

GST Updates

This presentation contains the information of all recent notifications, circulars and orders issued after the 31st Meeting held on 22nd December, 2018

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1. Dates extensions- GST Migration

I Dates extended for Migration

Notification No	Details	Old Due Date	Extended Due Date
67/2018 Central Tax	Last date for furnishing details to the Jurisdictional Nodal officer as specified in Table-1 of Notification 31/2018 Central Tax	31.08.2018	31.01.2019
	furnishing details to GSTN as specified in para (iv) of Notification 31/2018	30.09.2018	28.02.2019

II Date for filling GSTR-3B/GSTR-1 extended for taxpayers who migrated in terms of Notification 31/2018 Central Tax

Notification No	Nature of Return/Statement	Period	Extended Due Date
68/2018, 69/2018 70/2018	GSTR-3B Taxpayers Migrated in terms of Notification 31/2018 Central Tax	July 17 to Feb 19	31.03.2019
Central Tax			
71/2018 Central Tax	GSTR-1 Taxpayers Migrated in terms of Notification 31/2018 Central Tax and aggregate turnover up to Rs 1.5 cr (Means quarterly GSTR-1)	July 17 to Dec 18	31.03.2019
72/2018 Central Tax	GSTR-1 Taxpayers Migrated in terms of Notification 31/2018 Central Tax and aggregate turnover exceeding Rs 1.5 cr (Means Monthly GSTR-1)	July 17 to Feb 19	31.03.2019

2. Amendments related to TDS

Notification No 73/2018 Central Tax dated 31.12.2018

In the Notification 50/2018 Central Tax Dated 13th September, 2018 following proviso inserted

That means TDS provisions shall not be applicable for the supply between the following persons

- I Department or establishment of the Central Government or State Government
- II local authority
- III Governmental agencies
- IV an authority or a board or any other body

- set up by an Act of Parliament or a State Legislature; or
- established by any Government

with fifty-one percent or more participation by way of equity or control, to carry out any function;

- V society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860);
- VI public sector undertakings:

Note – Persons mentioned in Sr No IV to VI have been notified for clause (d) of Section 51 by notification 33/2017 Central Tax Dated 15.09.2017

3. Waiver of late fees

For registered person who failed to furnish the details GSTR-1/GSTR-3B Months/quarters from July, 2017 to September, 2018 but said GSTR-1/GSTR-3B are filed between the period from 22nd December, 2018 to 31st March, 2019.”

Notification	Return/Statement	Period	Late Fees
75/2018 Central Tax	GSTR-1	July 17 to Sep 18	Late fees is fully waived
76/2018 Central Tax	GSTR-3B	July 17 to Sep 18	Late fees is fully waived
77/2018 Central Tax	GSTR-4 (Composition Dealer)	July 17 to Sep 18	Late fees is fully waived
If GSTR-3B filed after the due date but before 22 nd December, 2018, then late fees is Rs 25/day (Rs 10/day if GSTR-3B is NIL) Notification 76/2018 Central Tax			

4. Jurisdiction of central tax officers

Notification No 79/2018 Central Tax dated 31.12.2018

Following provision inserted in the notification 02/2017 Central Tax (Rate)

“Notwithstanding anything contained in this notification, the central tax officer specified in column (3) of Table I and the officers subordinate to him shall exercise powers under sections 73, 74, 75 and 76 of Chapter XV of the said Act throughout the territorial jurisdiction of the corresponding central tax officer specified in column (2) of the said Table in respect of those cases as may be assigned by the Board”

5. Changes in GST Rates of goods

Notification No 24/2018 Central Tax (Rate) dated 31.12.2018 – for changes in GST Rates of goods

Notification No 25/2018 Central Tax (Rate) dated 31.12.2018 – for changes in Exemption of goods

Sr	HSN	Item	Old Rate	New Rate w.e.f 01.01.2019
1	2515 11 00	Marble and travertine, crude or roughly trimmed	12%	5%
2	4501	Natural cork, raw or simply prepared	12%	5%
3	6602 00 00	Walking-sticks including seat sticks	12%	5%
4	8714 20	Parts and accessories of carriage for disabled persons	28%	5%
5	4502 00 00	Natural cork, debacked or roughly squared, or in rectangular (including square) blocks, plates, sheets or strip (including sharp-edged blanks for corks or stoppers)	18%	12%
6	4503	Articles of natural cork such as Corks and Stoppers, Shuttlecock cork bottom	18%	12%
7	4504	Agglomerated cork (with or without a binding substance) and articles of agglomerated cork]	18%	12%

Sr	HSN	Item	Old Rate	New Rate w.e.f 01.01.2019
8	6305 32 00	Flexible intermediate bulk containers	5%	12%
9	4012	Retreaded or used pneumatic tyres of rubber; solid or cushion tyres, tyre treads and tyre flaps, of rubber]	28%	12%
10	8483	<ul style="list-style-type: none"> • Transmission shafts (including cam shafts and crank shafts) • cranks (excluding crankshaft for sewing machine); • gear boxes and other speed changers, including torque converters; • flywheels and pulleys, including pulley blocks; clutches and • shaft couplings (including universal joints) 	28%	12%
11	8507	Lithium-ion accumulators (other than battery) including lithium-ion power bank]	28%	18%
12	8525	digital cameras and video camera recorders]	28%	18%
13	8528	Television set (including LCD or LED television) of screen size not exceeding 32 inches Note: Up to 68cm rate was already 18%	28%	18%
14	8528	Computer monitors not exceeding 32 inches Note: Up to 20 inches rate was already 18%	28%	18%
15	9504	<ul style="list-style-type: none"> • Video game consoles and machines, • articles of funfair, table or parlour games, including pintables, • billiards, special tables for casino games • and automatic bowling alley equipment [other than playing cards, ganjifa card, chess board, carom board and other board games of 9504 90 90 like ludo, etc. 	28%	18%
16	0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen	5%	Exempt
17	0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption”;	5%	Exempt
18	4904 00 00	Music, printed or in manuscript, whether or not bound or illustrated”	12%	Exempt
19	Any Chapter	Supply of gift items received by the President, Prime Minister, Governor or Chief Minister of any State or Union territory, or any public servant, by way of public auction by the Government, where auction proceeds are to be used for public or charitable cause”.	As per HSN	Exempt

6. GST Rates for footwear

Notification No 24/2018 Central Tax (Rate) dated 31.12.2018

Old System of GST Rate		New System of GST Rate w.e.f 01-01-2019
Footwear having a retail sale price not exceeding Rs. 1000 per pair, provided that such retail sale price is indelibly marked or embossed on the footwear itself	5%	Rate of 5%/18% to be applied based on transaction value of footwear Means 5% GST will be applicable even if Retail Sale Price exceeding Rs 1,000/- is marked or embossed on the footwear if actually sold at or below Rs 1000/-
Others	18%	

7. GST rates on solar power generating plant and other renewable energy plants

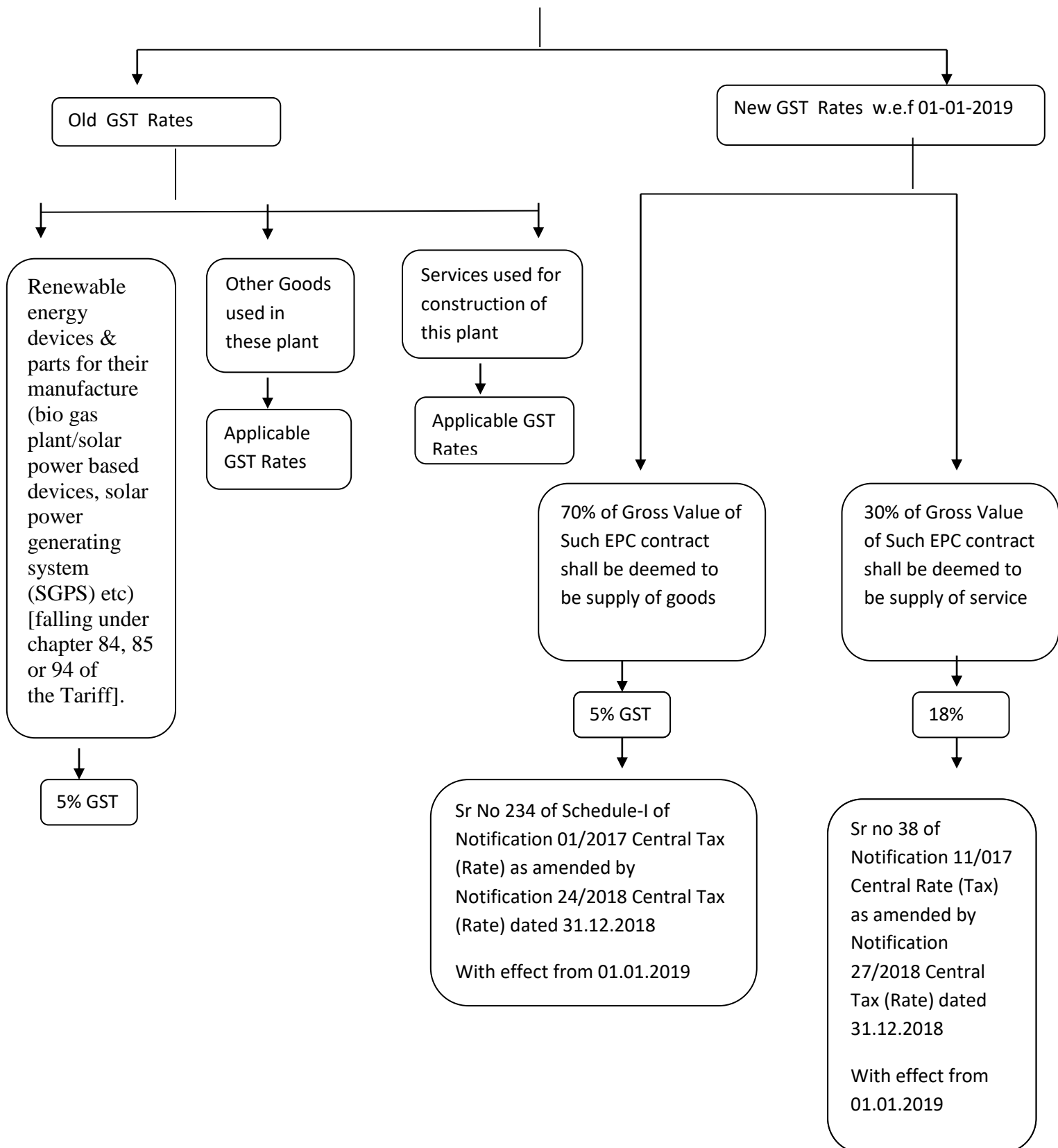
Notification No 24/2018, 27/2018 Central Tax (Rate) dated 31.12.2018

- GST rate of 5% rate has been prescribed on renewable energy devices & parts for their manufacture (bio gas plant/solar power based devices, solar power generating system (SGPS) etc) [falling under chapter 84, 85 or 94 of the Tariff]. Other goods or services used in these plants attract applicable GST.
- Certain disputes have arisen regarding GST rates where specified goods attracting 5% GST are supplied along with services of construction etc and bother goods for solar power plant.
- To resolve the dispute explanation has been inserted in Sr 234 of Schedule I of the Notification 01/2017 Central Tax (Rate) by Notification 24/2018 Central Tax (Rate) dated 31.12.2018 as under
“the 70% of the gross value shall be deemed as the value of supply of said goods attracting 5% rate and the remaining portion (30%) of the aggregate value of such EPC contract shall be deemed as the value of supply of taxable service attracting standard GST rate.”

As well following explanation inserted in Sr No 38 of Principle Notification 11/2017 Central Tax (Rate) by Notification 27/2018 Central Tax (Rates) dated 31.12.2018

“This entry shall be read in conjunction with serial number 234 of Schedule I of the notification No. 1/2017-Central Tax (Rate), published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) dated 28th June, 2017 vide GSR number 673(E) dated 28th June, 2017.

Lets understand in easy way



8. Exemption in certain services

Sr No	Notification	Nature of service
1	26/2018 Central Tax (Rate) dated 31.12.2018	Exemption from GST on supply of gold by Nominated Agencies to exporters of article of gold Jewellery. With effect from 01.01.2019
2	28/2018 Central Tax (Rate) dated 31.12.2018	Services provided by a goods transport agency, by way of transport of goods in a goods carriage, to, - <ul style="list-style-type: none"> a) a Department or Establishment of the Central Government or State Government or b) Union territory; or c) local authority; or d) Governmental agencies, which has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017) only for the purpose of deducting tax under Section 51 and not for making a taxable supply of goods or services. With effect from 01.01.2019
3	28/2018 Central Tax (Rate) dated 31.12.2018	Services provided by a banking company to Basic Saving Bank Deposit (BSBD) account holders under Pradhan Mantri Jan Dhan Yojana (PMJDY). With effect from 01.01.2019
4	28/2018 Central Tax (Rate) dated 31.12.2018	Services provided by rehabilitation professionals recognised under the Rehabilitation Council of India Act, 1992 (34 of 1992) by way of rehabilitation, therapy or counselling and such other activity as covered by the said Act at medical establishments, educational institutions, rehabilitation centers established by Central Government, State Government or Union territory or an entity registered under section 12AA of the Incometax Act, 1961 (43 of 1961). With effect from 01.01.2019

9. Changes in GST Rates of service

Notification	Service	Rate up to 31.12.2018	Rate from 01.01.2019
27/2018 Central Tax (Rate) dated 31.12.2018	Transportation of passengers, with or without accompanied baggage, by air, by non-scheduled air transport service or charter operations, engaged by specified organizations in respect of religious pilgrimage facilitated by the Government of India, under bilateral arrangement.	18%	5% Provided ITC on goods used not taken Or 18%
	Cinema tickets above Rs 100	28%	18%
	Cinema tickets up to Rs 100	18%	12%
	Third party insurance premium of goods carrying vehicles`	18%	12%

10. Changes in GST Rates of service for leasing

Notification No 27/2018 Central Tax (Rate) dated 31.12.2018

Changes in Principle Notification 11/2017 Central Tax (Rate) as under

Up to 31.12.2018		From 01.01.2019	
Leasing or rental services, with or without operator, other than (i), (ii), (iii), (iv), (v), (vi) and (vii) above	Same rate as applicable on supply of like goods for	Leasing or renting of goods	Same rate as applicable on supply of like goods
		Leasing or rental services, with or without operator, other than (i), (ii), (iii), (iv), (v), (vi), (vii) and (viiia)	18%

11. Few more services brought under RCM

Notification No 29/2018 dated 31.12.2018

With effect from 01/01/2019

Sr No	Nature of service	Supplier	Recipient
1	Services provided by business facilitator (BF) to a banking company	Business facilitator (BF)	A banking company, located in the taxable territory
2	Services provided by an agent of business correspondent (BC) to business correspondent (BC).	An agent of business correspondent (BC)	A business correspondent, located in the taxable territory.
3	Security services	Any person other than a body corporate	A registered person, located in the taxable territory.”;

12. Time limit for taking ITC for FY 2017-18 extended as well as due date for rectification in GSTR-1 is also extended

Order No 02/2018 –Central Tax dated 31.12.2018

Last date for availing ITC on the invoices or debit notes relating to such invoices issued during financial year 2017-18 is extended up to due date of filling GSTR-3B of March 2019. That is to say 20/04/2019

As well date for rectification in GSTR-1 for outward supply of financial year 2017-18 is also extended till due date of GSTR-1 for the Month of March -2019 or Jan to March 2019

13. Extension of due dates for returns and statements

Order /Notification Number	Name of Return/Statement	Form	Period	Extended Due Date
Order 03/2018 –Central Tax dated 31.12.2018	Annual Return	GSTR-9	July 17 to March 18	30.06.2019
	Annual Return (For Composition Dealer)	GSTR-9A	July 17 to March 18	30.06.2019
	Reconciliation Statement	GSTR-9C	July 17 to March 18	30.06.2019
Order 04/2018 –Central Tax dated 31.12.2018	Electronic Commerce Operator	GSTR-8	Oct 18 to Dec 18	31.01.2019
Notification 78/2018 Central Tax dated 31.12.2018	Details of goods/capital goods sent to job worker and received back	ITC-4	July 17 to Dec - 18	31.03.2019

14. Certain clarifications

Circular	Concept	Issue	Clarification
76/50/2018 dated 31.12.2018	Taxability	Whether the supply of used vehicles, seized and confiscated goods, old and used goods, waste and scrap by Government departments to URD are taxable under GST?	Yes its taxable and government will have to be registered
	Penalty	Whether penalty in accordance with section 73 (11) of the CGST Act should be levied in cases where the return in FORM GSTR-3B has been filed after the due date of filing such return?	No
	Debit Note /Credit Note	In case a debit note is to be issued under section 142(2)(a) of the CGST Act or a credit note under	Rate applicable under GST

		section 142(2)(b) of the CGST Act, what will be the tax rate applicable – the rate in the pre-GST regime or the rate applicable under GST?	
	TDS	Applicability of the provisions of section 51 of the CGST Act (TDS) in the context of notification No. 50/2018-Central Tax dated 13.09.2018.	50% or more participation by equity or control - This condition is applicable to authority, board or any other body whether set up by Act of parliament/state legislature or established by Government.
	Valuation	What is the correct valuation methodology for ascertainment of GST on Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961?	Taxable value for GST shall include TCS also if any
77/51/2018 dated 31.12.2018	Composition Scheme	Denial of composition option by tax authorities and effective date thereof as well withdrawal of composition scheme and effective date thereof	In a case where the taxpayer has sought withdrawal from the composition scheme, the effective date shall be the date indicated by him in his intimation/application filed in FORM GST CMP-04 but such date may not be prior to the commencement of the financial year in which such intimation/application for withdrawal is being filed In case of denial of option by the tax authorities, the effective date of such denial shall be from a date, including any retrospective date as may be determined by tax authorities, but shall not be prior to the date of contravention of the provisions of the CGST Act or the CGST Rules
78/52/2018 dated 31.12.2018	Export of Services	In case an exporter of services outsources a portion of the services contract to another person located outside India, what would be the tax treatment of the said portion of the contract at the hands of the exporter? There may be instances	Gross value charged by Supplier located in India to Recipient outside India will be treated as zero rated supply even full consideration is not received in India. Outsource work given to other person located outside India will be treated as import of service and supplier will be eligible for taking ITC of RCM paid on that

		where the full consideration for the outsourced services is not received by the exporter in India.	
81/55/2018 dated 31.12.2018	GST Rate	GST rates on Sprinkler and Drip irrigation System	Sprinklers; drip irrigation system including laterals; GST rate is 12%
83/02/2019 dated 01.01.2019	Exemption	Clarification on Applicability of GST on Asian Development Bank (ADB) and International Finance Corporation (IFC) - reg.	it is clarified that the services provided by IFC and ADB are exempt from GST in terms of provisions of IFC Act, 1958 and ADB Act. The exemption will be available only to the services provided by ADB and IFC and not to any entity appointed by or working on behalf of ADB or IFC
84/03/2019 dated 01.01.2019	Classification	Clarification on classification of service of printing of pictures covered under 998386	It is clarified that service of "printing of pictures" falls under service code "998386: Photographic and videographic processing services" and not Circular No. 84/03/2019-GST 2 under "998912: Printing and reproduction services of recorded media, on a fee or contract basis"
85/04/2019 dated 01.01.2019	GST Rate	GST Rate applicability on supply of food and beverage services by educational institution	<ul style="list-style-type: none"> ➤ Supply of all services by an educational institution to its students, faculty and staff is exempt under Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017, ➤ supply of food and beverages by any person other than the educational institutions based on a contractual arrangement with such institution is leviable to GST@ 5% <p>In order to remove any doubts on the issue, Explanation 1 to Entry 7(i) of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017 has been amended vide Notification No. 27/2018-Central Tax (Rate) dated 31.12.2018 to omit from it the words "school, college". Further, heading 9963 has been added in Column (2) against entry at Sl. No. 66 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017, vide Notification No. 28/2018-Central Tax</p>

			(Rate) dated 31.12.2018.
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15. Clarification regarding refund issue

Circular 79/53/2018 dated 31.12.2018

Clarification

Physical submission of refund claims with jurisdictional proper officer-Physical submission not required on or after date of this circular
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Calculation of refund amount for claims of refund of accumulated Input Tax Credit (ITC) on account of inverted duty structure has been explained
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Disbursal of refund amounts after sanction and 6 % Interest if refund is not disbursed within 60 days from the date of ARN
--

Clarification regarding Refund applications that have been generated on the portal but not physically received in the jurisdictional tax offices
--

Issues related to refund of accumulated Input Tax Credit of Compensation Cess has been explained
--

It is clarified that of ITC of CESS paid on coal used for generation of electricity which is intermediate exempt product is available

Clarification regarding Non-consideration of ITC by departmental officers of GST paid on invoices of earlier tax period availed in subsequent tax period while grading refund

Clarification regarding "inputs" which is many time misinterpret by departmental officers while granting the refund

Clarification regarding refund of accumulated ITC of input services and capital goods arising on account of inverted duty structure

16. Clarification regarding GST rates on goods and classification of goods

Circular 80/54/2018 dated 31.12.2018

Clarification

Applicability of GST on Chhatua or Sattu is NIL rate. If put in unit container then its 5%
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Applicable GST rate on Fish meal and other raw materials used for making cattle/poultry/aquatic feed:

Applicable GST rate on Animal Feed Supplements/feed additives from drugs:

Applicability of GST on supply of Liquefied Petroleum Gas for Domestic Use: GST is 5%

Applicability of GST on supply of Polypropylene Woven and Non- Woven Bags and PP Woven and Non-Woven Bags laminated with BOPP - 18% GST
Applicability of GST on supply of wood logs for pulping- 18% GST
Applicability of GST on supply of Bagasse based laminated particleboard- 12% GST
Applicability of GST on supply of embroidered fabric sold in three piece for lady suits: - 5% GST
Applicability of GST on supply of Waste to Energy Plant- 5% GST
Supplier needs to satisfy himself with the requisite document from a buyer such as supply contracts/order for WTEP from the concerned authorities before supplying goods claiming concession under said entry 234.
Applicability of GST on supply of Turbo Charger for railways-12% GST Many supplies are charging 5% which is incorrect

17. Clarification on Applicability of GST on various programs conducted by the Indian Institutes of Managements (IIMs)

Circular 82/01/2019 –GST dated 01-01-2019

For the period from 1st July, 2017 to 30th January, 2018, IIMs were not covered by the definition of educational institutions as given in notification No. 12/ 2017 Central Tax (Rate) dated 28.06.2017. Thus, they were not entitled to exemption under Sl. No. 66 of the said notification. However, there was specific exemption under Sl. No. 67 of notification No. 12/2017- Central Tax (Rate):

Sr No	Periods	Programmes offered by Indian Institutes of Management	Whether exempt from GST or not?
1	1 st July, 2017 to 30th January, 2018	<ul style="list-style-type: none"> ➤ two-year full time Post Graduate Programmes in Management for the Post Graduate Diploma in Management, to which admissions are made on the basis of Common Admission Test (CAT) conducted by the Indian Institute of Management, ➤ fellow programme in Management, ➤ five years integrated programme in Management <p>(these are specific exemptions given in Sr No 67 of Notification 12/2017-Central Tax (Rate))</p>	Exempt from GST

		<ul style="list-style-type: none"> ➤ One- year Post Graduate Programs for Executives, ➤ Any programs other than those mentioned at Sl. No. 67 of notification No. 12/2017- Central Tax (Rate), dated 28.06.2017. ➤ All short duration executive development programs or need based specially designed programs (less than one year). 	Not exempt from GST
2	31st January, 2018 onwards	All long duration programs (one year or more) conferring degree/ diploma as recommended by Board of Governors as per the power vested in them under the IIM Act, 2017 including one- year Post Graduate Programs for Executives.	Exempt from GST
		All short duration executive development programs or need based specially designed programs (less than one year) which are not a qualification recognized by law.	Not exempt from GST

18. Clarification on Services of Business Facilitator (BF) or a Business Correspondent (BC) to Banking Company-

Circular 86/05/2019 dated 01/01/2019

Issue	Clarification
Issue-1 Clarification on value of services by BF/BC to a banking company:	banking company is the service provider in the business facilitator model or the business correspondent model operated by a banking company as per RBI guidelines. The banking company is liable to pay GST on the entire value of service charge or fee charged to customers whether or not received via business facilitator or the business correspondent.
Issue-2 Clarification on the scope of services by BF/BC to a banking company with respect to accounts in rural areas:	It is clarified that for the purpose of availing exemption from GST under Sl. No. 39 of notification-12/2017 Central Tax (Rate) dated 28.06.2012 , the conditions flowing from the language of the notification should be satisfied. These conditions are that the services provided by a BF/BC to a banking company in their respective individual capacities should fall under the Heading 9971 and that such services should be with respect to accounts in a branch located in the rural area of the banking company. The procedure for classification of branch of a bank as located in rural area and the services which can be provided by BF/BC, is governed by the RBI guidelines. Therefore, classification adopted by the bank in terms of RBI guidelines in this regard should be accepted.

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