

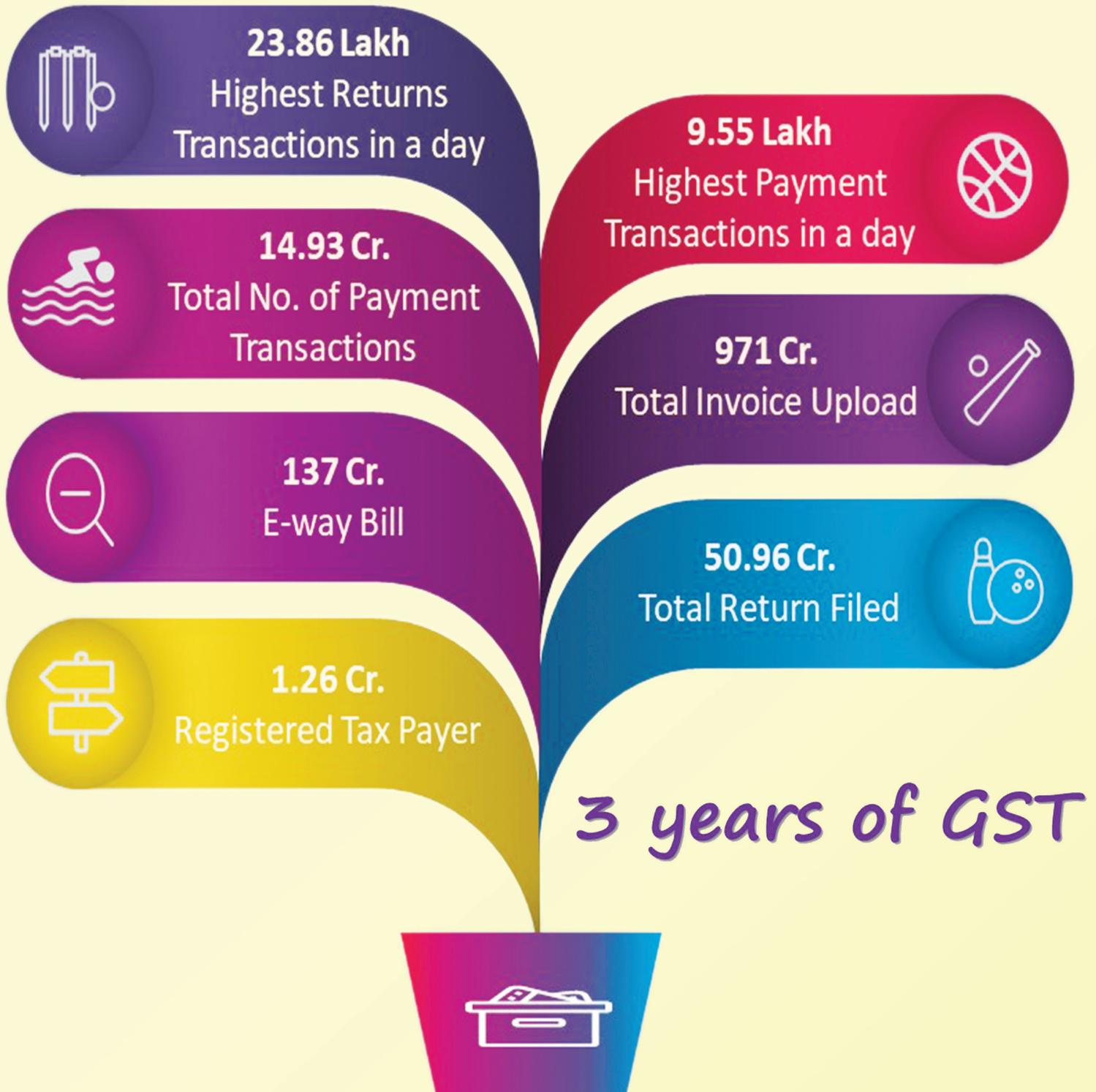


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ICAI-GST

NEWSLETTER
August 2020

A Newsletter from The Institute of Chartered Accountants of India on GST



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CONTENTS

Articles

GST Levy on Tour Operators	4-5
Second GST audit, lessons from the first	6-9
Development rights – taxability, time and value of supply	10-13

Update

1. GST Updates	14-17
2. Clarification in respect of levy of GST on Director's Remuneration	18
3. CUSTOMS Updates	19
4. GST QUIZ	20
5. ICAI's Contribution for Smooth Implementation of GST as Partner in Nation Building	21
6. Publications	22-24



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President's Communication



Dear Professional Colleagues,

It was on 1st July 2017, when GST saw the light as the biggest tax reform in India which brought the entire Nation within the ambit of single tax. As the nation celebrates 3 years of successful implementation of Goods and Services Tax in India, it has now stabilised to a large extent, major implementation issues related to E-filing of returns are now resolved. Till date, 40 meetings of GST Council have been held whereby the government and the group of state minister/representative took significant decisions to resolve the issues in GST including issues relating to rate of tax, the amendment required in law, simplification of procedure, etc. and many more.

Moreover, CBIC vide a recent Notification has notified 1st September 2020 as effective date on which the amendment of Section 50 of the CGST Act, 2017 come into existence which provides that the interest is payable on Net Tax liability. This has been further clarified through a press release stating that amendment is made prospective due to certain technical limitations. However, it has assured that no recoveries shall be made for the past period as well by the Central and State tax administration in accordance with the decision taken in the 39th Meeting of the GST Council. The Government has recently announced Aadhaar based authentication for GST registration, which makes the process of obtaining registration in quick and fastest manner. This is a welcome step for taxpayers which pave the way for ease of doing business.

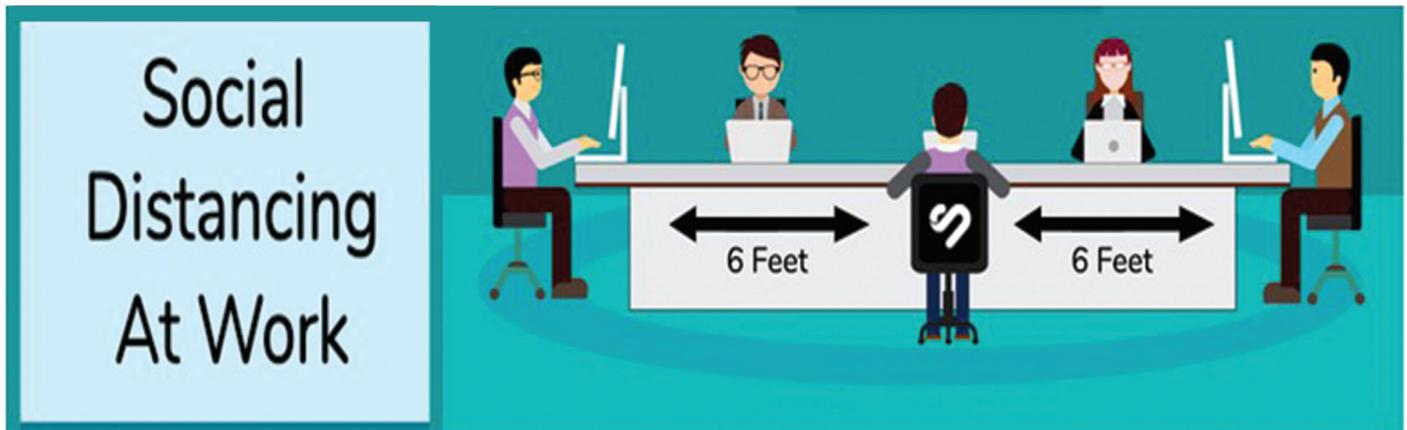
To support the initiatives of the Government, the Institute of Chartered Accountants of India through its GST & Indirect Taxes Committee has been working relentlessly to create

awareness and disseminating knowledge of GST among the various stakeholders. It's a great pleasure to inform you that we have so far successfully organised 15 batches of online Certificate Course on GST through virtual mode wherein about 1900 members across the country have participated and learnt about the subject. The Committee has also started a Six Days Live webcast series on GST for Office Assistants & other stakeholders imparting training to around 700 participants currently.

Furthermore, the Committee has also revised its flagship publication "**Background Material on GST**" to facilitate members and other stakeholders in understanding various provisions of GST law and also assist them in resolving issues that they may face while practically dealing in GST. Also, 6 new Handbooks have been released dealing with the subjects like **Accounts and Records under GST, Composition Scheme under GST, Foreign Trade Policy - Incentives Schemes & Related FAQ, Input Service Distributor under GST, Show Cause Notice - Approach and Reply under GST, and TCS under GST**. Besides this, the Committee has also revised its publication on "**Compliance of GST in Banking Sector**" for providing an insight to GST applicability on banking sector. All these publications are freely available for download from the website at <https://idtc.icai.org/publications.php>.

During this Pandemic time, let's stay in good health & continue to contribute to the society with more professionalism in our services.

CA. Atul Kumar Gupta
President, ICAI



GST LEVY ON TOUR OPERATORS

Who is a Tour Operator? Is there any definition made available under the GST Act?

Yes. Notification No:11/2017 - CT - Rate - Dt: 28.06.2017 defines "Tour Operator" as follows:

- Any person engaged in the business of operating tours like planning, scheduling, organizing, arranging tours by any mode of transport.
- It may include an arrangement for accommodation, sightseeing or another similar service.

Does Levy of GST Rate change from one Tour Operator to other operator?

Yes. The classification depends upon the nature of the activity or transactions between the service provider and the service recipient. There are two types of "Tour operators"

1. Acting as a Pure Agent
2. Tour operator service provider

1. Acting as a Pure agent:

Who is a pure agent? Is there any definition made available in the GST Act?

Yes. Explanation to Rule 33 of CGST Rules prescribes all the following conditions to be satisfied to be a Pure agent.

1. A person who enters into a contractual agreement with the recipient of supply to incur his expenditure or cost in the course of supply of goods or services or both ;
2. He neither intends to hold nor holds any title to the goods or services or both so procured or supplied of the recipient of the supply ;
3. He does not use such goods or services so procured for his own interest; and
4. He is entitled to receive only the actual amount incurred by him and in addition for the supply provided by him on his own account.

On what value GST is applicable for a Pure Agent?

The value of the supply of services in case of pure agent has been defined in Rule 33 of CGST Rules. The expenditure or costs incurred by a supplier as a pure agent of the recipient of the supply shall be excluded from the total value of supply if all the following conditions are satisfied:

1. He makes the payment to the third party on the authorization of such recipient.
2. Such payment made by the pure agent has been separately indicated in his invoice as reimbursement.

3. The supplies procured by the pure agent from third parties are in addition to the services he supplies on his own account.

In short, The reimbursement of expenses does not form part of the value of the supply of services by a pure agent.

Example: Mr. Ram a Customs clearing house Agent (CHA) is engaged to handle the import of goods from outside India on behalf of Mr. Raheem. Other than his service fee of Rs. 10,000/-, Mr. Ram also recovers Rs.50,000/- from Mr. Raheem, on account of Custom duty paid to the Customs Department. Here Mr. Ram is merely acting as a pure agent in the payment of Customs duty. Therefore the value of reimbursement of Rs.50,000/- does not form part of the value of supply from Mr. Ram to Mr. Raheem. Hence, the value of supply is Rs.10,000/- and not Rs.60,000/-

What rate is applicable for Pure Agent?

GST Rate is 18% with Input Tax Credit (CGST 9% and SGST 9% or IGST 18%). The GST will be levied on the value of service (excluding reimbursement of expenses). In our example, the GST will be levied on the value of Rs.10,000/- and not on the entire value of Rs.60,000/-.

Is there any restriction in availing Input Tax Credit?

No. A pure agent can avail all eligible input tax credit (both inputs and services).

2. Tour Operator service provider:

How does he differ from a Pure Agent?

A pure agent only facilitates the transaction and helps the travellers to identify various supplier as per their requirements. Whereas, the tour operator does the entire booking of tours, and the total fees charged shall include his margin. Hence, he becomes a tour operator service provider and the entire service value is leviable under GST.

What rate is applicable for Tour Operator?

GST Rate is 5% with a restriction on availing of Input services (CGST @2.5% and SGST @ 2.5% or IGST @5%).

Is there any condition to be fulfilled by the Tour operator?

Yes. The tour operator has to fulfill all the following conditions to avail composite GST Rate @ 5%.

- The bill issued for the supply of this service indicates that it is inclusive of charges of accommodation and transportation required for such tour and
- the amount charged in the bill is the gross amount charged for such a tour.

Is there any restriction in availing Input Tax Credit?

Yes. The input tax credit of both goods and services is not available. However, the ITC of input service is available in the same line of business. (Eg: a tour operator service procured from another tour operator service).

Whether the service provider collects CGST & SGST or IGST?

Yes. It may vary depending on the place of supply.

What is meant by Place of supply?

GST is a destination based tax. The goods or services or both will be taxed at the place where they are consumed and not at the origin. Place of supply under GST Act helps to define whether the transaction is intra-state or inter-state [CGST & SGST or IGST.]

When the registered dealer charges CGST & SGST or IGST?

The registered dealer will levy CGST and SGST on the supply of services made within the state (Intra-state) otherwise IGST is leviable (Interstate and Export)

How can place of supply be identified? Are any provisions available under the GST Act?

Yes. Place of supply of services has been defined under section 12 and 13 of IGST Act. Section 12 explains the place of supply of services where both the location of the service provider and service recipient is in India. Section 13 explains the place of supply of services where the location of the supplier or location of the recipient is outside India.

Section: 12 (9) of IGST Act - [Where location of supplier and recipient in India]:

- In case of a registered person, the place of supply shall be the location of such person
- **Example:** KPN travels (registered in Tamilnadu) provides passenger transportation services to Sekharan Associates located and registered in Tamilnadu. Place of supply of service shall be Tamilnadu and hence CGST & SGST shall be levied.
- In case of a person other than a registered person, the place of supply shall be the place where the passenger embarks on the conveyance for a continuous journey.
- **Example:** KPN travels (registered in Tamilnadu) provides transportation service to Educational Institution located in Pondy (Unregistered person) for all India Tour. The Tour is scheduled to start from Pondy. Place of supply is Pondy and so IGST will be levied.
- 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 passage, the place of supply of such service shall be determined as per section 12 (2) of IGST Act.



- **Example:** The Tour operator arranges a pilgrimage Tour. However, the starting point of the journey has not yet been finalised (Embarkation not known) at the time of issue of the ticket. In this case, The place of supply shall be determined under section: 12(2).

Place of Supply Under Section 12(2) of IGST Act - [General Provisions]:

- Where such services are provided to a registered person, the place of supply shall be the location of such person [Refer example of the first point of Sec 12(9) - Both service provider and service receiver are registered - POS is Tamilnadu].
- Where such services are provided to any person other than a registered person, the place of supply shall be:
 - the location of the recipient where the address on records exist; and
 - [Refer example of the second point of Sec 12(9) Here the service receiver's address is on record - POS is Pondy].
 - the location of the supplier of services in other cases.
 - [Where the service receiver location is not available, the place of supply shall be a location of service provider].

Section 13(10) IGST Act - [Where the location of the supplier or location of the recipient is outside India]

- 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.
- **Example 1:** The Tour operator providing Tour package services to Non-Resident in India. In that case, Non-Resident (Service receiver) is starting (Embarking) his journey from aboard to India. Hence place of supply of service is abroad. [POS - Export of Service].
- **Example 2:** In example 1, the service provider is arranging Tour package wholly Outside India. No GST is levied since the Tour operator provides the service wholly outside India to the foreign tourist.

Conclusions:

The Tour operator shall charge GST @5% without claiming any ITC.

Contributed by CA. Manimaran Kathiresan

SECOND GST AUDIT, LESSONS FROM THE FIRST

Introduction

Not another article on GST Audit but one that is a reflection on the 'lessons from the first audit' that was completed in Feb 2020 for the year 2017-18. What lessons could one possibly have learnt and how feasible is it to deviate from the tax positions taken in the audit that was completed just before Nation went into lockdown.

Consider this, "for the purposes of this Act the expression "suppression" shall mean non-disclosure of facts or information which a taxable person is required to declare in the return, statement, report or any other documents furnished under this Act...". It is simply remarkable that taxpayer's innocence is eclipsed by 'duty to disclose'. In this self-assessment tax regime, it is unimaginable for taxpayer to filter information as 'relevant and irrelevant'. If it's taxable, that needs to be disclosed so that it stands scrutiny as to the nature and extent of tax admitted and discharge. And if it's non-taxable, that too, must stand scrutiny as to the provision under which it is excludible from the incidence. Clearly, there is no information that can be considered 'out of bounds' from disclosure in this new tax regime.

Accepted Peril

It's the very basis of a self-assessment tax regime that the assessor is answerable for the interpretation adopted. "Minimum Government, maximum governance" in its truest sense implies that the Government hands the reigns to the taxpayer and the taxpayer takes over the responsibility of doing all that a tax administrator would have done in 'assessment' of liability. Freedom from interjection by administrator cannot be without accountability. And accountability requires taxpayer to bear the consequences of his own misadventures in interpretation of this new law.

Exemption overturned by judicial interpretation attracts liability to interest for the duration of time when the tax-amount was held back from the exchequer. Bona fides of this interpretation does not save taxpayer from the consequence because a judge does not present new interpretation to the law but declares interpretation that the provision always ought to have received. That's accepted peril of this new tax regime.

Exemption omitted to the availed results in a twin-consequence of recovery of amounts collected 'in the name' of tax along with the forfeiture of input tax credit that ought never to have been availed. Palpable injustice in this 'double whammy' is another facet of self-assessment tax regime. But it pales when compared to the injustice that would be meted the vast population of compliant taxpayers who would object to any



largesse bestowed on some sections of taxpayers by reasons of 'innocence' or 'ignorance', both, devoid of any mala fides.

Credit goes to reduce COGS but credit is 'contingent' as GST is riddled with variety of 'pre and post' conditions to 'avail' what is otherwise 'available' only. Omission to avail is not injustice, it's only exercise of liberty to forego, as taxpayer is the master of ceremony in this self-assessment tax regime.

Disclosure, disclosure, disclosure

It's not about accuracy of interpretation, it's all about disclosure of interpretation. No one has had the final say in matters of interpretation of GST. Whether post-supply discount that reduces amount owed to supplier does not affect credit of full extent of taxes paid on inwarding those supplies or incentives received are actually outward supplies that are reduced from value of inward supplies, are some aspects where premature consensus will be rejected outright by trade and professionals alike.

Tax-positions taken cannot be secreted except to be imputed the animus of to dodging inquiry. GST auditor cannot, in the least, be party to such misadventure. Disclosure is key as it would be remarkable if tax positions taken by a taxpayer is so innovatively secreted that even the GST auditor is misled into accepting the completeness of the financials and annual returns.

GST auditor's domain understanding about the business of auditee compels examination of 'sensitive' transactions to test and validate tax position taken. GST auditor is neither called upon to concur with those tax positions nor debate with taxpayer. GST audit is not the occasion to offer consultancy. Auditor's independence bars any 'collaborative authorship' of tax positions.

Tax authority, undertaking scrutiny under section 61 or Audit under section 65, is at liberty to expect that there is 'no information secreted' after annual returns have been filed along with a reconciliation statement duly certified by GST auditor. Unless GST auditor is satisfied with the information received and reported in the numeralsto the extent that further disclosure would be superfluous, disclosure is advisable and such disclosure will achieve transparency and reliability for its users. Transparency and reliability are never in excess.

Credit taxpayer for 'full' disclosure

Annual return is the right place and the best place to make full disclosure as information disclosed belongs to taxpayer and who better than taxpayer to make 'full' disclosure. As there's no information that is 'out of bounds' in GST, whether it relates to Schedule III transactions or rule 33 payments, if transaction has flowed through the financials of taxpayer then, taxpayer must elect to disclose in annual returns.

To pre-judge that some information is 'not necessary' there's a tax position being taken on two levels, that the underlying transaction is indubitably beyond the realm of GST law but also that there's no necessity for anyone to relook at it after taxpayer has looked into it. That's taking self-assessment farther than what law permits. Self-assessment is not 'immunity from scrutiny', it's only 'liberty to assess' and even without being super-added, accountability for self-assessment is implicit in section 59 of CGST Act.

"More information, more questions" is an adage flowing from bitter experiences under some outdated tax regime. GST places such phenomenal restrictions on the nature and extent of inquiry that tax authorities are permitted that taxpayers must soon come to terms with the "full disclosure, precludes inquiry". That's because when all information is available with tax authorities, unless a different interpretation is applicable, tax authorities will undertake a fruitless exercise in calling for information.

Any information that appears in cashflow statement (or Receipts and Payments' Account where AS3 is not applicable) cannot bypass annual return except if it's (i) transaction in money or (ii) appropriation of profits. To pre-judged that there's yet another category of information that does not require disclosure, should only be entertain if a dilution of transparency and reliability is acceptable. Such selective disclosure sings a high note that taxpayer considers certain information 'out of bounds' for tax authorities in this new tax regime when there's no provision to support such understanding and this itself becomes a tax position that deserves disclosure.

Disclosure of data in auditors' report that ought to be presented in annual return reeks of suspicious tax positions. Taxpayer might as well disclose that which taxpayer holds authorship to and auditors' advice to make full disclosure must be effectively conveyed to taxpayer as it's in their best interest to make disclose completely.

'Broken glass' tax positions

There's realization that some tax positions taken are too significant to revisit, like a glass that's broken and it's impossible to put back together. CGST-SGST credit claimed as IGST, credit claimed in fatally delayed returns, discounts recorded as other income, transition credit claimed in 3B, arrears of RCM unpaid due to doubt about credit admissibility, classification mishap between goods or services, staff recoveries credited to expense

accounts, all Government payments assumed to be towards sovereign functions, advances and retention inexcusably omitted and the list goes on.

Realization of error is stultified by the domino-effect for past years. Taxpayers need to recognize that "silence accepted is disaster invited". It's not unusual for tax positions to be revisited when there's realization of an alternate interpretation and change in tax position does not impair defence of earlier tax position. Admission of tax liability in current year does not imply error in earlier years. Prudence is in changing course when realization comes. It's impossible that all tax position taken in first year are error-free. Willingness to review, revisit and revise tax positions is the hallmark of a compliant taxpayer.

There are no incontrovertible tax positions that a taxpayer has taken. Every GST auditor brings new learning into the engagement and even if taxpayer exhibits unusual confidence, auditor in all humility reviews tax positions to consider whether there's any occasion to admit and amplify disclosure from year one. GST auditor is auditor for the year and is not obliged to allow tax positions, their treatment or disclosure in year one to affect in this year two.

Options availed for making disclosure in various tables in year one need not continue in year two. Continuing to avail those options indicates not only the areas where disclosure is impaired (and deserves inquiry) but also that there has been no improvement in the quality of self-assessment even in year two. Taxpayer continuing to avail options make very clear statement about the continuation of the impoverish state of affairs as regards data quality. And taxpayer cannot be unaware of this implicit position.

Auditor certifies 'zeroes' too

Although press release has stated that auditor is called upon to 'reconcile' data in annual returns with financial statements, auditors understand that when a 'standard form' of reconciliation statement contains several 'reconciling attributes', auditors' silence also communicates something. Whether it's table 5D or 5J, it is clear that the auditor has examined the taxpayer's facts and based on all the examination carried out, taxpayer has "admitted 'nil' inter-branch supplies" or "affirmed all credit notes comply with section 34".

Onus of proof lies on person making assertion. Auditor certifying that inter-branch supplies are 'nil' does not mean that without any inter-branch supplies, the data stands reconciled. In fact, it means that in spite of inter-branch supplies not being admitted the data stands reconciled. And as regards credit notes, no specific comment by auditor means all conditions of section 34 have been examined, applied in the context of credit notes issued and there not a single transaction is admitted by taxpayer as falling outside.

Auditor is not responsible for the data or tax positions but,

auditors “silence also speaks”. And when collecting data took away years in the earlier tax regime, today tax authorities receive information on a platter. Auditor cannot, at the risk of endangering their own position, afford to leave such profound implications unattended. And auditors in all their wisdom will make disclosures albeit in crisp (not cryptic) language and leave it to readers to make sense of it all.

Unverifiable conditions

Conditions linked to credit, whether to be complied before claiming credit or after claiming credit, are admittedly unverifiable. And even if some trail is available such as credit-data appearing in 2A does not necessarily mean underlying credit is unquestionable by tax authorities. Auditors inevitably disclaim with a disclosure that verification of conditions was only on sample basis and variance noted were not left untreated in accordance with law. Such statement clearly presents the possibility that there were plenty of transactions that did not come within the sample and such transactions, even if deserve suitable treatment, may have slipped through the gaps inherent in the process adopted.

Assurance that is available is only limited to the errors identified have not been left untreated. But what is unsaid in this level of assurance conveys more. And this feature (not lapse) is not unknown to the system or regulator. Taxpayers will come in for ‘risk’ based scrutiny for compliance methods adopted for such ‘unverifiable’ conditions that have received some treatment and disclosure but do not enjoy carte blanche endorsement by auditor.

It is this unsaid averment that needs attention in year two where auditors need to professionally and objectively make their disclosure with the goal of expressing their level of satisfaction rather than level of dissatisfaction. It would be nothing short of shocking if any auditor would be an ‘all clear’ on matters relating to such conditions. But it would be even more if nothing at all were said about such contingencies, whether it relates to payment within 180 days or compliance with blocked credits or transactions in non-monetary form that have bypassed books but present in contracts entered into and project costs incurred.

Business uniqueness

Business is not entity and credit admissibility is linked to ‘end use’ of inward supplies ‘in the course or furtherance’ of that business. It’s true in a newly established entity that ‘business’ cannot be admitted until ‘income generating capacity’ is achieved. But it’s also true in existing enterprise that costs that are abortive in their ‘end use’ condition.

Concept of ‘one to one’ correlation does not apply in GST but that’s for utilization of credit not for its claim. Every inward supply that fails to satisfy ‘end use’ test may not be free from inquiry. And it takes no significant investigative work to establish the presence of abortive costs that fail to satisfy this ‘end use’ test in GST.

Credit is not admissible on all expenses ‘by’ the business but all

expenses ‘in’ the business of the registered person. It’s true that ‘negative list’ of blocked credits are attached with an ‘objective test’ under various heads of expense. But the ‘positive list’ of permitted credits are not free-for-all but fettered to a ‘subjective test’ of end use. This test of end use presents itself in two steps, namely, (i) ‘actual’ end use and not merely intended but later put to misuse or disuse that results in reversal of provisionally admitted credit and (ii) such use must be ‘in’ business and not ‘by’ business.

Unfructified costs that were incurred in an abortive project are, at the very minimum, ‘doubtful’. Although this is not the place to argue about admissibility, GST auditor would be not be unmindful of such abortive costs based on knowledge of the business of auditee, a.k.a domain understanding. Auditor can ill-afford to gloss over credits flowing from such adventures. And at the very minimum, disclosure about the tax position that “all vesting and divesting conditions relating to input tax credit are represented to be complied by registered person and process employed for their verification needs improvement” or any equivalent may alleviate anxiety whether such costs exist and if so, the treatment that is considered by auditor. And to a knowledgeable user, it would be “conspicuous by its absence” given that such abortive costs are not uncommon in certain businesses.

Assertions in allied laws

Facts are constant, treatment alone varies from statute to statute. Director who is an employee will be verifiable by deduction of tax on ‘all’ income under section 192 of Income-tax Act. Employer-employee relationship is a fact, treatment under income-tax is a consequence of this assertion. As such, exclusion from GST will flow to all payments that ride on this factual assertion, whether the payment made to such director is called commission or consultancy or something else.

Declaration under Legal Metrology Act and under Packaged Commodities Rules that bottled water or prescription medicines or FMCG combo-packs are also assertions made by the taxpayer to one regulator. And this assertion cannot be denied when it comes to GST. Good sold in packed condition need to carry on their package their MRP. And where they are sold in special circumstances, this requirement is exempted. Admission under PC Rules that the articles are ‘fit for sale’ cannot receive treatment in GST as ‘disposal’ for without any consideration.

Incentives received under an enforceable contract cannot be treated as an addendum to the original sale contract. Buyer is anyway obliged to make all efforts to resell stock purchased from OEM. OEM is under no further obligation under the original sale contract to incentivize further sale of Buyer’s own stock. This principle is too elementary, and auditors understand it too well to be misled into believing that incentive received from OEM is abatement from payment due against original sale contract duly invoiced. Clearly, incentive cannot be addendum to original sale contract but another contract in its own right.



Again, this is not the time to debate but to disclose something about the tax position taken. Remember, auditor is neither called upon to concur with those tax positions nor debate with taxpayer but, is required to make mention of the imminent tax position taken that is not free from doubt.

All assertions by taxpayer under laws that are allies to one another feed the facts for the treatment. And tax positions in GST cannot work with facts that are in disharmony with allied laws although respective treatment may vary. And if there's an expert's opinion that has been taken to examine the tax treatment for such incentives, that too, may be included in the disclosure. Silence may be incompatible with responsibility of auditor.

Annual Returns

Returns filed for the year 2018-19 may not still be free from errors of omission and commission. Special instructions appended to the Annual Returns implores taxpayer to 'rectify before filing' this return for the year. Rectification requires placement of liability to output tax in the month in which the liability is admitted and credit belongs to the month in which it was claimed in the returns. Correctness of GST is examined 'for each 'tax period' and tax period is not 2018-19 but each month during the year 2018-19.

GST auditor will validate correctness and completeness of 'month-wise' compliance and not for the whole year. Even if tax is fully discharged for the year 2018-19 as a whole but there may be intra-year deficiencies and surpluses that may cancel each other such that by the end of the year, the total annual tax liability is fully satisfied by utilization of total annual credit and the residue paid in cash.

GSTN carries this 'month-wise' data that taxpayer has submitted during the year so there can be no debate about the liability for each 'tax period' in 2018-19. GSTN also carries 'month-wise' credit claim from the returns filed by the taxpayer. Annual Return is the last opportunity to 'right all wrongs' before tax authorities send the month-wise 'liability-credit report'. GST audit would not ignore this fact knowing that data is already available with tax authorities and taxpayer is to put this final opportunity to good use.

Overlap clearing, of data pertaining to 2017-18 that was reported in 2018-19 needs to be 'extracted and excluded' from

the data of 2018-19 so that there is no 'double reporting'. GST auditors understand this 'treatment' very well with the experienced in ensuring accuracy in reporting data 'for' the year 2018-19 out of the annual data.

Tables in annual returns are 'internally validating' the data reported as information in table 8C has a bearing on information in table 13. Auditors understanding of these inter-relationships must be brought to bear in this year two assignment so that annual returns that are filed are free from patent errors as well as latent errors.

Reconciliation Statement

When two statements are based on the same source document of the underlying transaction, they cannot be different. But income is recognized based on the concept of 'accrual' for recognition of revenue whereas GST recognizes supply at the 'time of supply'. It is this divergence in the principle that necessitates reconciliation. When both statements are reconciled, tax authorities can proceed to take up qualitative review rather than muddy their hands with the burden of data compilation and interpretation, if time permits.

GST law calls upon auditor to bring their expertise in accounting-audit, knowledge of GST law and understanding of business of auditee, GST auditor to serve the Nation by helping tax administration to make sense of all this information. It's a responsibility and not an opportunity for auditors.

Data will reconcile and where there's an unreconciled balance, auditor is required to convince taxpayer to discharge tax or make a statement in Part V about the taxability of these unreconciled balances. Clearly, there's not a single instance where auditor and taxpayer would be at complete alignment or in total variance with each other. There are matters where differences could exist but no one can claim to have the final say in the matter, not yet. And since auditor is neither called upon to concur with tax positions nor debate with taxpayer, disclosure continues to be key to transparency and reliability of this exercise.

Conclusion

Year two will show a marked improvement in quality of numerals and disclosure over year one. That's the expectation from any learning and GST is no exception as it's not wrong to be wrong but to remain indignant is fatally wrong. Everyone could receive notices seeking clarification about this annual exercise; trouble is not that one might receive scrutiny notices but, trouble is when one does not have answers to those questions. Trust year two exercise will yield rich dividends by way of elimination of errors voluntarily by taxpayer and adds value for tax administration in these annual returns and reconciliation statement, duly certified by auditor, that stand out for its transparency and reliability.

Contributed by CA. A. Jatin Christopher

DEVELOPMENT RIGHTS – TAXABILITY, TIME AND VALUE OF SUPPLY

Introduction

Generally, the developers of any real estate project do not outrightly purchase land as it entails blockage of working capital and higher cost of capital for them. They tend to enter into an arrangement with the landowners for the acquisition of rights which are irrevocable and for the limited purpose of development. This development right is generally transferred on a Principal to Principal model in case of a Joint Development agreement by the developer to the landowner. Against the said rights received, the developer may either provide consideration by way of allocation of some units to the landowner or as monetary consideration by sharing the revenue from the units sold to third parties. Where the landowner receives constructed units against the transfer of development right, it is popularly known as area sharing agreement. On the other hand, where monetary consideration is paid by the developer by calculating a pre-decided percentage of revenue received, the same is called as a revenue sharing agreement.

Taxability of Development rights

For finding out the taxability of land development rights under Schedule II, one should carefully analyse Schedule III first. Point 5 of Schedule III as already stated above excludes sale of land and completed building from the ambit of supply. Sale of land can be basically categorized as neither supply of goods and nor supply of services and thereby not leviable to tax.

- i. To find out if transfer of land development rights can be construed as sale of land, one should compare the said provision with the definition of service given under the Service tax law.

As per the extract of the Section 65B (44) of the Finance Act, 1994:

“service” means any activity carried out by a person for another for consideration, and includes a declared service, but shall not include—

- (a) an activity which constitutes merely—
 - (i) a transfer of title in goods or immovable property, by way of sale, gift or in any other manner

As per the definition of service under Service tax law, transfer of title in immovable property was not a service at all. The definition of immovable property was not given under the Service tax law. Thereby, one needs to borrow the definition of immovable property from other Acts.

- ii. As per the Registration Act 1880:

“immovable Property” includes land, buildings, hereditary allowances, rights to ways, lights, ferries, fisheries or any other benefit to arise out of land, and things attached to the earth, or permanently fastened to anything which is attached to the earth, but not standing timber, growing crops nor grass

As per the General Clauses Act 1897:

“Immovable property” shall include land, benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth”.

As per 2(z) of RERA:

- (z) “immovable property” includes land, buildings, rights of ways, lights or any other benefit arising out of land and things attached to the earth or permanently fastened to anything which is attached to the earth, but not standing timber, standing crops or grass;

From the above, it can be easily stated that benefits arising of land will also be considered as an immovable property. What was excluded from service tax was immovable property i.e. both the elements of land and benefits arising of land. However, under the GST law, the exclusion as per Schedule III is only sale of land and not benefit arising of land.

- iii. It should now be examined whether development rights can be classified under land or benefits to arise out of land. Development rights are actually given by the landowner to the developer which are for the limited purpose of construction, owning and reselling the building which arise out of the development. Thus, the developer does not get complete ownership of the land. He is bound by the terms of the development agreement for the use of the land. In a complete transfer of title, there cannot be any limited rights over the use of the land. So, the transfer of development rights should not be equated with sale of land. However, the right to own and sell in the building to arise of the land seems to be a perfect case of the transfer of the benefit to arise of the land.

In the case of Chheda Housing Development ... vs Bibijan Shaikh Farid And Ors. on 15 Feb, 2007 (2007 SCC Online Bombay 130), it was held that TDR being a benefit arising from the land, consequently must be held to be immovable property.

Further, in the case of Sadoday Builders Private Limited v. Joint Charity Commissioner (2011 SCC Online Bombay 760), the Hon'ble Bombay High Court was dealing with Section 36(1)(c) of the Bombay Public Trusts Act, 1950 which necessitated taking permission of the Charity Commissioner for sale of immovable property. The Court held that transferable development rights are benefits arising out of land and must be considered as immovable property.

Based on the above, an inference can be drawn that the transfer of development right is to be considered as benefits arising of land and will be classified as immovable property. However, the same may not be construed as sale of land. So, it may not be excluded from the definition of supply as per Schedule III.

- iv. Further, the word 'sale' within sale of land has not been defined under the GST law. One can take reference from Section 54 of the Transfer of Property Act 1882 which provides for transfer of 'tangible' immovable property. Exclusive transfer of development rights is to be categorized as intangible property (though immovable). Thereby, the concept of sale under the said Act excludes development right as it is intangible in nature. Hence, the sale of land should not include the transfer of development right.
- v. Having stated the above, there are certain laws and judgements which have considered land to include benefits arising of land. They have been considered as one and the same. The following may be referred in support of this argument:

As per Sec. 3(a) of Land Acquisition Act (1 of 1894) the expression 'land' includes benefits to arise out of land and things attached to earth or permanently fastened to anything attached to the earth.

As per Sec. 3(4) of Bombay Land Revenue Code 'land' includes benefits to arise out of land and things attached to the earth or permanently fastened to anything attached to the earth and also shares in or charges on the revenue or rent of villages or other defined portions of territory.

In the case of Safiya Bee v. Mohd. Vajahath Hussain Alias Fasi [2011] 2 SCC 94, Apex Court held that 'land' includes rights in or over land, benefits to arise out of land

Apex Court in the case of Pradeep Oil Corpn. v. Municipal Corporation of Delhi [2011] 5 SCC 270 observed that land includes benefits to arise out of land. One can also refer for similar observation in S.N. Chandrashekar v. State of Karnataka [2006] 3 SCC 208 as well as Dena Bank v. B.B.P. Parekh & Co. [2000] 5 SCC 694.



- vi. Whether land includes benefits arising out of land and is to be classified as land itself or that benefits arising out of land can be segregated from sale of land is a vexed issue. This would require the intervention of the apex court in future to settle this dispute. By providing the payment of tax and valuation provisions for development rights, the revenue has made their stance clear by taxing the same. How far this holds good would be tested in the days to come. Without prejudice to the above, this article proceeds further on the presumption that the development rights should be considered as taxable under the GST law.

Liability to pay tax on Development rights

It has been provided under Notification no. 5/2019-CT (rate) dated 29th March 2019 that the tax on transfer of Development rights after 1st April 2019 is liable to be paid by the developer on Reverse charge basis. The landowner need not take registration for the purpose of discharging of taxes under the GST law for the transfer of development right made by him.

Time of supply of Development right

Section 148 provides for special procedure in respect of certain registered persons and the procedure to be followed by them for payment of taxes. Under the section, Notification no. 6/2019-CT (rate) dated 29th March 2019 had been issued to provide for deferment of taxes in certain cases for transfer of development rights on or after 1st April 2019.

a. Area Sharing agreement - In case of an area sharing agreement, GST on the consideration paid to the landowner in the form of construction service of both commercial or residential apartments would be deferred till the completion certificate or first occupation (whichever is earlier). This move very efficiently allows the developer to not have their working capital blocked at the beginning of the project when he already has significant amount of input tax credit getting accumulated. At the time of completion certificate when quite a number of apartments may have been sold by the developer and has some liquidity available, the tax is to be discharged by him in cash on reverse charge basis.

In case of commercial apartments under area sharing agreement, this also allows the developer who would be paying

taxes on development rights under reverse charge mechanism to immediately avail the input tax credit of the said taxes paid and use the said amount for discharge of the output tax on construction service provided to landowners. In case of residential apartments, the taxes paid on development rights would not be available as input tax credit to the developer.

Mismatch between input tax credit and output tax for landowners - On the construction service provided to landowners, the landowners can avail the input tax credit and utilize the same against construction service to final buyers. However, there is a mismatch of time between the availability of input tax credit and charging of output taxes for the landowner. This is because, the input tax credit is available at the end of the project for the landowner when he may have already discharged most of the output tax on construction service to third party buyers in cash. This may cause payment of tax through cash in the earlier stages of the project and accumulation of input tax credit at the later stage of project. To circumvent this, the landowner should explore the possibility of receiving construction service invoice at an earlier date than the date of completion of project. This may cause a tussle between the two as the developer may have to discharge taxes on construction service to the landowners at an earlier date.

b. Revenue Sharing agreement - In case of revenue sharing agreement, deferment of payment of taxes on the monetary consideration paid by the developer against the transfer of development has been deferred only for residential apartments. Since, input tax credit is not available for residential apartments, the deferment of liability to pay under reverse charge ensures that the working capital does not get blocked for the project.

However, revenue sharing agreement for commercial apartments, requires the payment of taxes on development rights under the regular time of supply provisions. The liability to pay taxes on development rights under reverse charge would arise on the developer under Section 13(3) i.e. the earlier of the date of payment as entered in the books and the date immediately following sixty days from the date of issue of invoice. However, it must be noted that the input tax credit can be immediately availed by the developer and he can use the same for setting off output tax liability against the construction service provided to the independent buyers.

Value of Development rights and Rate of taxes

Vide Notification no. 4/2019-Central Tax (rate) dated 29th March 2019, the valuation of development rights transferred on or after 1st April 2019 has been discussed. It also provides the calculation of the exemption amount within this value on which no GST is to be levied. The following aspects need to be kept in mind for determination of the value on which tax is to be paid:

1. Paragraph 1A of the aforesaid notification provides for the value of development rights to be as follows:

“Value of supply of service by way of transfer of development rights or FSI by a person to the promoter against consideration in the form of residential or commercial apartments shall be deemed to be equal to the value of similar apartments charged by the promoter from the independent buyers nearest to the date on which such development rights or FSI is transferred to the promoter.”

Upon interpreting the above, it can be inferred that the value of similar apartments needs to be calculated to determine the value of the service of development rights. Whether or not, the value of land should be excluded when calculating the value of similar apartments is to be examined first. As per Paragraph 2 to Notification no. 11/2017-CT (rate) dated 28th June 2017, the value of construction service for independent buyers has been provided as total amount charged for the supply reduced by the value of land (i.e. 1/3rd of the total amount charged). Thereby, the value of construction service for a similar apartment would be 2/3rd of the total amount charged from independent buyers. The same value i.e. 2/3rd of total amount charged would be considered for determining the value of development rights as well.

Another aspect to be determined is the date when such valuation is to be determined. The value of similar apartments should be seen nearest to the date of transfer of development rights i.e. the date provided in the Joint Development agreement wherein the right of development accrues in the favour of the developer. In most of the cases, this would be the value of first apartments sold right after entering into the joint development agreement.

2. Exemption on development rights w.r.t. residential apartments

It must be noted that the exemption is only applicable to the residential apartments. Full GST would be paid on the value of development rights (as provided under Point no. 1 above) as is attributable to the commercial apartments. The rate of GST applicable on such value of development rights would be 18%.

In respect of the residential apartments, the GST payable on development rights as attributable to already booked residential apartments as on the date of completion certificate or first occupation, whichever is earlier would be exempt. To determine the part on which GST is payable on the residential apartments, there are two steps to be followed as below:

- a. To determine attribution to residential apartments – In a project, where the apartments are both commercial and residential in nature, the portion which is attributable to commercial apartments should be excluded. The

amount of GST exemption available for construction of residential apartments in the project under this notification would be calculated as under:

[GST payable on TDR or FSI (including additional FSI) or both for construction of the project] x (carpet area of the residential apartments in the project ÷ Total carpet area of the residential and commercial apartments in the project)

- b. Once the GST on residential apartments is determined, the proportion as is attributable to the residential apartments, which remain un-booked on the date of issuance of completion certificate, or first occupation of the project would only be payable. The calculation of such GST would be as below:

[GST payable on TDR or FSI (including additional FSI) or both for construction of the residential apartments in the project but for the exemption contained herein] x (carpet area of the residential apartments in the project which remain un- booked on the date of issuance of completion certificate or first occupation ÷ Total carpet area of the residential apartments in the project)

From the above, it can be gathered that GST would be paid at the rate of 18% on all the commercial apartments and only on the unbooked portion of the residential apartments for which the calculation is given above.

3. Ceiling limit of tax payable on development rights w.r.t. residential apartments

The tax as calculated on development right for the portion attributable to the residential apartments would have a further ceiling limit on the tax to be paid. This limit is of 1% in case of affordable housing and 5% in other than affordable housing schemes in respect of the unbooked apartments as on the date of completion certificate or first occupation on another base value. This base value has been defined under Paragraph 1B of Notification no. 4/2019-CT (Rate) dated 29th March 2019 as follows:

“1B. Value of portion of residential or commercial apartments remaining un-booked on the date of issuance of completion certificate or first occupation, as the case may be, shall be deemed to be equal to the value of similar apartments charged by the promoter nearest to the date of issuance of completion certificate or first occupation, as the case may be.”

- One should carefully note the difference between the language of Paragraphs 1A and 1B of Notification no. 4/2019-CT (rate) dated 29th March 2019. Para 1A had discussed about value of similar apartments nearest to the date of transfer of development rights (i.e. the beginning of the project). On the other hand, Para 1B

provides for the value of similar apartments nearest to the date of issuance of completion certificate or first occupation (as the case may be). While the rate of tax on the value as per Para 1A is 18%, the rate of tax to be taken on value under 1B would be 1% or 5% depending on whether the apartments are under affordable housing or not.

It may be noted that this ceiling limit has been provided to equate the taxes with the maximum amount which would have been payable had all the residential apartments been booked before completion certificate or first occupation. On the booked portion, the tax had already been paid when collected from buyers. On the unbooked portion, the tax is payable on the above calculation w.r.t valuation of development rights.

Further, it should be once again emphasized that such limits of 1% / 5% would not be applicable on the commercial apartments.

Conclusion

Though the provisions regarding the taxability of development right has been provided by the government in depth after 1st April 2019, quite a few issues still require attention of the lawmakers or demand settlement of disputes by the judiciary in future:

- Whether or not, the transfer of development right can be classified under sale of land and outside the ambit of GST?
- Time mismatch between liability of landowner and ITC availability in their hands when construction services are received by them from developers
- Whether the deduction of land value would be allowed while calculating the value of development right? If yes, whether the value of land can be accepted as 1/3rd of the total amount charged for valuing the development right?
- Whether the value of unbooked residential apartments would include the landowner's allocation of unsold apartments on completion date?
- Taxability of plots and development rights under an agreement of plotted developments
- Whether charges like PLC, parking space, legal charges etc. would be classified within the principal supply of construction service or would they be classified as stand alone service attracting a rate of 18%?
- What may be construed as first occupation under the GST law? Would actual occupation of property where there is a delay in obtaining the occupancy certificate be considered as such?

Contributed by CA. Shubham Khaitan

GST UPDATES

Amendment to Sections 2, 109, 168 & 172 of CGST Act & Section 25 of IGST Act

The Central Government vide Notification No. 49/2020-Central Tax dated 24th June, 2020 & Notification No. 04/2020-Integrated Tax dated 24th June, 2020 has appointed 30th June, 2020 as the date on which the amendments in following provisions of the CGST Act & IGST Act shall come into force:-

Amendments in CGST Act:-

- Amendment of section 2:- In section 2 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the Central Goods and Services Tax Act), in clause (114), for sub-clauses (c) and (d), the following sub-clauses shall be substituted, namely:—
 - “(c) Dadra and Nagar Haveli and Daman and Diu;
 - (d) Ladakh;”.
- Amendment of section 109:- In section 109 of the Central Goods and Services Tax Act, in sub-section (6),—
 - (a) the words “except for the State of Jammu and Kashmir” shall be omitted;
 - (b) the first proviso shall be omitted.
- Amendment of section 168:- In section 168 of the Central Goods and Services Tax Act, in sub-section (2), for the words, brackets and figures “sub-section (5) of section 66, sub-section (1) of section 143”, the words, brackets and figures “sub-section (1) of section 143, except the second proviso thereof” shall be substituted.

- Amendment of section 172 :- In section 172 of the Central Goods and Services Tax Act, in sub-section (1), in the proviso, for the words “three years”, the words “five years” shall be substituted.

Amendments in IGST Act:-

- Amendment of section 25 :- In section 25 of the Integrated Goods and Services Tax Act, 2017, in sub-section (1), in the proviso, for the words “three years”, the words “five years” shall be substituted.

[Notification No. 49/2020- Central Tax dated 24th June, 2020]

[Notification No.04/2020- Integrated Tax dated 24th June, 2020]

Reduction/Waiver of Interest & Late Fee payable & Extension of Due Date for August, 2020 & One Time Amnesty Scheme for filing of Form GSTR-3B

The Central Government vide Notification No. 51/2020- Central Tax dated 24th June, 2020, Notification No. 52/2020- Central Tax dated 24th June, 2020 & Notification No. 54/2020- Central Tax dated 24th June, 2020, Notification No. 05/2020- Integrated Tax dated 24th June, 2020 & Notification No. 02/2020 – Union Territory Tax dated 24th June, 2020 has made the following conditional waiver of interest & late fee for delay in furnishing returns in FORM GSTR-3B for tax periods of February, 2020 to July, 2020 & also provided one time amnesty by lowering/ waiving of late fees for non-furnishing of FORM GSTR-3B from July, 2017 to January, 2020 & extended the due date for furnishing FORM GSTR-3B for the month of August, 2020 as under:-

FORM GSTR- 3B For the Months of:-	Aggregate Turnover in the preceding F.Y. >Rs. 5 Crores	Aggregate Turnover in the preceding F.Y. ≤ Rs. 5 Crores		
		No Late Fee & Nil Interest If filed within		Reduced interest @ 9 %, if filed upto
		A*	B*	
February, 2020	24th June, 2020	30th June, 2020	30th June, 2020	30th Sept, 2020
March, 2020	24th June, 2020	3rd July, 2020	5th July, 2020	
April, 2020	24th June, 2020	6th July, 2020	9th July, 2020	
May, 2020	27th June, 2020	12th Sept, 2020	15th Sept, 2020	
June, 2020	20th July, 2020	23rd Sept, 2020	25th Sept, 2020	
July, 2020	20th Aug, 2020	27th Sept, 2020	29th Sept, 2020	
Extension of Due Date for furnishing GSTR-3B for the month of August, 2020 for taxpayers with annual turnover up to Rs. 5 crores.:-				
August, 2020	20th Sep, 2020	1st October, 2020	3rd October, 2020	-

*A - Taxpayers whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep.

***B-** Taxpayers whose principal place of business is in the States of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi.

Reduction in Late Fee for past Returns:-

Late Fee for non-furnishing FORM GSTR-3B for the tax period from July, 2017 to January, 2020 has been reduced / waived as under: -

FORM GSTR- 3B	Condition	Late Fee payable
For the months of :- July, 2017 to January, 2020	If furnished between 01.07.2020 to 30.09.2020	Maximum late fee capped at Rs. 500/- per return if there is any tax liability
		NIL' late fee if there is no tax liability

[Notification No. 51/2020, 52/2020 & 54/2020 - Central Tax dated 24th June, 2020]

[Notification No. 05/2020-Integrated Tax dated 24th June, 2020]

[Notification No. 02/2020- Union Territory Tax dated 24th June, 2020]

Waiver of late fee for delay in furnishing FORM GSTR-1

The Central Government vide Notification No. 53/2020- Central Tax dated 24th June, 2020 has made the following conditional waiver late fee for delay in furnishing returns in FORM GSTR-1 for tax periods for months from March, 2020 to June, 2020 for monthly filers and for quarters from January, 2020 to June, 2020 for quarterly filers as under:-

Sl. No.	Form GSTR-1 for the Month/ Quarter	No Late Fee if filed within
1.	March, 2020	10th day of July, 2020
2.	April, 2020	24th day of July, 2020
3.	May, 2020	28th day of July, 2020
4.	June, 2020	05th day of August, 2020
5.	January to March, 2020	17th day of July, 2020
6.	April to June, 2020	03rd day of August, 2020

[Notification No. 53/2020- Central Tax dated 24th June, 2020]

Furnishing of FORM GSTR-1 & FORM GSTR-3B through EVC for Corporate Taxpayers

The Central Government vide Notification No. 48/2020- Central Tax dated 19th June, 2020 has made the following amendments in the CGST Rules, 2017 w.e.f. 27th May, 2020 to allow the registered person registered under the provisions of the Companies Act, 2013 to file FORM GSTR-3B & FORM GSTR-1 through EVC till 30th September, 2020 :-

In the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules), in rule 26 in sub-rule (1), for the second proviso, following provisos shall be substituted, namely:-

“Provided further that a registered person registered under the provisions of the Companies Act, 2013 (18 of 2013) shall, during the period from the 21st day of April, 2020 to the 30th day of September, 2020, also be allowed to furnish the return under section 39 in FORM GSTR-3B verified through electronic verification code (EVC).

Provided also that a registered person registered under the provisions of the Companies Act, 2013 (18 of 2013) shall, during the period from the 27th day of May, 2020 to the 30th day of September, 2020, also be allowed to furnish the details of outward supplies under section 37 in FORM GSTR-1 verified through electronic verification code (EVC).”

[Notification No. 48/2020- Central Tax dated 19th June, 2020]

Amendment to the rates of Composition scheme

Notf. No. 50/2020- CT dt. 24th June, 2020 has amended Rule 7 of the CGST Rules, 2017 with a new entry for Composition tax payers who are providing services and whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees will be taxed at rate of 6% (CGST – 3% & SGST/UTGST – 3%).

Extension of validity of E-way bills

CBIC vide Notification No. 55/2020- Central Tax dated 27th June 2020 has notified the extension in time limit for completion or compliance of any action, by any authority or by any person falling during the period from the 20th day of March, 2020 to the 30th day of August, 2020, where completion or compliance of such action has not been made within such time, then, the time limit for completion or compliance of such action, shall be extended upto 31st day of August, 2020.

[Notification No. 55/2020- Central Tax dated 27th June 2020]

Extension of period to pass order under Section 54(7) of CGST Act

CBIC vide Notification No. 56/2020- Central Tax dated 27th June 2020 has notified the extension in time limit for issuance of order in terms of the provisions of sub-section (5), read with sub-section (7) of section 54 of CGST Act i.e. where a notice has been issued for rejection of refund claim, in full or in part, falling during the period from the 20th day of March, 2020 to the 30th day of August, 2020, in such cases the time limit for issuance of the said order shall be extended to fifteen days after the receipt of reply to the notice from the registered person or the 31st day of August, 2020, whichever is later.

[Notification No. 56/2020- Central Tax dated 27th June 2020]

Conditional waiver of late fees for the period from July, 2017 to July, 2020

CBIC vide Notification No. 57/2020- Central Tax dated 30th June 2020 has notified amendment in Notification No. 76/2018 dated 31st December, 2018 whereby third proviso has been inserted with a view to prescribe maximum amount of penalty if GSTR-3B is filed upto 30.09.2020.

The maximum amount of late fees has been restricted to 'Rs. 500/-' in case of other than NIL returns and 'zero' in case of NIL returns for the tax periods from Feb 2020 to July 2020. The said relief is for both class of taxpayers i.e. taxpayers having turnover upto Rs. 5 crores or more than 5 crores.

[Notification No. 57/2020- Central Tax dated 30th June 2020]

Nil Return filing through SMS of FORM-3B or GSTR-1

The Central Government vide Notification No. 58/2020- Central Tax dated 1st July, 2020 has substituted Rule 67A (Manner of furnishing of return by short messaging service facility) in the CGST Rules, 2017 with effect 01st July, 2020 to allow the registered person to furnish a Nil return in FORM GSTR-3B or Nil details in FORM GSTR-1 for a tax period, through a short messaging service (SMS) using the registered mobile number and the said return shall be verified by a registered mobile number based One Time Password facility (OTP).

Explanation. - For the purpose of this rule, a Nil return or Nil details of outward supplies shall mean a return under section 39 or details of outward supplies under section 37, for a tax period that has nil or no entry in all the Tables in FORM GSTR-3B or FORM GSTR-1, as the case may be."

[Notification No. 58/2020- Central Tax dated 1st July, 2020]

Revised Format/Schema for e-Invoice under GST, Exemption to SEZ & Eligibility of E-Invoice

The Central Government vide Notification No. 60/2020- Central Tax dated 30th July, 2020 has substituted the "FORM GST INV-01" with new "FORM GST INV – 1" & vide Notification No. 61/2020- Central Tax dated 30th July, 2020 and made it applicable for registered persons having aggregate turnover above 500 crore rupees (with enhanced aggregate turnover) in a financial year w.e.f 1st Oct, 2020. Further SEZ units have been excluded from the requirement of issuance of E-invoice.

Earlier it was made applicable to the registered persons whose aggregate turnover in a financial year exceeds 100 crore rupees.

[Notification No. 60/2020 & 61/2020- Central Tax dated 30th July, 2020]

Central Goods and Services Tax (Removal of Difficulties) Order, 2020

The Central Government vide Order No. 01/2020-Central Tax

dated 25th June, 2020 has clarified that for the purpose of calculating 30 days for filing of application for revocation of cancellation of registration against order issued under section 29(2) and where cancellation order was passed up to 12th June, 2020, later of the following dates shall be considered:-

- a) Date of service of the said cancellation order; or
- b) 31st day of August, 2020.

Extension of due date for filing FORM GSTR-4 for financial year 2019-2020

The Central Government vide Notification No. 64/2020- Central Tax dated 31st August, 2020 has further extended the due date of filing of Form GSTR-4 for the year ending 31st March, 2020 till 31st October, 2020.

[Notification No. 64/2020- Central Tax dated 31st August, 2020]

Amendment in section 50 of the CGST Act, 2017 w.e.f. 01.09.2020

The Central Government vide Notification No. 63/2020- Central Tax dated 25th August, 2020 has appointed the 1st day of September, 2020, as the date on which the provisions of section 100 of the Finance (No. 2) Act, 2019 (23 of 2019), shall come into force, that is amendment in section 50 of the CGST Act, 2017 regarding Levy of interest on Net Tax Liability (i.e. interest on tax paid through Electronic Cash Ledger only) shall be effective from 1st September, 2020.

[Section 100 of the Finance (No. 2) Act, 2019 (23 of 2019) has been reproduced as under: -

In section 50 of the Central Goods and Services Tax Act, in sub-section (1), the following proviso shall be inserted, namely: —

"Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, shall be levied on that portion of the tax that is paid by debiting the electronic cash ledger."

Press Release: Interest on delayed payment of GST: CBIC

The Central Board of Indirect Taxes & Customs (CBIC) has clarified that the Notification No. 63/2020-Central Tax dated 25th August 2020 relating to interest on delayed payment of GST has been issued prospectively due to certain technical limitations. However, it has assured that no recoveries shall be made for the past period as well by the Central and State tax administration in accordance with the decision taken in the 39th Meeting of GST Council. This will ensure full relief to the taxpayers as decided by the GST Council.

CBIC explanation came in response to an assortment of comments in the social media with respect to Notification dated 25th August 2020 regarding charging of interest on delayed payment of GST on net liability (the tax liability discharged in cash) w.e.f. 1st September 2020.

[Notification No. 63/2020- Central Tax dated 25th August, 2020]

[Press Release ID: 1648751 dated 26th August ,2020]

Launch of GSTR-2B for the month of July 2020

GSTR-2B is an auto-drafted ITC statement which will be generated for every registered person on the basis of the information furnished by his suppliers in their respective GSTR-1, 5 (non-resident taxable person) and 6 (input service distributor).

It is a static statement and will be made available for each month, on the 12th day of the succeeding month.

It is expected that GSTR-2B will help in reduction in time taken for preparing return, minimising errors, assist reconciliation & simplify compliance relating to filing of returns.

Key features in GSTR-2B which would assist taxpayers in return filing are as under:

- i. It contains information on import of goods from the ICEGATE system including inward supplies of goods received from Special Economic Zones Units/Developers. This is not available with the release of GSTR-2B for the month of July and will be made available shortly.
 - ii. A summary statement which shows all the ITC available and non-available under each section. The advisory given against each section clarifies the action to be taken by the taxpayers in their respective section of GSTR-3B;
 - iii. Document level details of all invoices, credit notes, debit notes etc. is also provided both for viewing and download;
- GSTR-2B for the month of July 2020 has been made available on the common portal on trial basis.
 - Since, this is the first time that the statement is being introduced, taxpayers are advised to refer to GSTR-2B for the month of July, 2020 only for feedback purposes.
 - All taxpayers are requested to go through their GSTR-2B for July 2020 and after comparing the same with the credit availed by them in July 2020, provide feedback (if any) on any aspect of GSTR-2B by raising a ticket on the self-service portal (<https://selfservice.gstsystem.in/>).
 - All taxpayers are advised to view the detailed advisory relating to GSTR-2B on the common portal before using the statement.

Taxpayers can access their GSTR-2B through: Login to GST Portal > Returns Dashboard > Select Return period >GSTR-2B.

[Press Release ID: 1649520 dated 29th August 2020]

Import data in GSTR-2A

Two new tables have been inserted in GSTR-2A for displaying details of import of goods from overseas and inward supplies made from SEZ units / SEZ developers. Taxpayers can now view their bill of entries data which is received by the GST System (GSTN) from ICEGATE System (Customs). The present data upload has been done on a trial basis to give a feel of the functionality and to get feedback from the taxpayers on the same.

Currently, the system is displaying data up to 6th August, 2020. Further, taxpayers may note that system is currently does not contain import information for bill of entries filed at non-computerized ports (non-EDI ports) and imports made through courier services/post office. This will be made available shortly.

It may also be noted that amendment information made in the details of bill of entries will also be provided soon.

Taxpayers are requested that they share their feedback through raising a ticket on the self-service portal (<https://selfservice.gstsystem.in/>)

[Press Release ID: 1649521 dated 29th August, 2020]

CLARIFICATION ON REFUND RELATED ISSUES

The Central Board of Indirect Taxes and Customs vide Circular No. 139/09/2020-GST dated 10th June,2020 has issued the following clarifications regarding the issue relating to refund of accumulated ITC in respect of invoices whose details are not reflected in the FORM GSTR-2A of the applicant :-

- It was decided vide Circular No.135/05/2020–GST dated the 31st March, 2020 that the refund of accumulated ITC shall be restricted to the ITC as per those invoices, the details of which are uploaded by the supplier in FORM GSTR-1 and are reflected in the FORM GSTR-2A of the applicant. Accordingly, para 36 of the circular No. 125/44/2019-GST, dated 18.11.2019 was modified to that extent.”
- Representations have been received that in some cases, refund sanctioning authorities have rejected the refund of accumulated ITC in respect of ITC availed on Imports, ISD invoices, RCM etc. citing the above-mentioned Circular on the basis that the details of the said invoices/ documents are not reflected in FORM GSTR-2A of the applicant.
- In this context it is noteworthy that before the issuance of Circular No. 135/05/2020–GST dated 31st March, 2020, refund was being granted even in respect of credit availed on the strength of missing invoices (not reflected in FORM GSTR-2A) which were uploaded by the applicant along with the refund application on the common portal. However, vide Circular No.135/05/2020–GST dated the 31st March, 2020, the refund related to these missing invoices has been restricted. Now, the refund of accumulated ITC shall be

restricted to the ITC available on those invoices, the details of which are uploaded by the supplier in FORM GSTR-1 and are reflected in the FORM GSTR-2A of the applicant.

- The aforesaid circular does not in any way impact the refund of ITC availed on the invoices / documents relating to imports, ISD invoices and the inward supplies liable to Reverse Charge (RCM supplies) etc.. It is clarified that the treatment of refund of such ITC relating to imports, ISD invoices and the inward supplies liable to Reverse Charge (RCM supplies) will continue to be same as it was before the issuance of Circular No. 135/05/2020–GST dated 31st March, 2020.

[Circular No. 139/09/2020-GST dated 10th June,2020]

CLARIFICATION IN RESPECT OF LEVY OF GST ON DIRECTOR'S REMUNERATION

The Central Board of Indirect Taxes and Customs vide Circular No. 140/10/2020-GST dated 10th June,2020 has issued the following clarifications on levy of GST on Director's remuneration paid by companies to their directors:-

The issue of remuneration to directors has been examined & clarified under following two different categories as below:

Leviability of GST on remuneration paid by companies to the independent directors or those directors who are not the employee of the said company

- The primary issue to be decided is whether or not a 'Director' is an employee of the company. In this regard, from the perusal of the relevant provisions of the Companies Act, 2013, it can be inferred that:
 - a. the definition of a whole time-director under section 2(94) of the Companies Act, 2013 is an inclusive definition, and thus he may be a person who is not an employee of the company.
 - b. the definition of 'independent directors' under section 149(6) of the Companies Act, 2013, read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 makes it amply clear that such director should not have been an employee or proprietor or a partner of the said company, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed in the said company.
- Therefore, in respect of such directors who are not the employees of the said company, the services provided by them to the Company, in lieu of remuneration as the consideration for the said services, are clearly outside the scope of Schedule III of the CGST Act and are therefore taxable. In terms of entry at Sl. No. 6 of the Table annexed to notification No. 13/2017-Central Tax (Rate) dated

28.06.2017, the recipient of the said services i.e. the Company, is liable to discharge the applicable GST on it on reverse charge basis.

- Accordingly, it is hereby clarified that the remuneration paid to such independent directors, or those directors, by whatever name called, who are not employees of the said company, is taxable in hands of the company, on reverse charge basis.

Leviability of GST on remuneration paid by companies to the directors, who are also an employee of the said company

- Once, it has been ascertained whether a director, irrespective of name and designation, is an employee, it would be pertinent to examine whether all the activities performed by the director are in the course of employer-employee relation (i.e. a "contract of service") or is there any element of "contract for service". The issue has been deliberated by various courts and it has been held that a director who has also taken an employment in the company may be functioning in dual capacities, namely, one as a director of the company and the other on the basis of the contractual relationship of master and servant with the company, i.e. under a contract of service (employment) entered into with the company.
- It is also pertinent to note that similar identification (to that in Para 5.1 above) and treatment of the Director's remuneration is also present in the Income Tax Act, 1961 wherein the salaries paid to directors are subject to Tax Deducted at Source ('TDS') under Section 192 of the Income Tax Act, 1961 ('IT Act'). However, in cases where the remuneration is in the nature of professional fees and not salary, the same is liable for deduction under Section 194J of the IT Act.
- Accordingly, it is clarified that the part of Director's remuneration which are declared as 'Salaries' in the books of a company and subjected to TDS under Section 192 of the IT Act, are not taxable being consideration for services by an employee to the employer in the course of or in relation to his employment in terms of Schedule III of the CGST Act, 2017.
- It is further clarified that the part of employee Director's remuneration which is declared separately other than 'salaries' in the Company's accounts and subjected to TDS under Section 194J of the IT Act as Fees for professional or Technical Services shall be treated as consideration for providing services which are outside the scope of Schedule III of the CGST Act, and is therefore, taxable. Further, in terms of notification No. 13/2017-Central Tax (Rate) dated 28.06.2017, the recipient of the said services i.e. the Company, is liable to discharge the applicable GST on it on reverse charge basis.

[Circular No. 140/10/2020-GST dated 10th June,2020]

CUSTOMS UPDATES

Paperless Customs – Electronic Communication of PDF Based Copies of Shipping Bill & e-Gatepass to Custom Brokers/Exporter

CBIC decided that w.e.f. 22.06.2020; only the digital copy of the Shipping Bill bearing the Final LEO would be electronically transmitted to the exporter and the present practice of printing copies of the said document for the exporters and also for maintaining a docket in the Customs House would stand discontinued.

Turant Customs – Turant Suidha Kendra and Other Initiatives for Contactless Customs - reg.

With a aim to provide 'Faceless, Contactless and Paperless' Customs administration, Board has now decided to take certain measures:-

1. Turant Suidha Kendra in All Customs Stations by 15th July, 2020.
2. Registration of Authorised Dealer Code, Bank Accounts through ICEGATE.
3. Automated debit of bond after Assessment.
4. Simplified Registration of Importers/Exporters in ICEGATE and conduct Customs clearances through electronic interface.

2nd phase of All India roll-out of Faceless Assessment & Specification of the jurisdiction of Commissioner (Appeals)

The CBIC vide Circular No. 34/2020-Customs dated 30th July, 2020 has decided to begin the 2nd phase of All India roll-out of Faceless Assessment w.e.f. 03.08.2020 by including Delhi and Mumbai Customs Zones and extending the scope of Faceless Assessment at Chennai and Bangalore Customs Zones. Board has reviewed the 1st phase of Faceless Assessment at Bengaluru and Chennai and resolved few technical and administrative issues that arose. Board also noted that on expected lines the

Faceless Assessment ushered in a smooth and faster clearance process with uniformity in assessment.

- It is clarified that the Customs Zones and the imports already covered under the 1st Phase would continue and be treated as subsumed under the 2nd phase. Thus, the 2nd phase of Faceless Assessment will cover the following specified Customs Zones and the imports primarily under the specified Chapters of the Customs Tariff Act, 1975:-

Sl. No.	Chapter(s) of the Customs Tariff Act, 1975	Appraisement Group	Customs Zones	Remarks
1.	84	5	Bengaluru, Chennai, and Delhi	Bengaluru and Chennai Zones were covered in 1st phase.
2.	85	5A	Bengaluru, Chennai, and Delhi	Delhi Zone is newly covered.
3.	89 to 92	5B	Bengaluru, Chennai, and Delhi	Pilot programme has been running in Delhi Zone since September 2019 and now Bengaluru and Chennai are newly covered.
4.	50 to 71	3	Bengaluru, Chennai, and Delhi	Pilot programme has been running in Chennai Zone since September 2019 and now Bengaluru and Delhi are newly covered.
5.	29	2A	Mumbai I, Mumbai II and Mumbai III	Newly introduced Zones

- Further, the Central Government vide Notification No.63/2020-Customs (N.T.) dated 30.07.2020 has amended Notification No.92/2017-Customs (NT), dated 28.09.2017 to specify the jurisdiction of Commissioner (Appeals) to assessment orders passed by Faceless Assessment Groups .

[Circular No. 34/2020-Customs dated 30th July ,2020]

[Notification No.63/2020-Customs (N.T.) dated 30.07.2020]



GST QUIZ

1. Which of the following is correct?

- (a) Failure to file annual return within due date attracts a late fee of ₹ 100 per day up to 0.25% of his turnover
- (b) Failure to file annual return within due date attracts late fee of 1% of his turnover till the failure continues
- (c) Failure to file annual returns within due date attracts a late fee of ₹ 100 per day up to 1% of his turnover.
- (d) On failure to file annual return within due date the proper officer shall issue a notice of non-filing on such person

2. Find the correct match of annual returns to be filed

- (a) Registered taxable person – Form GSTR 8
- (b) Input service distributor – Form GSTR 9
- (c) Non Resident taxable person – Form GSTR 9B
- (d) Compounding taxable person – Form GSTR 4

3. Prior to the conduct of audit u/s 65 the registered person shall be informed, by way of a notice, sufficiently in advance:

- (a) not less than fifteen working days
- (b) not less than thirty working days
- (c) not less than ten working days
- (d) No prior intimation required

4. Where the Commissioner is satisfied that audit u/s 65 in respect of such registered person cannot be completed within three months from the date of commencement of audit the time limit can be extended:

- (a) by a further period not exceeding six months
- (b) by a further period not exceeding three months
- (c) by a further period not exceeding nine months
- (d) no extension of time limit is permissible

5. Who is authorised to conduct the special audit including books of account u/s 66?

- (a) Chartered Accountant as may be nominated by the Commissioner.
- (b) Cost and Works Accountant as may be nominated by the Commissioner.
- (c) (a) or (b)
- (d) Any officer as may be nominated by the Additional Director.

6. Every registered taxable person who is required to get his accounts audited under section 35(5) read with 44(2) shall furnish electronically

- (a) Annual return

- (b) Audited copy of annual accounts

- (c) Reconciliation statement reconciling the value of supplies declared in the return and the financial statement
- (d) All of the above

7. Aggregate Turnover for determining the requirement of filing the Reconciliation statement has to be calculated on the basis of

- (a) Same PAN
- (b) Same GSTIN
- (c) Same TAN
- (d) None of the above

8 How many Parts are there in GSTR 9C ?

- (a) III
- (b) IV
- (c) VI
- (d) V

9. Who among the following are not required to file GSTR-9 ?

- (a) Input Service Distributor
- (b) Non-resident taxable persons
- (c) Persons paying tax under Section 10, 51, 52 and a casual taxable person
- (d) All of the above

10. In terms of Sec. 44, the due date for furnishing the annual return for every financial year by every registered taxable person other than ISD, non-resident tax payer, a person paying tax under section 10, 51 or 52 and a casual taxable person is

- (a) 30th of June following the end of the financial year
- (b) 20th of October following the end of the financial year
- (c) 31st of December following the end of the financial year
- (d) 31st of May following the end of the financial year

The names of the first 5 members who provided all the correct answers of the last Quiz (June, 2020) within 48 hours are as under:-

Name	Membership No.
CA. Neha Rajput	542565
CA. Jaykumar Arlani	118274
CA. Akash Tyagi	550061
CA. Priyanka Nahar	185114
CA. Venkata Ravindra Chinta	247916

Please provide reply of the above MCQs in the link given below. The name of the first 5 members who provide all the correct answers within 48 hours of receipt of this Newsletter, would be published in the next edition.

Link to reply: https://docs.google.com/forms/d/1IVNQzUrewUk2N_KvMXo6SynQboC2sobPxp237VOIfNU/edit?usp=sharing

ICAI'S CONTRIBUTION FOR SMOOTH IMPLEMENTATION OF GST AS PARTNER IN NATION BUILDING

1. Background Material on GST - 9th Edition (July, 2020)

The GST & Indirect Taxes Committee has fully revised its flagship publication viz. Background Material on GST. This Background Material is comprehensive containing clause by clause analysis of the GST law including Acts, rules, recent notifications, circulars or orders upto 30th June, 2020 issued by the Government from time to time. It also includes few FAQ's, MCQ's, Flowcharts, Diagrams and Illustrations etc. to make the reading and understanding easier.

2. Compliances of GST in Banking Sector – 7th Edition (June, 2020)

The GST & Indirect Taxes Committee has revised its publication "Compliances of GST in Banking Sector". This publication contains an analysis of the provisions of the GST law in respect of income earned and expenses incurred by banks, input tax credit under GST, routine procedural checks, questionnaire for GST Audit of banks etc. This publication would be immensely useful for members while providing services to the Banking Sector as auditors or otherwise.

3. Handbook on various compliances under GST

The GST & Indirect Taxes Committee has released following Handbooks on various procedural aspects of GST.

Sl. No.	Title of Publication
1	Handbook on TCS under GST
2	Handbook on Accounts and Records under GST
3	Handbook on Show Cause Notice, approach and reply under GST
4	Handbook on Incentives in Foreign Trade Policy
5	Handbook on Composition Scheme under GST
6	Handbook on Input Service Distributor under GST

It may be noted that earlier the Committee had released 11 similar Handbook on various procedural aspects of GST.

4. Virtual Classes for Certificate Course on GST

After successful completion of first 3 batches, the Committee has further organized 8 batches of the Virtual Classes for Certificate Course.

Also, 4 new batches of the Virtual Classes for Certificate Course are being organized for the members across India.

CONTRIBUTION

Around 1880 members have been trained or undergoing training through online classes during the period of COVID-19 outbreak.

5. E-learning on GST through recorded lectures

The GST & Indirect Taxes Committee has launched E-learning on GST at Digital learning hub covering all important topics of GST. This facility is available to all members free of cost facilitating them anytime & anywhere learning. The course has been subscribed by 1650 members till date.

6. Six Days Live webcast series on GST for office assistants and other stakeholders

The GST & Indirect Taxes Committee has organised a six Days Live webcast series on GST for office assistants and other stakeholders from 8th to 29th August, 2020. The fee of the Course was Rs. 1000/- plus GST per participant. The webcast series was attended by 700 participants and benefited from this initiative.

7. Live Webcast on "Finalization of Accounts with GST perspective"

The GST & Indirect Taxes Committee has organized aLive webcast on "Finalization of Accounts with GST perspective" on 23rd August, 2020 with a view to support members as well as other stakeholders.

8. Live Webcast on "E-Invoicing under GST"

The GST & Indirect Taxes Committee has organized aLive webcast in association with Goods & Services Tax Network (GSTN) on Saturday, August 29, 2020 on the topic E-Invoicing under GST with a view to familiarise members and all stakeholders with this new initiative.

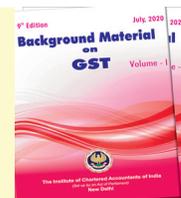
9. Meeting of Consultation Committee of GSTN

Second Meeting of Consultation Committee of GSTN was held on 14th July, 2020, which was attended by CA Sushil Kr Goyal, Vice-Chairman, GST& Indirect Taxes Committee. Since the agenda of the meeting was GST portal and E-way portal, suggestion on the same were submitted to Consultation Committee of GSTN for consideration.

PUBLICATIONS

Background Material on GST -Vol-1 & 2 (9th Edition)

This BGM contains clause by clause legal provisions, analysis, related provisions of the GST laws as well as Flowcharts, diagrams, MCQ's & FAQ's on GST, etc. including notifications, circulars or orders issued by the Government upto 30th June, 2020. The publication is written in a very simple and easy to comprehend lucid language for better understanding of all stakeholders.

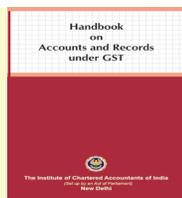
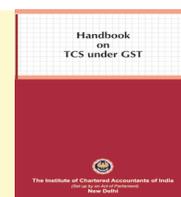


Compliances of GST in Banking Sector (7th Edition)

The revised publication on "Compliances of GST in Banking Sector" has been updated with the GST provisions in respect of Income earned and expenses incurred by banks, input tax credit under GST, routine procedural checks, questionnaire for GST Audit of banks etc.

Handbook on TCS under GST

The Handbook on TCS under GST covers all aspects related to TCS under GST at one place and Analysis thereof like who is required to collect tax, when is tax required to be collected, how the collectee will take benefit of TCS, procedure for filing TCS return under GST, the interest, late fees and penalty that may be imposed on non-collection of TCS etc.

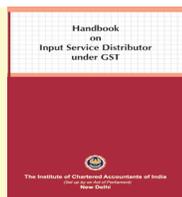
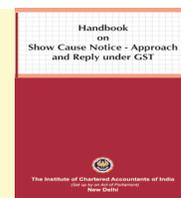


Handbook on Accounts and Records under GST

This handbook broadly covers who are required to maintain accounts and records, where it should be maintained, period of retention accounts and record, what are relaxation in maintaining records etc. The help of FAQs and MCQs has been taken to make the reading and understanding easier.

Handbook on Show Cause Notice - Approach and Reply under GST

The handbook contains the provisions relating various types of show cause notices which are issued under different section of GST Law. The authors have tried to explain how the taxpayers and profession should approach and reply to such show cause notices.

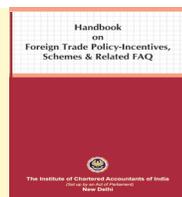
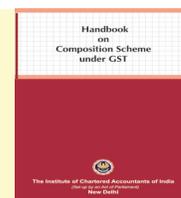


Handbook on Input Service Distributor under GST

The handbook explains the concepts of Input Service Distribution, its registration, Manner of Credit Distribution by ISD, consequence of excess Distribution of Credit by ISD etc.

Handbook on Composition Scheme under GST

The handbook explains the concepts/ procedures relating to Composition Scheme like who are eligible for the scheme and how to apply for the scheme. An attempt has been made to cover all aspects related to composition scheme like eligibility, registration, time and place of supply, value of supply and returns to be filed etc.



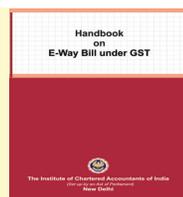
Handbook on Foreign Trade Policy-Incentives, Schemes & Related FAQ

This Handbook gives a complete insight on the Foreign Trade Policy and procedures for the period 2015-20 which have been extended up to 31 March 2021. It not only details the policy of the Union Government on extending so many export remission and incentive schemes but also guides even Start-up on how to avail various export benefits and compete in the international trade.

PUBLICATIONS

Handbook on Registration under GST

The handbook explains the concepts/ procedures relating to Registration in an easy and lucid language. An attempt has been made to explain all aspects related to registration with the help of case laws, example etc.

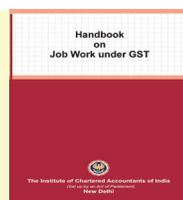
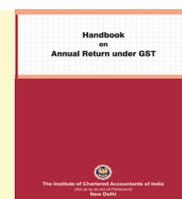


Handbook on E-Way Bill under GST

The handbook aptly covers analysis of legal provisions, procedural and practical aspects relating to E-Way Bill under GST.

Handbook on Annual Return under GST

The handbook is very comprehensively designed and contains clause-by-clause analysis of Annual Return Form under GST law including notifications, circulars or orders issued by the Government upto 31st March, 2020.

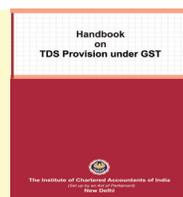


Handbook on Job Work under GST

The handbook aims at guiding members and all other stakeholders in understanding various compliances related to Job work under GST law including conditions and restriction for supplying goods to job worker, removal of inputs / semi-finished goods/capital goods by principal to a job worker, duration within which goods to be returned by job worker, disposal of waste & scrap generated during job work, input tax credits, etc.

Handbook on Refunds under GST

The handbook deals with the provisions of GST related to different types of refunds under GST including conditions and procedures for granting refunds, along with few FAQ's, MCQ's, Flow charts, Diagrams and Illustrations etc. to make the reading and understanding easier.

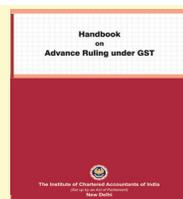


Handbook on TDS Provision under GST

This "Handbook on TDS Provision under GST" covers all aspects related to TDS under GST at one place and Analysis thereof likewhen is TDS required to be deducted, who is required to deduct TDS, procedure for filing TDS return under GST, the interest, late fees and penalty that may be imposed on non deduction of TDS etc.

Handbook on Interest, Late Fee and Penalties under GST

This publication contains analyses the provisions of the GST law in respect of Interest, Late Fees and Penalties that may be imposed. An attempt has been made to cover all aspects related to Interest, Late Fee and Penalties at one place and is intended to give general guidance to all stakeholders and also to help them in resolving issue that they may face during the course of its compliance in GST.



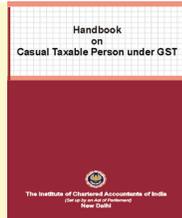
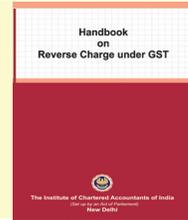
Handbook on Advance Ruling under GST

An Advance Ruling helps the applicant in planning his activities, which are liable for payment of GST, well in advance. An attempt has been made to cover and explain all aspects related to Advance Ruling with the help of FAQ and example and is intended to give general guidance to all stakeholders.

PUBLICATIONS

Handbook on Reverse Charge under GST

This handbook broadly covers procedural aspects and legal provisions related to RCM, various compliances, consequences of failure- Notice, Interest, Penalty etc. The illustrations & FAQ's provide an additional benefit to the readers of this handbook.

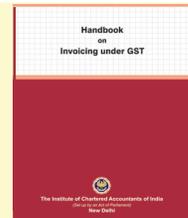


Handbook on Casual Taxable Person under GST

This Handbook on Casual Taxable Person under GST is very comprehensive and contain analysis of the entire provisions relating to Casual Taxable Person under the law including notifications, circulars or orders issued by the Government from time to time upto 31st March, 2020 along with few FAQ's, MCQ's, Flowcharts, Diagrams and Illustrations etc. to make the reading and understanding easier.

Handbook on Invoicing under GST

This handbook contain the concept of e-invoicing, understanding the type of documents specified in the law, what document to be issued in which situation, what is to be prescribed in the documents, the importance of documents to substantiate the ITC claims, the importance of documents in case of movement of Goods, how the information related to documents to be reflected in returns etc.



GST & INDIRECT TAXES COMMITTEE OF ICAI

A ONE STOP DESTINATION FOR ALL INDIRECT TAXES

website: www.idtc.icai.org



The GST & Indirect Taxes Committee of ICAI has launched its website viz. www.idtc.icai.org to provide the users a well set platform for sharing and gaining knowledge on GST & other indirect taxes and easy accessibility to the GST & Indirect taxes Committee. The Committee works relentlessly towards keeping the members abreast with the latest changes in all the Indirect tax laws vide various mediums like, organising programmes, updating study materials, sending regular updates etc.

Main features:

- ❖ Regular GST / Indirect Taxes Updates
- ❖ Knowledge Bank of Indirect Taxes/ GST- Articles, Legal Updates etc.
- ❖ Publications on GST and others IDT Law including UAE VAT Law etc.- (Available for free download and online ordering)
- ❖ Recordings of Live Webcasts / E-lectures on GST
- ❖ E-learning on GST
- ❖ Upcoming events
- ❖ Details of Certificate Courses, Programme, Seminars etc. on GST/ Indirect Taxes
- ❖ Links of related important website
- ❖ Connect with GST & Indirect Taxes as a faculty / author of the publication etc.
- ❖ GST Tab newly created on website to provide consolidated GST information.

Your suggestions on the website are also welcome at gst@icai.in

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