

Live Webcast on Stock Transfer, Job
work, Stock Returns & Rejects(Incl
Transition)

Revised Model GST Law

Job Work- Section 2(61)

❖ Means undertaking any treatment or process by a person on goods belonging to another taxable registered person and the expression “job worker” shall be construed accordingly

Revised Model GST Law

Principal –Section 2(76)

❖ Means a person on whose behalf an agent carries on the supply or receipt of goods and/or services.

Revised Model GST Law

Job Work

- ❖ Whether Goods or Services (Schedule II).
- ❖ Registration (Schedule – V).
- ❖ Basic Exemption .
- ❖ Aggregate Turnover Section 2(6).
- ❖ Whether Job Work includes repair.

Revised Model GST Law

Job Work – Section 20

- ❖ Section 55 allows to send inputs for job work.
- ❖ Taxable person(Principal) eligible to take credit on inputs sent for job work.
- ❖ Goods may be sent directly to job worker.
- ❖ Goods should be returned within 1 year.
- ❖ If inputs not received within 1 year, deemed supply on the date when sent by principal.

Revised Model GST Law

Job Work – Section 20

- ❖ Capital goods may be sent for job work.
- ❖ Capital goods may be sent directly to Job worker
- ❖ Capital goods should be received back within three years. Not applicable to moulds, dies, jigs & fixtures or tools.
- ❖ If capital goods not received within 3 years, deemed supply the date when sent by principal.
- ❖ Dies, jigs & fixtures, on tools.

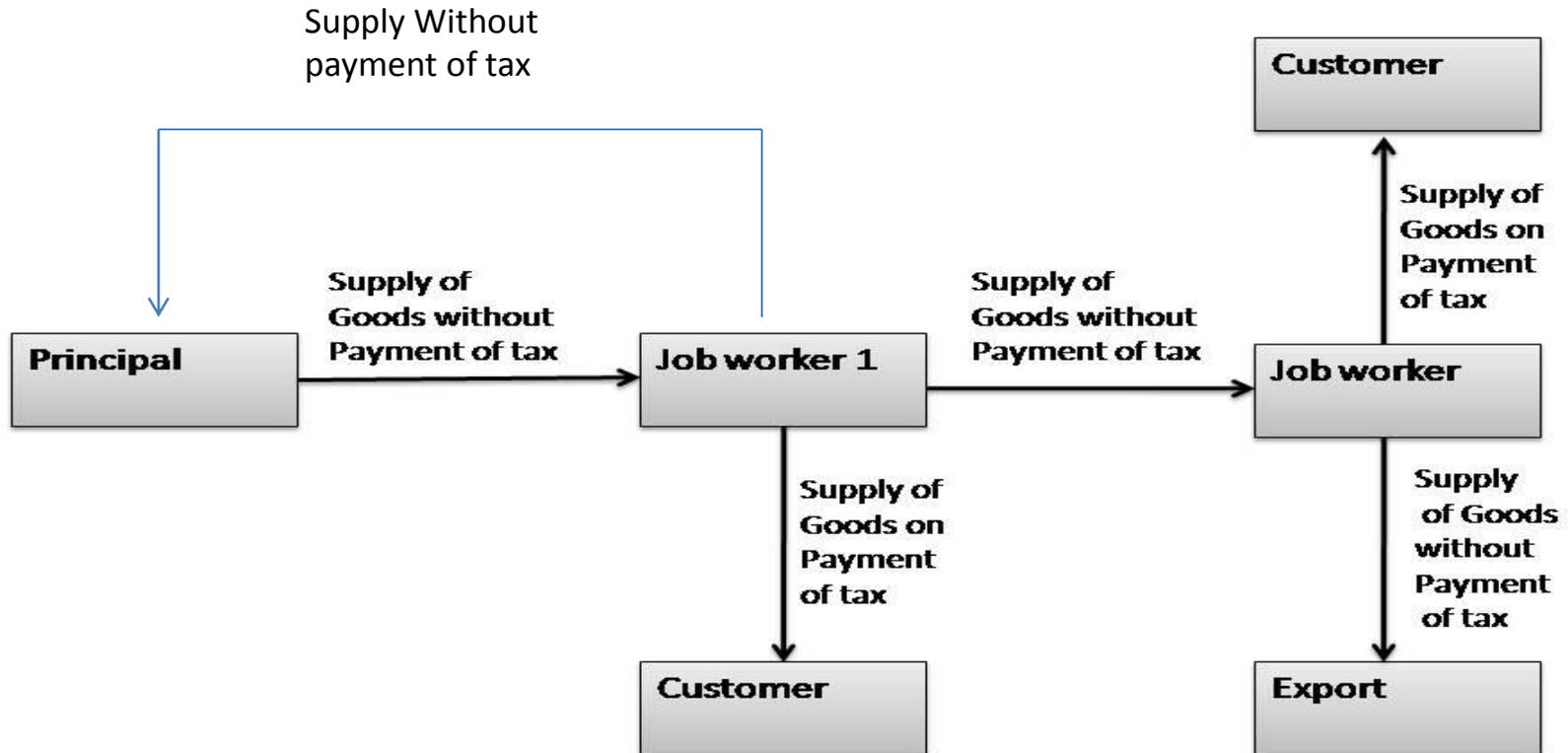
Revised Model GST Law

Job work- Section 55

- ❖ Goods may be sent for job work without payment of tax. Job workers place should be declared as additional place of business.
- ❖ To be returned within 1 year/3 year to any place of business.
- ❖ Goods may be sold on payment of tax directly from place of job worker.
- ❖ Goods may be exported from place of job worker.
- ❖ Accountability with principal.
- ❖ Waste & scrap may be cleared by Job worker/Principal after payment of taxes.

Revised Model GST Law

Job work



Revised Model GST Law

Transitional provisions

Input/Finished Good/Semi Finished Goods removed for job work & returned (sec 175-177)

- ❖ Where any Input/Finished Good/Semi Finished Goods removed/dispatched under earlier law are returned.
- ❖ No tax shall be payable under GST provisions.
- ❖ Input/Finished Good/Semi Finished Goods should be returned to the said factory within six months.

Revised Model GST Law

Transitional provisions

Input/Finished Good/Semi Finished Goods removed for job work & returned (sec 175-177)

- ❖ Manufacturer should have declared the stock with job worker on appointed day.
- ❖ Goods could have been sent for testing, repairing, reconditioning, or manufacturing process.
- ❖ Semi finished/finished goods may be transferred after payment of tax within India or without payment of tax out of India.

Revised Model GST Law

Transitional provisions

Input/Finished Good/Semi Finished Goods removed for job work & returned (sec 175-177)

- Competent Authority may extend for two months.
- ITC to be recovered, if goods not returned within 6 months
- Similar provisions under SGST for VAT.

Thank You



For any Clarification, Please Contact

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or <https://www.youtube.com/indirecttaxcommittee>