

INDIRECT TAXES UPDATE – 133

CENVAT CREDIT Rules, 2004

Clarification regarding CENVAT Credit in transit sale through dealer

CBEC vide Circular No.1003/10/2015-CX, Dated: May 05, 2015 has clarified that the 3rd and 4th proviso of Rule 11(2) of Central Excise Rules, 2002, dealing with removal of goods on invoice, are to allow an additional facility for direct transport of goods from the manufacturer or the importer to the consignee where the consignee may avail CENVAT Credit on the basis of the Cenvatable invoice issued by the manufacturer or the registered importer. The need for the goods to be brought to the premises of the registered importer or the registered dealer for subsequent transport of the goods to the consignee is done away with this facility.

Thus, in order to save cost, time and improve the ease of doing business this additional facility is provided where in case of transit sale, it is not compulsory for registered/ unregistered dealer to issue Cenvatable invoice and Consignee may take CENVAT Credit on the basis of manufacturers/ registered importers invoice. This facility is in conformity with the existing rules and circulars issued by the board.

[Circular No. 1003/10/2015-CX, Dated: May 05, 2015]

GOODS & SERVICES TAX

The Lok Sabha passes the 122nd Constitutional (GST) Amendment Bill, 2014

Way back in the year 2004, Dr. Kelkar Task Force recommended the need of Goods and Services Tax (GST) in India. The Government came out with a First Discussion Paper on GST in November, 2009 and introduced the 115th Constitution Amendment (GST) Bill in the year 2011 which was lapsed in the year 2014.

122nd Constitution Amendment (GST) Bill was introduced on 19th November 2014 and has been passed in Lok Sabha on 6th May 2015. The Hon'ble Finance Minister has reaffirmed launch of GST from 1st April 2016 in his budget speech of the year 2015-16.

The Indirect Taxes Committee of ICAI is working relentlessly towards disseminating information regarding GST with the help of various programmes, seminars, webcasts, background material, Standardised PPT on GST etc. The details of the same are available at www.idtc.icai.org. The proposed GST regime will bring in various prospects for Members.

VALUE ADDED TAX

Kerala VAT

Time limit for filing application for compounding and registration renewal for the year 2015-16

has been extended

The last date for filing option for the payment of compounded tax has been extended to **20th May, 2015** and for application of renewal of registration under KVAT Act, KGST Act and KTL Act for the year 2015-16 has been extended to 15th May 2015.

[Circular No. 12/15 No.C1-14518/15 Dated 25th April, 2015]

West Bengal

Last date of e-filing of Vat return and submission of the said return has been extended

The last date of e-filing of VAT return in Form 14/14D, 15, 15 R has been extended to **15th May, 2015** and submission in hard copy to 22/05/2015.

[Order Memo No. 354CT/PRO 3C/PRO/2012 Dated 29th April, 2015]

Source: www.cbec.gov.in/ www.Loksabha.nic.in

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The Indirect Taxes Update is an endeavour of the Indirect Taxes Committee to apprise the readers about the amendments made in various central indirect tax laws vide significant notifications, circulars etc.

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