

# ***GOODS & SERVICES TAX / IDT UPDATE – 36***

## **Central Goods and Service Tax (Amendment ) Rules,2018**

The Central Government vide [Notification No. 3/2018 –Central Tax dated 23rd January ,2018](#) has amended Central Goods and Service Tax Rules, 2017. Following amendments have been made in the Rules:

- **Substitution in Rule 3:** In rule 3, in sub-rule (3A), for the words “ninety days”, the words “one hundred and eighty days” shall be substituted.

Earlier a person who has been granted registration on a provisional basis under rule 24 or who has been granted certificate of registration under sub-rule (1) of rule 10 shall furnish the statement in FORM GST ITC-03 in accordance with the provisions of sub-rule (4) of rule 44 within a period of 90 days from the day on which such person commences to pay tax under section 10 .Now it can be furnished within a period of 180 days.

- **Substitution in Rule 7:** This substitution has effect from 1<sup>st</sup> January,2018

<b>Sl. No.</b>	<b>Category of registered persons</b>	<b>Rate of tax (Earlier)</b>	<b>Rate of tax (Substituted)</b>
1.	Manufacturers, other than manufacturers of such goods as may be notified by the Government	1%	0.5% of the Turnover in the State or Union territory
2	Suppliers making supplies referred to in clause (b) of paragraph 6 of Schedule II	2.5%	2.5% of the turnover in the state or union territory
3.	Any other supplier eligible for composition levy under section 10 and the provisions of this Chapter	0.5%	0.5% of the turnover of taxable supplies

- **Omission in Rule 20:** The proviso which restricts to apply for cancellation of Registration by a person who had registered voluntarily, before the expiry of a period of one year from the effective date of registration has been omitted. Therefore, Now Voluntary Registered person can apply for cancellation even before the expiry of 1 year from registration.
- **Substitution in Rule 24:** In sub-rule (4), for the figures, letters and word “31st December, 2017”, the figures, letters and word “31st March, 2018” shall be substituted

Earlier, this Rule provides that the person registered under any of the existing laws, who is not liable to be registered under the Act may, on or before [31<sup>st</sup> December], 2017 at his option, submit an application electronically in FORM GST REG-29 for the cancellation of registration. Now person can apply for cancellation upto 31<sup>st</sup> March,2018.

- **Insertion of 31A in Rule 31:** 31A. Value of supply in case of lottery, betting, gambling and horse racing which provides the manner to determine value of supply of lottery which is as follows:

Sl No.	Type of Lottery	Value of supply
1.	Lottery Run by State Government	100/112
2.	Lottery authorized by State Government	100/28
3.	Actionable claim in the form of chance to win in betting gambling or horse racing in a Race Club	100% of the face value of the bet or the amount paid into the totalisator.

- **Substitution in Rule 43:** Explanation to Rule 43 has been substituted to clarified that the aggregate value of exempt supplies shall exclude :

1. Value of Supply of services having place of supply in Nepal or Bhutan, against payment in Indian Rupees.
2. Value of services by way of accepting deposits, extending loans, or advances in so far as the consideration is represented by way of interest or discount, except in case of a banking company or a financial institution.
3. The value of supply of services by way of transportation of goods by a vessel from the customs station of clearance in India to a place outside India.

- **Insertion of Sub-rule (1A) in Rule 54:** (1A)(a) A registered person, having the same PAN and State code as an Input Service Distributor, may issue an invoice or, as the case may be, a credit or debit note to transfer the credit of common input services to the Input Service Distributor, which shall contain the specified details like name, GSTN, Signature etc.

- **Insertion of Rule 55 A in Rule 55:** 55A. Tax Invoice or bill of supply to accompany transport of goods.

The person-in-charge of the conveyance shall carry a copy of the tax invoice or the bill of supply issued in accordance with the provisions of rules 46, 46A or 49 in a case where such person is not required to carry an e-way bill under these rules.

- **Substitution of Sub Rule 4A & 4B IN Rule 89:** Following sub-rules shall be substituted with effect from 23<sup>rd</sup> October,2017 :

(4A) In the case of supplies received on which the supplier has availed the benefit notification

No. 48/2017-Central Tax dated the 18th October, 2017( Supply of goods deemed as export), refund of input tax credit, availed in respect of other inputs or input services used in making zero-rated supply of goods or services or both, shall be granted.

(4B) In the case of supplies received on which the supplier has availed the benefit of notification No. 40/2017-Central Tax (Rate) dated the 23rd October, 2017 or notification No. 41/2017-Integrated Tax (Rate) dated the 23rd October, or notification No. 78/2017- Customs dated the 13th October, 2017 or notification No. 79/2017-Customs dated the 13th October, 2017 or all of them, refund of input tax credit, availed in respect of inputs received under the said notifications for export of goods and the input tax credit availed in respect of other inputs or input services to the extent used in making such export of goods, shall be granted.

- **Substitution in Rule 138**: Following amendments would have effect from 1<sup>st</sup> February ,2018:
  1. Insertion in Rule 138 has been made to provide that Person who is required to furnish information in Part A of Form GST EWB-01 , electronically on the common portal now shall furnish such other information also as may be required at the common portal and a unique number will be generated on the said portal.
  2. Explanation 2 has been added to Rule 138 to provide that the consignment value of goods shall be the value, determined in accordance with the provisions of section 15, declared in an invoice, a bill of supply or a delivery Challan, as the case may be, issued in respect of the said consignment and also includes the central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document.
  3. Proviso to Sub-rule 2 of Rule 138 has been inserted to provide that where the goods are transported by railways or by air or vessel, the e-way bill shall be generated by the registered person, being the supplier or the recipient, who shall furnish, on the common portal, the
    - (a) information in Part B of FORM GST EWB-01; and
    - (b) The serial number and date of the Railway Receipt or the Air Consignment Note or Bill of Lading, as the case may be.
  4. Sub-rule 5 has been amended to provide that where the goods are transferred from one conveyance to another, the consignor or the recipient or the transporter shall, before such transfer and further movement of goods, update the details of conveyance in the E-way bill. Earlier only transporter was allowed to update the same.
  5. Sub-rule 5A has been inserted to provide that the consignor or the recipient, who has furnished the information in Part-A of FORM GST EWB-01, or the transporter, may assign the e-way bill number to another registered transporter for updating the information in Part-B of FORM GST EWB-01 for further movement of consignment. Provided that once the details of the conveyance have been updated by the transporter, the consignor or recipient, as the case maybe, who has furnished the information, shall not be allowed to assign the e-way bill number to another transporter.
  6. Proviso to sub-rule 7 has been inserted to provide that where the goods to be transported are supplied through an e-commerce operator, the information in Part A of FORM GST EWB-01 may be furnished by such ecommerce operator.

7. Proviso to Sub-Rule 9 has been inserted to provide that the unique number generated under sub-rule (1) shall be valid for 72 hours for updation of Part B of FORM GST EWB-01.
8. Sub-rule 11 has been amended to provide that the details of E-way bill generated shall be made available to the
- (a) supplier, if registered, where the information in Part A of FORM GST EWB-01 has been furnished by the recipient or the transporter; or
- (b) recipient, if registered, where the information in Part A of FORM GST EWB-01 has been furnished by the supplier or the transporter,
- Earlier, these details were made available to recipient only who communicates his acceptance or rejection of the consignment covered by the e-way bill.
9. Insertion of clause (e) , (f) , (g) in sub- rule 14 has been made to provide that No e-way bill is required to be generated -
- where the goods, other than de-oiled cake, being transported are specified in the Schedule appended to notification No. 2/2017- Central tax (Rate) dated the 28th June, 2017
  - where the goods being transported are alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel ; and
  - Where the goods being transported are treated as no supply under Schedule III of the Act.

[\[Notification No. 3/2018 –Central Tax dated 23rd January ,2018 \]](#)

#### Reduction in Late Fees

The Central Government vide [Notification no. 4/2018 dated 23<sup>rd</sup> January,2018](#); [Notification no. 5/2018 dated 23<sup>rd</sup> January,2018](#); [Notification no. 6/2018 dated 23<sup>rd</sup> January,2018](#); [Notification no. 7/2018 dated 23<sup>rd</sup> January,2018](#) has notified that the late fee payable by any registered person for failure to furnish the following Forms has been reduced to Rs.50/ Rs.20 based on the type of Return filed by assessee.

S no.	Form	Nil return Filers	Others
1.	FORM GSTR 1 (supply details)	Rs. 20 per day	Rs. 50 per day
2.	FORM GSTR-5 (Non-resident taxable person)	Rs. 20 per day	Rs. 50 per day
3.	FORM GSTR-5A (OIDAR)	Rs. 20 per day	Rs. 50 per day

4.	FORM GSTR-6(Input Service Distributor)	Rs. 50 per day	Rs. 50 per day
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*[Notification no. 4/2018 dated 23<sup>rd</sup> January,2018; Notification no. 5/2018 dated 23<sup>rd</sup> January,2018; Notification no. 6/2018 dated 23<sup>rd</sup> January,2018; Notification no. 7/2018 dated 23<sup>rd</sup> January,2018]*

**Extension in time limit for furnishing the return by an ISD**

The Central Government vide *Notification no. 8/2018– Central Tax dated 23<sup>rd</sup> January, 2018* has notified that the time limit for furnishing the return by an Input Service Distributor in Form GSTR-6 for the month of July,2017 to February,2018 has been extended to 31<sup>st</sup> March,2018.

*[Notification no. 8/2018 dated 23<sup>rd</sup> January, 2018]*

**Electronic Portal for furnishing of returns and E- way bill.**

The Central Government vide *Notification No. 9/2018 – Central Tax dated 23rd January, 2018* notified [www.gst.gov.in](http://www.gst.gov.in) as the Common Goods and Services Tax Electronic Portal for facilitating registration, payment of tax, furnishing of returns and computation and settlement of integrated tax and [www.ewaybillgst.gov.in](http://www.ewaybillgst.gov.in) as the Common Goods and Services Tax Electronic Portal for furnishing electronic way bill. This notification shall be deemed to have come into force with effect from the 16th day of January, 2018

*[Notification No. 9/2018 – Central Tax dated 23rd January, 2018 ]*

**Clarifications regarding GST on College Hostel Mess Fees**

The Central Government vide *Corrigendum to Circular No. 28/02/2018-GST dated 08th January 2018* has clarified that catering service when provided by an educational institute is exempt under Notification no. 12/2017 –central tax (Rate) .However, If the catering services is provided by anyone other than the educational institution, then it is a supply of service and attracts GST of 5% provided that credit of input tax charged on goods and services used in supplying the service has not been taken.

*[Corrigendum to Circular No. 28/02/2018-GST dated 08th January 2018]*

**GST Helpdesk**

To enable taxpayers to express their issues and problems related to GST system and its services, GSTN has launched a Self Help Portal as a single platform where tax payer call log tickets for any issues or concerns for quick resolution. This portal has been functional Since 22nd Jan, 2018.

The new system is user friendly and the tax payer can articulate and explain the issues faced by them in effective manner. Please note: GST help desk mail box : [helpdesk@gst.gov.in](mailto:helpdesk@gst.gov.in) has been discontinued. Link of self-help portal is <https://selfservice.gstsystem.in/>

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