). Accordingly, it is hereby clarified that, in aforesaid case, GST will be payable by the refinery only on the net quantity of superior kerosene oil (SKO) retained for the manufacture Circular

No. 12/12/2017-GST of Linear Alkyl Benzene (LAB). Though, refinery would be liable to pay GST on such returned quantity of SKO, when the same is supplied by it to any other person. 6. This clarification is issued in the context of Goods & Service Tax (GST) law only and past issues, if any, will be dealt in accordance with the law prevailing at the material time.

[[Circular No. 354/117/2017-TRU\(Pt-III\) dated 26th October, 2017](#)]

Exemption to Supply of services having place of supply in Nepal and Bhutan, against payment in Indian Rupees

The Central Government vide [Notification No. 42/2017- Integrated tax\(Rate\) dated 27th October, 2017](#) made the amendment in the Notification No.9/2017- Integrated Tax (Rate),dated the 28th June, 2017 whereby a new entry have been inserted in the exemption notification, namely, **Supply of services having place of supply in Nepal or Bhutan, against payment in Indian Rupees.**

[[Notification No. 42/2017- Integrated tax\(Rate\) dated 27th October, 2017](#)]

GST Revenue Figures – As on 23rd October, 2017

The Central Board of Excise & Customs vide [press release dated 24th October, 2017](#) discloses the GST Revenue Collection Figures as on 23rd October, 2017 whereby the total number of GSTR 3B returns filed for the month of September 2017 is 42.91 lakhs (as on 23.10.2017).

The last date for payment of GST as well as filing of GSTR 3B return for the month of September 2017 was 20th October, 2017.

The total revenue of GST paid under different heads (upto 23rd October, 2017) for the month of September 2017 is Rs. 92,150/- crore. The total CGST revenue is Rs. 14,042 crore, SGST revenue is Rs. 21,172 crore, IGST revenue is Rs. 48,948 crore (of which IGST from imports in September 2017 is Rs. 23,951 crore) and Compensation Cess is Rs. 7,988/- crore (of which Rs. 722 crore is Compensation Cess from imports in September 2017).

[[press release dated 24th October, 2017](#)]

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Secretary

Indirect Taxes Committee

The Institute of Chartered Accountants of India

ICAI Bhawan A-29, Sector -62,

NOIDA (U.P.) India

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