



## Latest Updates on GST



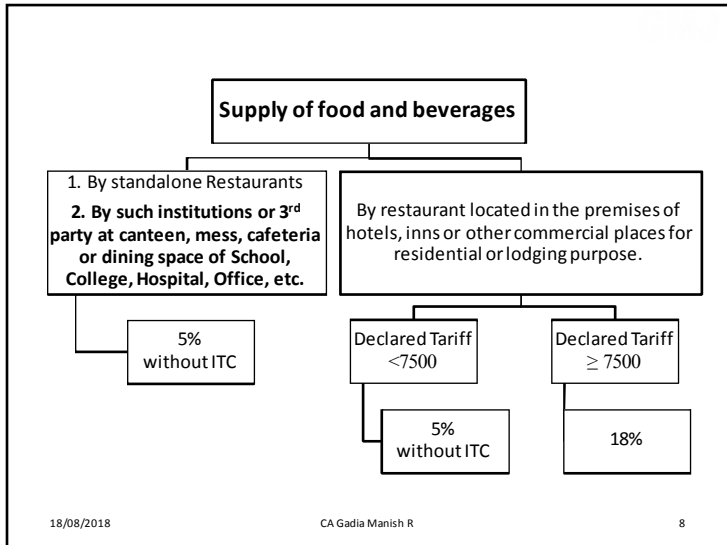
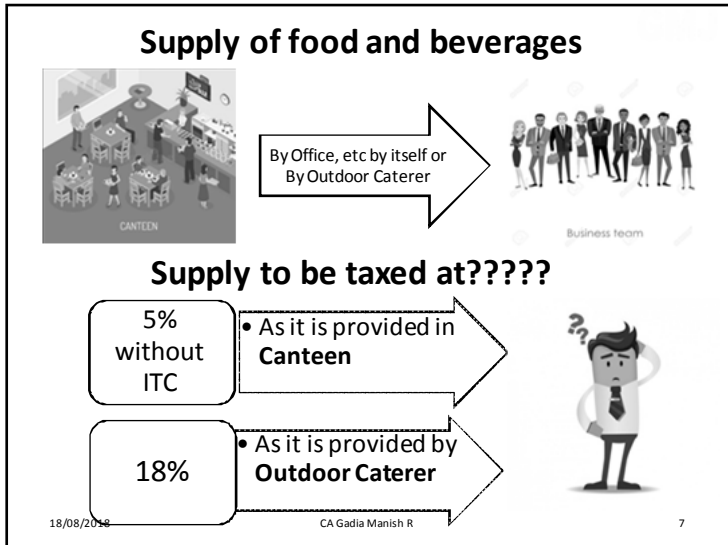
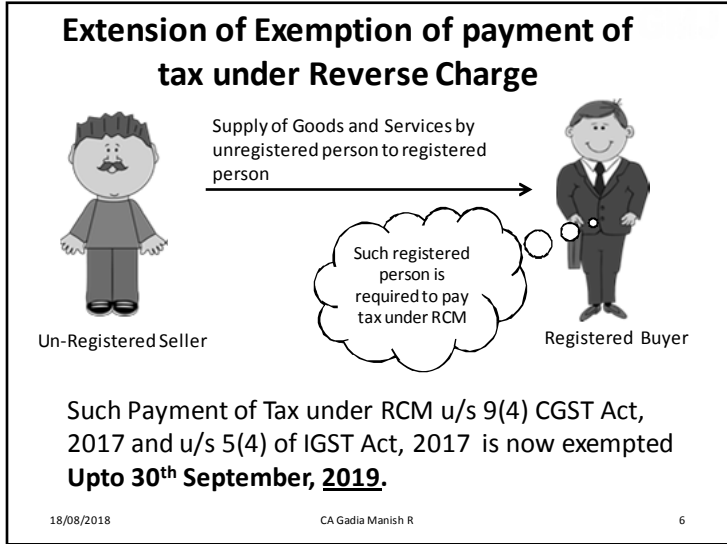
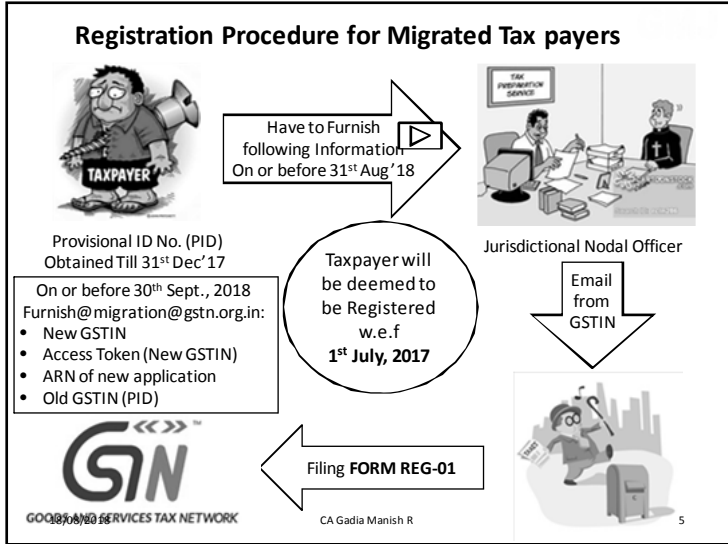
**CA Gadia Manish R**  
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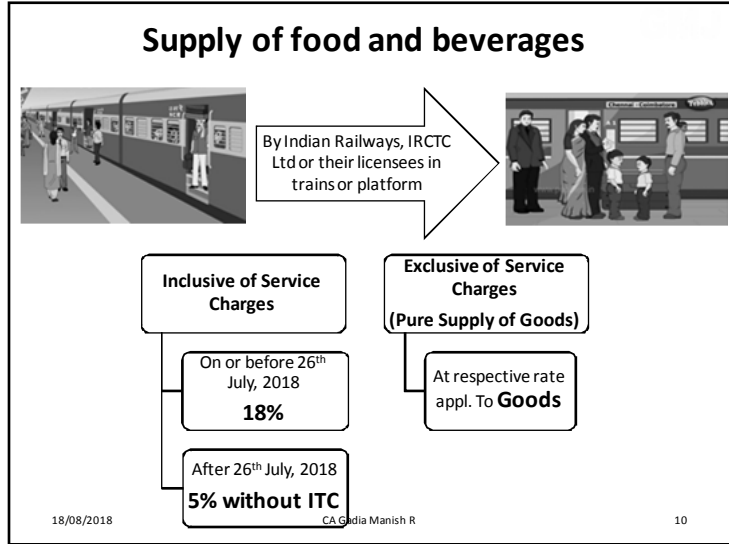
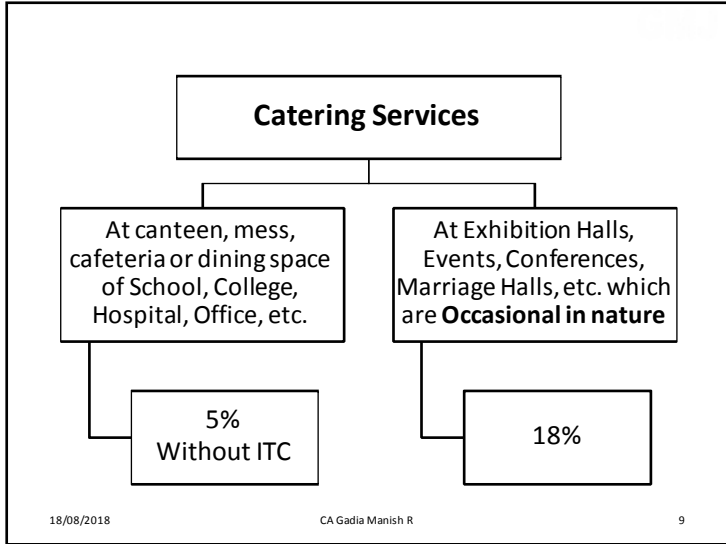


### Due dates for GST Returns

Form	Period	Due Date
GSTR-1 (Turnover upto 1.5 crore)	July 2018 to September 2018	31 <sup>st</sup> October, 2018
	October 2018 to December 2018	31 <sup>st</sup> January, 2019
	January 2019 to March 2019	30 <sup>th</sup> April, 2019
GSTR-1 (Turnover above 1.5 crore)	July 2018 to March 2019	11 <sup>th</sup> of the succeeding month
GSTR-3B	July 2018 to March 2019	20 <sup>th</sup> of the succeeding month
GSTR-6	July 2017 to August 2018	30 <sup>th</sup> September, 2018

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### Accommodation in Hotels, Inns, etc.

Particulars	Amount (Rs.)
Declared Tariff per room	3,000/-
Less: Bonanza Offer	700/-
<b>Final Price Payable</b>	<b>2,300/-</b>

Particulars	Rates
1000>=Declared Tariff<2500	12%
2500>=Declared Tariff<7500	18%
Declared Tariff>=7500	28%

**On or before 26<sup>th</sup> July, 2018**

Tax on Declared Tariff

Tax on 2,300 @ 18%

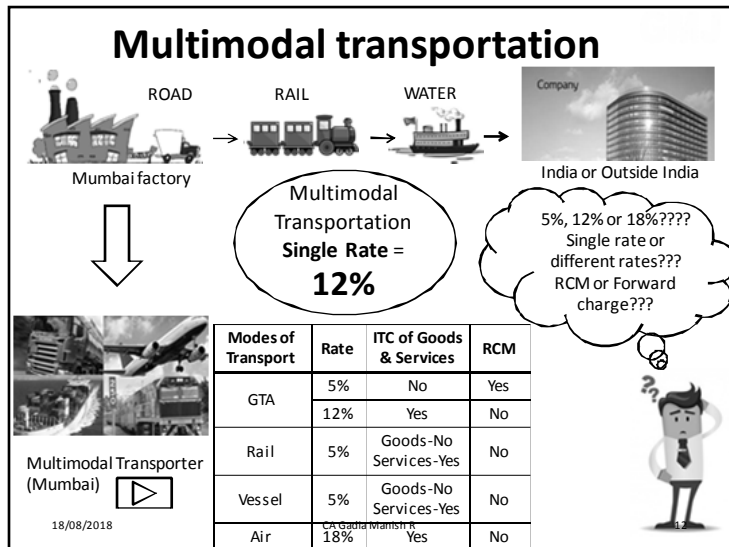
**After 26<sup>th</sup> July, 2018**

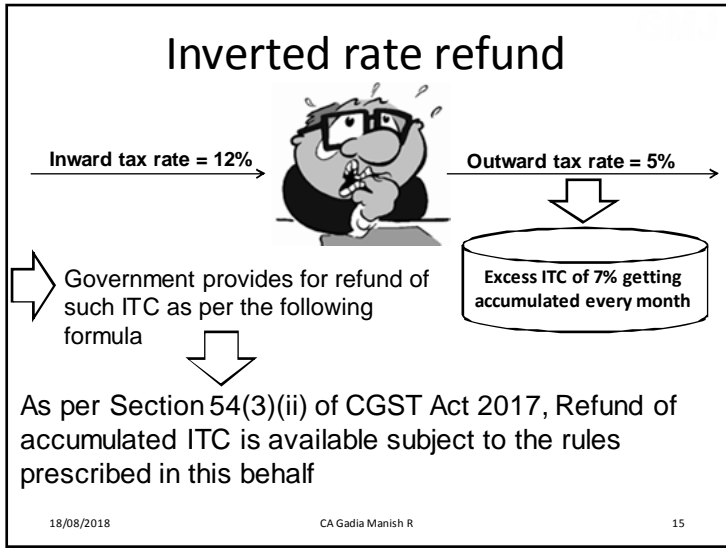
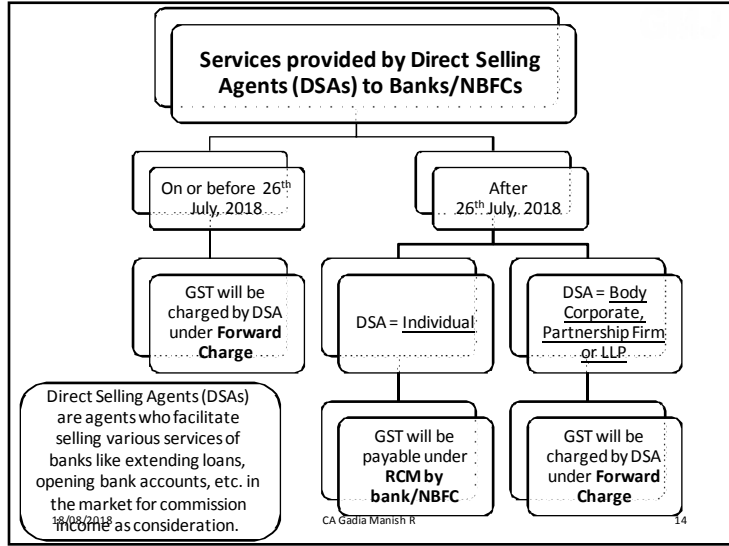
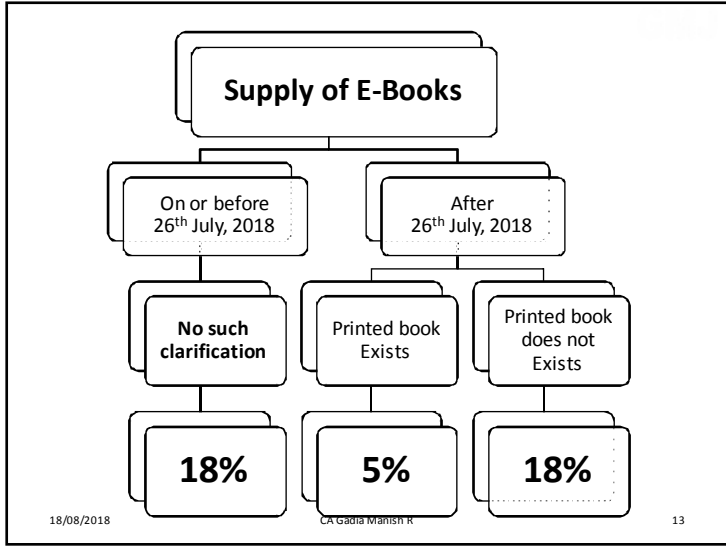
Tax on Value of Supply

Tax on 2,300 @ 12%

Particulars	Rates
1000>Value of Supply<2500	12%
2500>=Value of Supply<7500	18%
Value of Supply>=7500	28%

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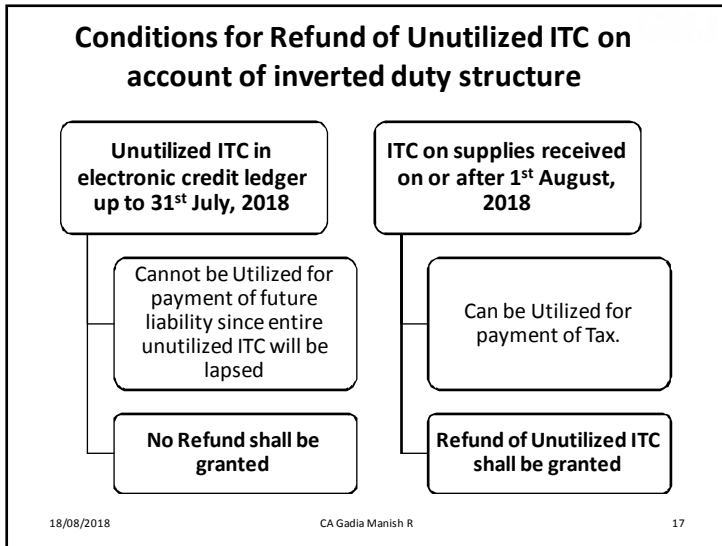




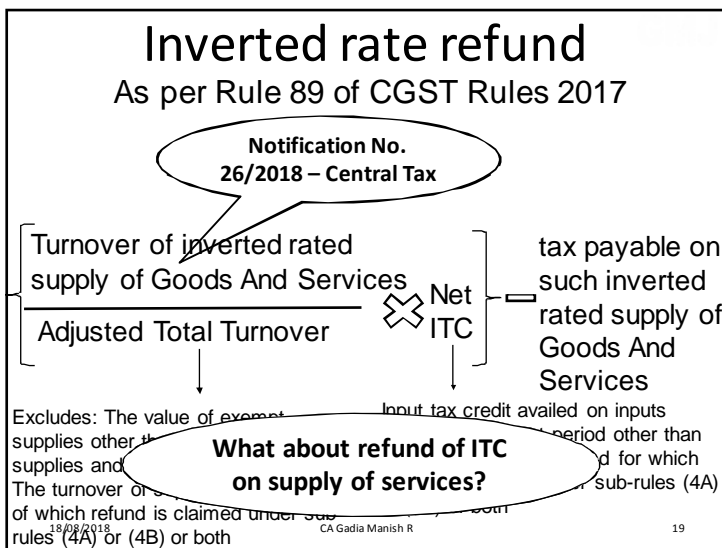
Refund of unutilized ITC against supply of these items has now been allowed subject to certain conditions as per Notification No. 20/2018-Central Tax (Rate)

S.No.	Tariff item, heading	Description of Goods
1.	5007	Woven fabrics of silk or of silk waste
2.	5111 to 5113	Woven fabrics of wool or of animal hair
3.	5208 to 5212	Woven fabrics of cotton
4.	5309 to 5311	Woven fabrics of other vegetable textile fibers, paper yarn
5.	5407, 5408	Woven fabrics of manmade textile materials
6.	5512 to 5516	Woven fabrics of manmade staple fibers
6A	5608	Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials
6B	5801	Corduroy fabrics
6C	5806	Narrow woven fabrics, other than goods of heading 5807; narrow fabrics consisting of warp without weft assembled by means of an adhesive (bolduc)s".
7.	60	Knitted or crocheted fabrics [All goods]

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- ### Clarification regarding Inverted Duty Structure pertaining to Fabrics
- ITC availed on **Inputs** will only lapse. ITC pertaining to Input Services and Capital Goods will continue in the Electronic Credit Ledger.
  - The reversal amount shall be furnished column 4B (2) of the Aug'18 return [ITC amount to be reversed for any reason (others)].
  - ITC on closing stock of inputs as on 31<sup>st</sup> July'18 will be excluded from the Net ITC
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### Example 1

Suppose there is an outward supply of Fabric taxable @ 5% but inputs Yarn are taxed @ 12%.

Particulars for August ,2018	Amount
Inverted rate T/O	10,00,000
Total T/O	15,00,000
Net ITC availed	1,35,000
Tax paid on Inverted rate	50,000

Refund as per Formula  $\Rightarrow \left[ \frac{10,00,000}{15,00,000} \times 1,35,000 \right] - 50,000 = 40,000$

Separate Calculation shall be required for CGST, SGST and IGST

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## Example 2

Particulars	Amount
Inverted rate T/O @5%	10,00,000
Export T/O	15,00,000
Total Turnover	25,00,000
Net ITC availed	2,35,000
Tax paid on Inverted rate	50,000

Refund on export as per Formula  $\Rightarrow \left\{ \frac{15,00,000}{25,00,000} \times 2,35,000 \right\} = 141,000$

Refund under inverted rate as per Formula  $\Rightarrow \left\{ \frac{10,00,000}{25,00,000} \times 2,35,000 \right\} = 50,000 = 44,000$

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## Issues with respect to utilization of ITC

For the month of August, 2018

Accumulated ITC unutilized as on 31st July, 2018

Stock of Fabrics as on 31 <sup>st</sup> July, 2018	Rs.1,00,000/-
Tax payable on stock	Rs. 5,000/-

ITC on closing stock of inputs as on 31<sup>st</sup> July '18 will be excluded from the Net ITC

**Unutilized ITC of Rs. 25,000/- as on 31<sup>st</sup> July shall be lapsed. Since the stock of Rs. 1,00,000 is being sold off in the month of August 2018, we are unable to utilize the ITC balance as on 31<sup>st</sup> July, 2018, thereby increasing the outflow by Rs. 5000 (1,00,000\*5%)**

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## Issues with respect to refund of unutilized ITC

Illustration	
Invoice Amount	Rs. 1,00,000
Amount of GST paid on inputs	Rs.12,000/-
Date of invoice	28 <sup>th</sup> July, 2018
Date of receipt of goods	2 <sup>nd</sup> August, 2018
Goods Dispatched on 28 <sup>th</sup> July, 2018 and received on 2 <sup>nd</sup> August 2018	

ITC of above invoice will be availed in the month of August 2018 as per sec 16(2) of CGST Act, 2017. Can refund of such ITC lying unutilized after payment of output tax liability be claimed? Or shall such unutilized credit stand lapsed?

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## Miscellaneous amendments

On or before 26 <sup>th</sup> July, 2018	After 26 <sup>th</sup> July, 2018
<ul style="list-style-type: none"> <li>Services provided by CG, SG or LA in relation to a function entrusted to a Panchayat u/a 243G of the Constitution are exempted.</li> </ul>	<ul style="list-style-type: none"> <li>The said services provided <b>BY Union Territory</b> also are exempted</li> <li>Also, the services provided by CG, SG, UT or LA in relation to a function entrusted <b>TO a Municipality</b> u/a 243W of the Constitution are exempted.</li> </ul>
<ul style="list-style-type: none"> <li>No clarity with respect to word "business" in Serial no. 3 item (vi) of Notification no. 11/2017-CT (Rate).</li> </ul>	<ul style="list-style-type: none"> <li>The word 'business' shall not include any activity or transaction undertaken by the CG, SG or any LA in which they are engaged as public authorities.</li> </ul>
<ul style="list-style-type: none"> <li>Renting of immovable property services provided by Government is not under RCM (Serial no. 5 of Notification no. 13/2017-CT (Rate)).</li> </ul>	<p>The term "renting of immovable property" is defined now which means <b>allowing, permitting or granting access, entry</b>, occupation, use or any such facility, wholly or partly, in an immovable property, with or without the transfer of possession or control of the said immovable property and includes letting, leasing, licensing or other similar arrangements in respect of immovable property.</p>

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## Miscellaneous amendments

- **Services** like warehousing of minor forest produce, analyzing of food samples by FSSAI, etc. are added to the exemption Notification no. 12/2017 - Central Tax (Rate) vide Notification no. 14/2018 - Central Tax (Rate).
- **Rate of goods** like paints & varnishes, electronic items, etc. are amended vide Notification no. 18/2018 - Central Tax (Rate).
- **Goods** like Rakhi, Sanitary napkins, etc. are added to the exemption Notification no. 2/2017 - Central Tax (Rate) vide Notification no. 19/2018 - Central Tax (Rate).
- **Handicraft goods** such as wooden frames, embroidered articles, glass statues, etc. are exempted to a lower rate by Notification no. 21/2018 - Central Tax (Rate).

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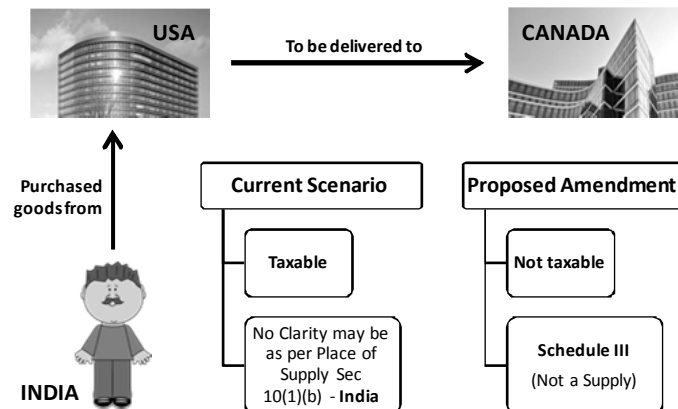
## Proposed amendments in CGST Act, IGST Act and the GST (Compensation to States) Act, 2017

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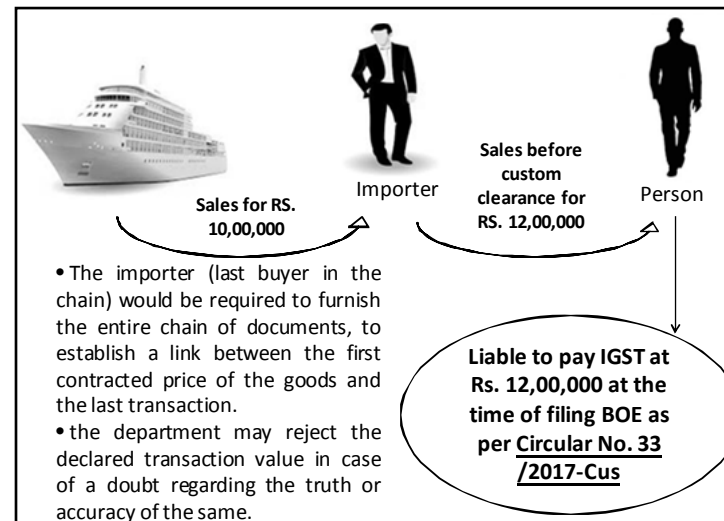
## Out and Out Supplies



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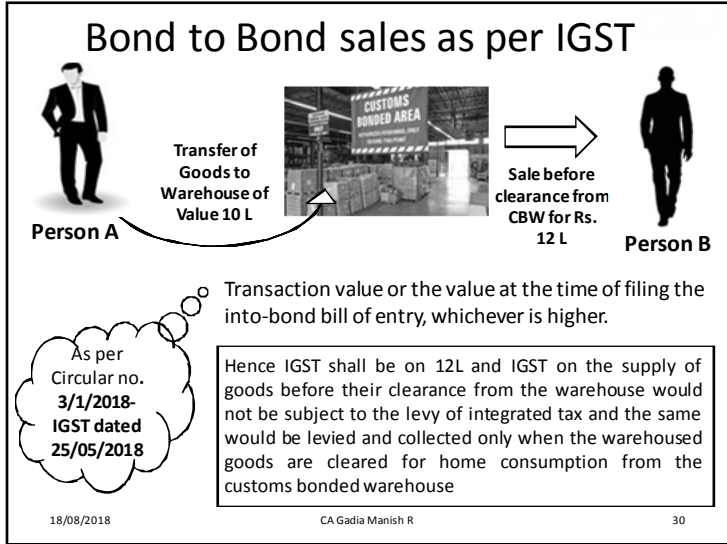
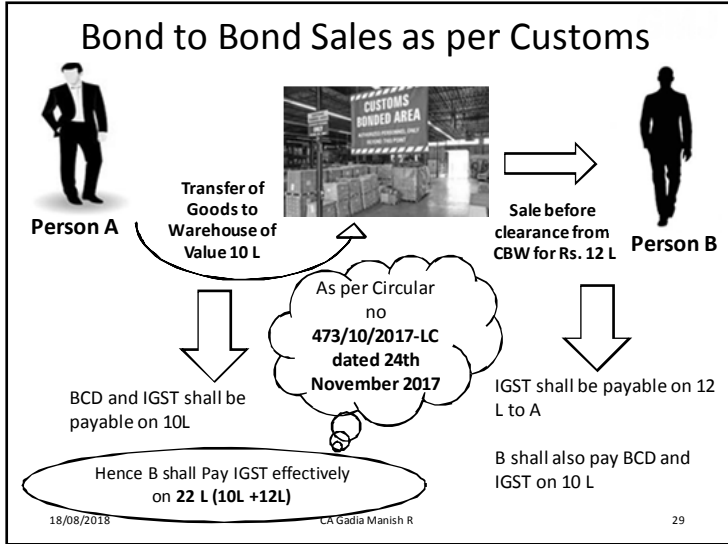
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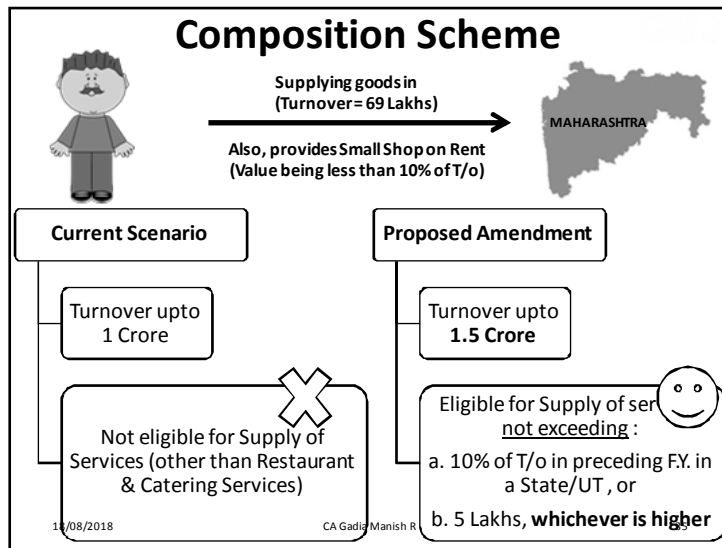
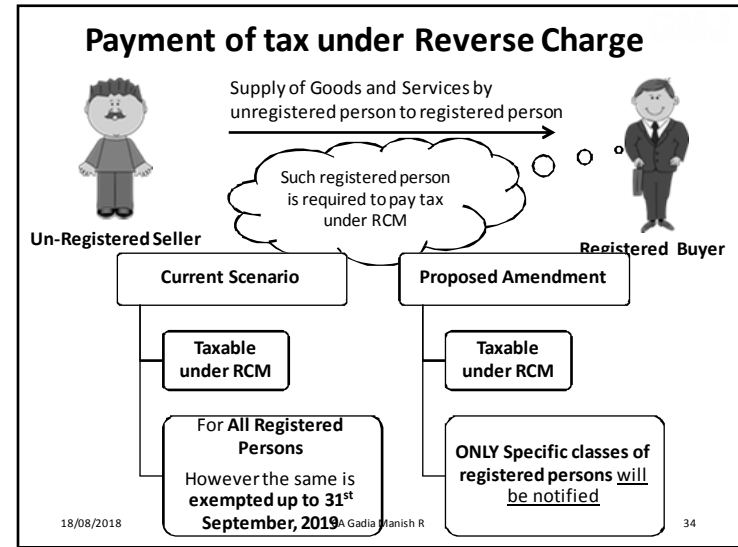
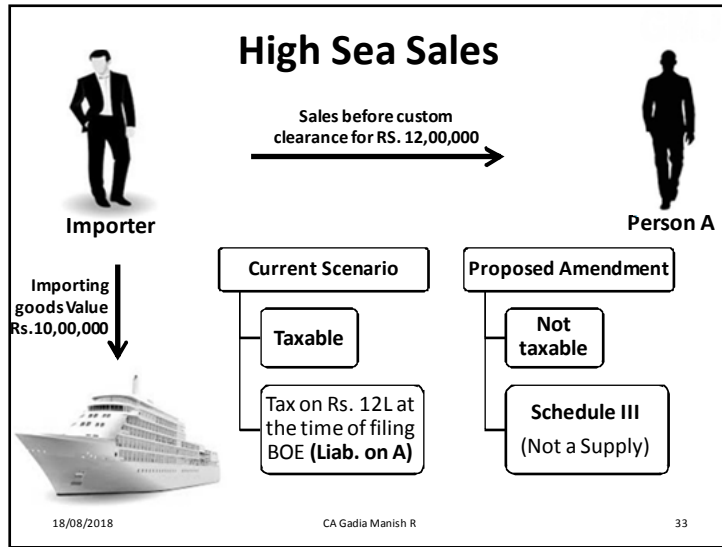
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- ### Issues
1. Circulars are not binding on assesseees. They are only clarifications binding on officers.
  2. There are contradictory circulars under two laws Customs and GST.
  3. Circulars provide clarifications on Acts or Rules as amended on the date of issue of circulars. However, there has been no amendment in Acts or Rules before or after issuance of Circular.
  4. The transaction between A to B exempt, ITC 42?
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### जीएसटी से जुड़े सवाल-जवाब

जीएसटी सवाल को ई-मेल करें ! helpnot@gmail.com

**मनीष गाडिया**  
जीएसटी एक्सपर्ट

सवाल : मेरा उपरोक्त हूँ व्यक्ति का करदाता है। पिछले फिनेयर का भी काम करता हूँ, इस पर मुझे 1 जीएसटी जवाबिलिटी का काम देकर देना पड़ता है। मैं पिछले जो करदाता का काम करता हूँ कि क्या मुझे इस पर जीएसटी लगाना है ?

जवाब : उपरोक्त हूँ व्यक्ति का करदाता है। पिछले फिनेयर का भी काम करता हूँ, इस पर मुझे 1 जीएसटी जवाबिलिटी का काम देकर देना पड़ता है। मैं पिछले जो करदाता का काम करता हूँ कि क्या मुझे इस पर जीएसटी लगाना है ?

सवाल : मैं होटल का करदाता हूँ, मैं अपना माल मारवाट के करदाता हूँ और उनका माल मारवाट के बाहर करता हूँ। हमें क्या कि अगर हम जीएसटी योजना 20 लाख रुपये से कम करदाता हैं तो क्या हम मारवाट के बाहर माल बेच सकते हैं ?

जवाब : इन रेट करदाता के करदाता के साथ ही आपका 20 लाख रुपये से कम है। साथ ही आप मारवाट के बाहर आउट करने हैं इसलिए आपको जीएसटी पंजीकरण देना अनिवार्य है।

**Proposed**

**If Supply of services not exceeding :**

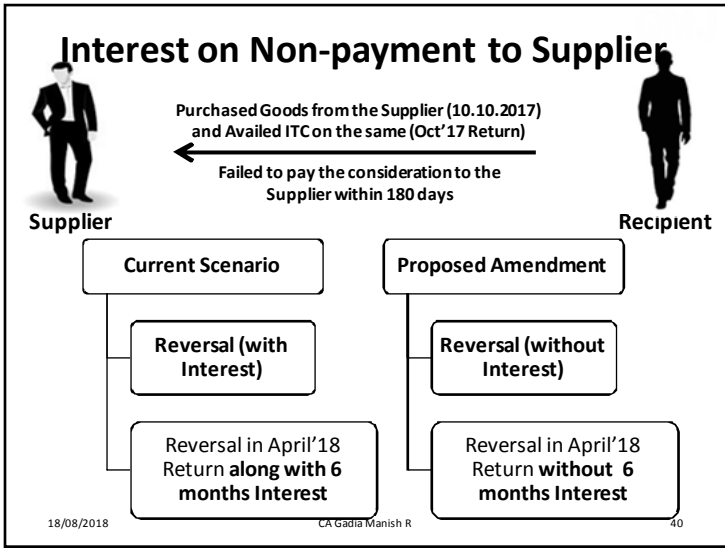
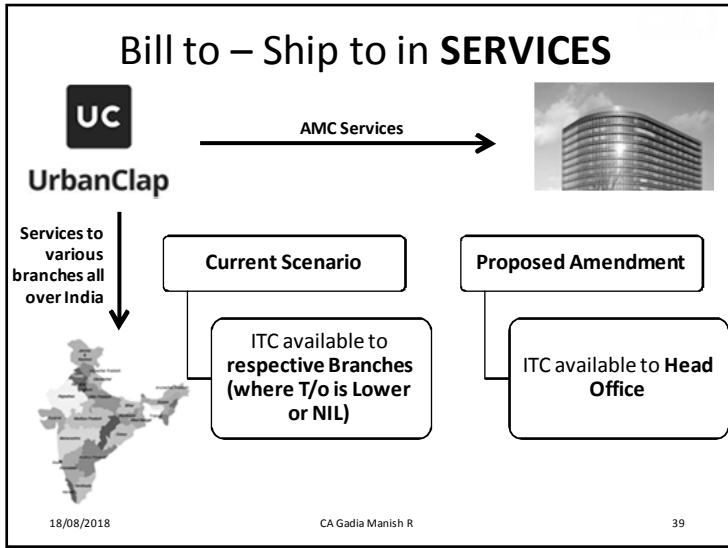
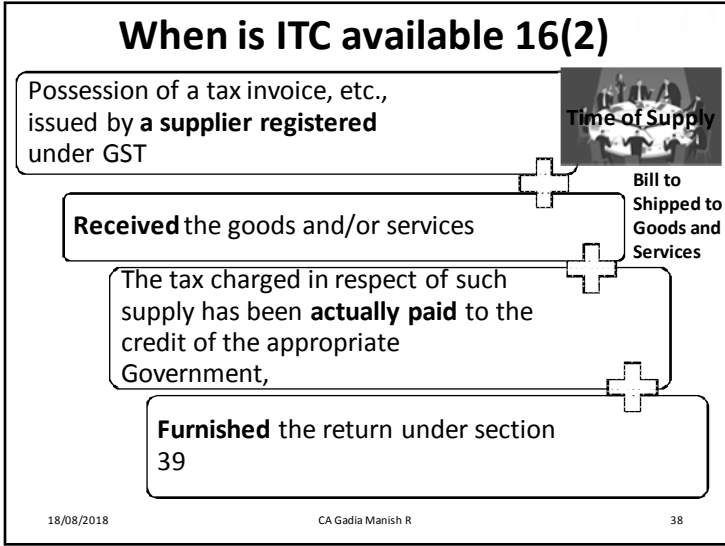
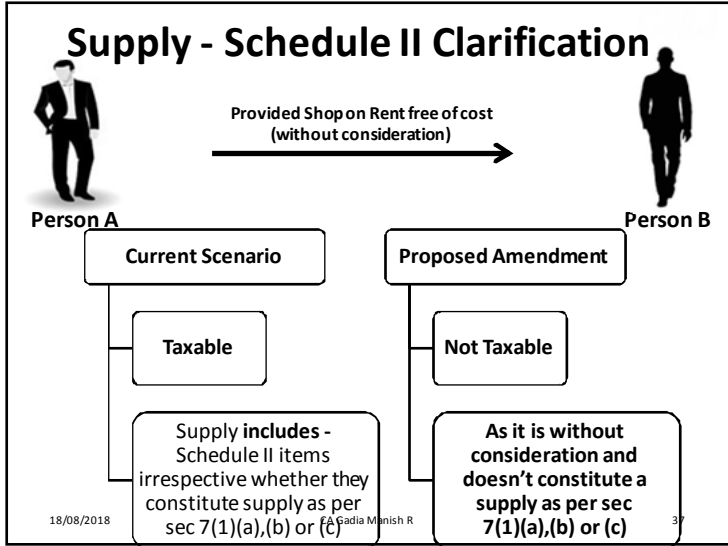
**a. 10% of T/o in preceding F.Y. in a State/UT , or**

**b. 5 Lakhs, whichever is higher,**

**Taxpayers can avail Composition scheme**

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### Credit not allowed 17(5)(a)

In relation

- ITC shall not be available in respect of
- motor vehicles and other conveyances
- except when they are used for making the following taxable supplies, namely
  - further supply of such vehicles or conveyances
  - transportation of passengers/goods
  - imparting training on driving, flying, navigating such vehicles or conveyances
- For transportation of **Goods**

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### ITC of Motor Vehicles

ITC of Motor Vehicle for Transportation of Money by Banking Co. or Financial Institution


Money = Neither Goods Nor Services


Current Scenario

Proposed Amendment

Ineligible as per sec 17(5)

Eligible as per sec 17(5)







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### 17(5) – ITC of Dumper, Work Trucks, Other Special Purpose Motor Vehicles



Sale of Construction Vehicles to Person B



Purchase from Person A



Current Scenario
 

- Input Tax Credit
- Ineligible as per Section 17(5)(a)

Proposed Amendment
 

- Input Tax Credit
- Eligible

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### 17(5) – ITC of Motor Vehicles for Transportation of Passenger (Proposed Amendment)

Seating Capacity Not more than 13 person (incl. Driver)

Seating Capacity More than 13 person (incl. Driver)

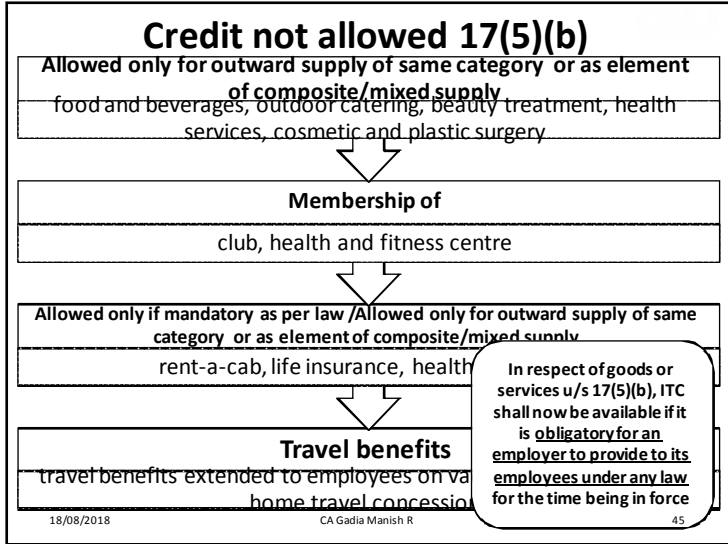
Eligible **only when used for:**

1. (i) Further supply of such vehicles or conveyances,
- (ii) transportation of passengers,
- (iii) imparting training on driving, flying, navigating such vehicles or conveyances.
2. For transportation of Goods.

Eligible  
(No such conditions)

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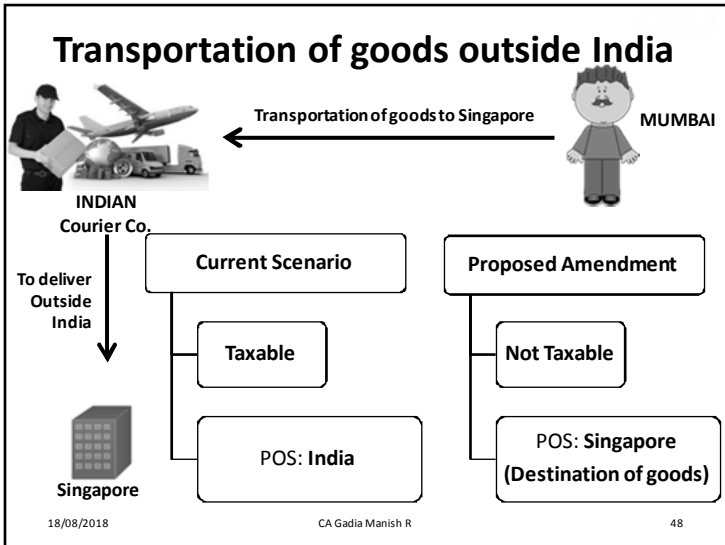
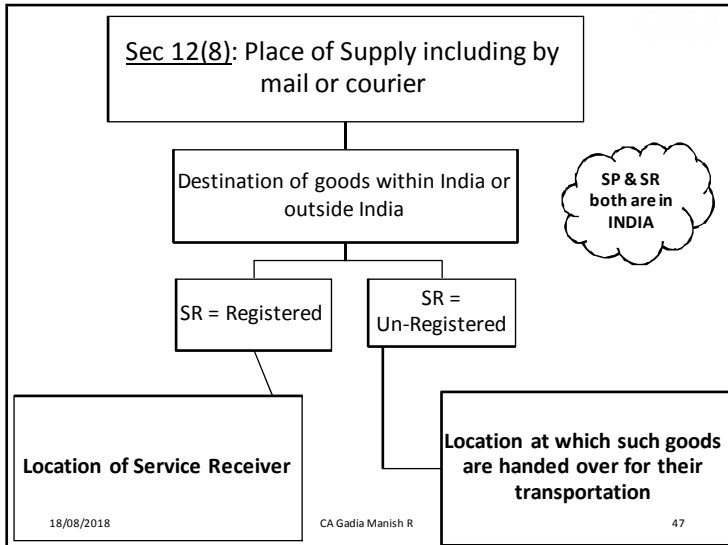
### Schedule III-Transactions which shall be treated Neither as a Supply of Goods Nor a Supply of Services

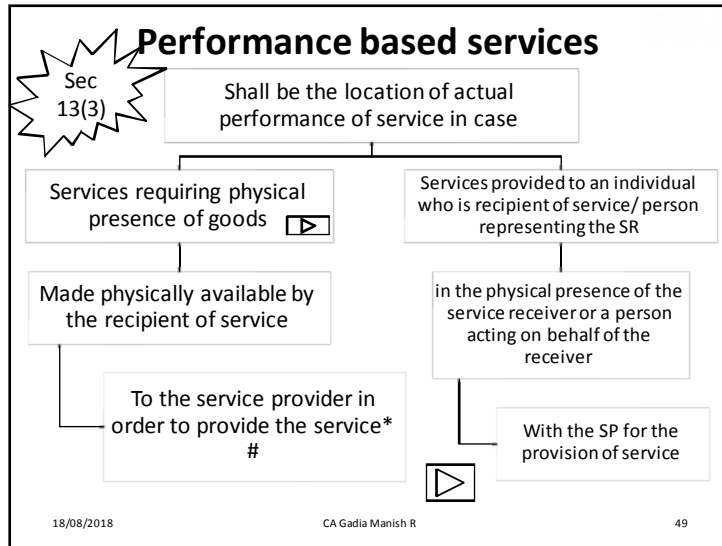
- Services by an employee to the employer in the course of or in relation to his employment.
- Services by any court or Tribunal established under any law for the time being in force.
- Functions performed by members of Parliament, State Legislature, Panchayats, other LA, etc
- Services of funeral, burial, crematorium or mortuary incl. transportation of the deceased.
- Sale of land and sale of building.
- Actionable claims other than lottery, betting and gambling.

For the purpose of ITC Reversal, to be treated as Exempted Supply or Taxable Supply??????

**Proposed to be treated as TAXABLE SUPPLY (other than Sale of Land & Building)**


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### Place of supply of performance based services

\*remote location by electronic means, place of provision shall be the location of goods at the time of provisions of such service



# this clause shall not apply in the case of a service in respect of goods that are temporarily imported into India for repairs or **for any other treatment or process** and are exported after the repairs or **such treatment** without being put to any use in the taxable territory than that which is required for such repair or **such treatment or process.**


Ex: Job work, etc

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### Proposed Amendments

Current Scenario	Proposed Amendments
The definition of services u/s 2 (102) excludes Securities.	It has been clarified that services for " <b>facilitating or arranging transactions</b> " in securities are liable to GST.
Credit/Debit note u/s 34 issued by the registered person is required to be issued <b>invoice-wise.</b>	<b>Consolidated</b> Credit/Debit Notes can be raised in respect of multiple invoices issued in a F.Y. <b>without linking the same to individual invoices.</b>

However, **Sec 15(3)(b)(i)** states - "such discount is established in terms of an agreement entered into at or before the time of such supply and **specifically linked to relevant** What will be the implication of the following section?????"



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### Proposed Amendments

Current Scenario	Proposed Amendments
No facility to amend the complete return filed under GST. Any omission or correction in the invoices already uploaded in the return would be amended in the month in which such omission gets detected.	New facility to <b>Amend the filed Return (as a whole)</b> for a respective period.
GST Practitioners are authorized to file <b>only Returns</b> on behalf of registered persons.	GST Practitioners are now authorized to perform other functions such as <b>filing refund claim, filing application for cancellation of registration, etc.</b>

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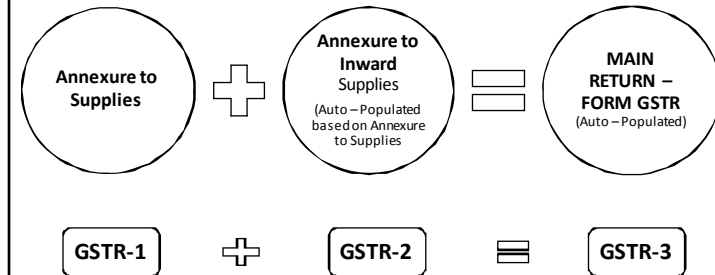
## Proposed amendments in Returns in 28<sup>th</sup> Council Meeting

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## Proposed GST Return Formats



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Turnover Limit (Rs.)	Current Scenario	Proposed Formats
NIL	<ul style="list-style-type: none"> <li>GSTR 3B- Monthly</li> <li>GSTR 1- Quarterly</li> </ul>	Quarterly (SMS will be send by taxpayer in 1 <sup>st</sup> 2 months)
Up to 1.5 Crores	<ul style="list-style-type: none"> <li>GSTR 3B- Monthly</li> <li>GSTR 1- Quarterly</li> </ul>	Taxpayer shall file <b>any one</b> of the following: <ul style="list-style-type: none"> <li>Quarterly Return—Return will be similar to the monthly returns.</li> </ul>
1.5 Crore to 5 Crore	<ul style="list-style-type: none"> <li>GSTR 3B- Monthly</li> <li>GSTR 1- Monthly (1.5 cr onwards)</li> </ul>	<ul style="list-style-type: none"> <li>GSTR - Sahaj - B2C Outward Supplies.</li> <li>GSTR - Sugam - B2B and B2C Outward Supplies.</li> </ul>
Above 5 Crore		Taxpayers shall file the following: <ul style="list-style-type: none"> <li>Annexures of Outward Supplies by 10<sup>th</sup> of the following month.</li> <li>Main Return – Form GSTR (auto populated) by 20<sup>th</sup> of the following month.</li> </ul>

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## Key Features for proposed Quarterly filing of Returns

Taxpayers having aggregate turnover up to Rs. 5 Cr. in the last financial year **may opt for any one** of the following quarterly filing of the return.

SAHAJ	SUGAM	Quarterly
<ul style="list-style-type: none"> <li>Supplies made to consumers and Un-Registered Persons (B2C).</li> <li>Tax paid in first two months will be adjusted against the Total Liability of the quarter.</li> </ul>	<ul style="list-style-type: none"> <li>Supplies made to Un-Registered Persons (B2C) and Registered Persons (B2B).</li> <li>Taxpayers will have to upload the details in the Annexures anytime during the said quarter.</li> </ul>	<ul style="list-style-type: none"> <li>Supplies made other than to B2B and B2Cs shall be disclosed here. Ex- Export, SEZ, etc.</li> </ul>

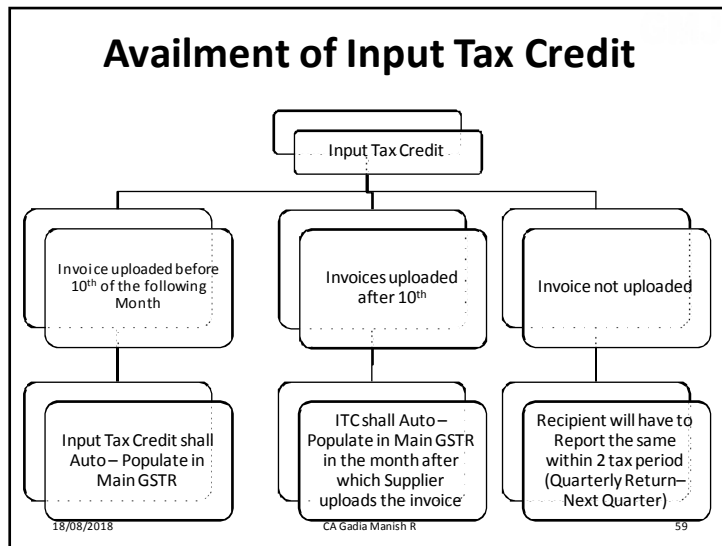
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Key Features w.r.t. New Annexure of Outward Supplies V/s. Old GST Format		
Basis	Form GSTR-1 (Existing Format)	Annexures of Supplies (Proposed)
Questionnaire	Not Applicable.	Applicable – Questionnaire regarding categories of supplies needs to be selected.
Advances Received and Adjusted.	Separate Disclosure.	No Disclosure in Annexures but will be disclosed in Main Return.
Exports	Disclosure of Exports with LUT and with payment of Tax under single head “Export Invoices.”	Separate disclosure for Exports with LUT and with payment of Tax.
SEZ Units/Developers	Disclosure was under the head B2B supplies. <small>CA Gadia Manish R</small>	Separate disclosure for SEZ with LUT and with payment of Tax. <small>57</small>

Basis	Form GSTR-1 (Existing Format)	Annexures of Supplies (Proposed)
Supplies to Registered & Un-Registered Person	For Registered Persons – B2B. • Separate disclosure of Debit/ Credit Notes. For Un – Registered Persons separate disclosures: • B2Cs (Intra State and for Interstate up to 2.5 lacs. • B2CL (Interstate more than 2.5 lacs) • Invoices are disclosed net off Debit/ Credit Notes.	For Registered Persons – Only B2B. • Table includes disclosure for Credit/Debits Notes. For Un – Registered Persons: • Includes all the supplies made to URD. • Invoices shall be disclosed Net off Debit/Credit Notes.
Deemed Exports	Disclosure was under the head B2B supplies.	Separate Disclosure.
Outward Supplies under RCM	Suppliers discloses under the head B2B by selecting supplies made under RCM. <small>18/08/2018 CA Gadia Manish R</small>	Disclosure shall be reported by the Recipient. <small>58</small>





**Opinions or views are like wrist watches.**

**Every watch shows different time from others.**

**But every one believes that their time is right!**

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