

NOTIFICATIONS & CIRCULARS UNDER GST

S.No.	Contents
1.	<p>As per <u>Notification No. 01/2020 (CGST) dated 01.01.2020</u>, provisions of sections 92 to 112, except section 92, section 97, section 100 and sections 103 to 110 of the Finance (No. 2) Act, 2019 (23 of 2019), shall come into force from 01.01.2020.</p> <p>It means few provisions of sections under CGST has been amended/inserted due to the changes enumerated in the following sections of the Finance (No. 2) Act, 2019 which has come into effect from 01.01.2020. The Sections listed in Finance (No. 2) Act, 2019 are 93, 94, 95, 96, 98, 99, 101, 102, 111, 112 which has changed the following Sections appearing in CGST Act, 2017.</p> <p><i><u>Amendments/Insertion of Sections are as follows:</u></i></p> <ol style="list-style-type: none">1. <u>Amendment of Section 10 (Composition Levy):</u><ol style="list-style-type: none">a. Value of exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount shall not be taken into account for determining the value of turnover in a State or Union territory.b. Casual taxable person and a non-resident taxable person are also not eligible for composition scheme.2. <u>Amendment of section 22 (Persons liable for registration):</u><ol style="list-style-type: none">a. Government may, at the request of a State and on the recommendations of the Council, enhance the aggregate turnover from twenty lakh rupees to such amount not exceeding forty lakh rupees in case of supplier who is engaged exclusively in the supply of goods.b. a person engaged in exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount shall be considered to be engaged exclusively in the supply of goods.3. <u>Amendment to Section 25 (Procedure for registration):</u><ol style="list-style-type: none">a. Every registered person shall undergo authentication, or furnish proof of possession of Aadhar number, in such form and manner and within such time as may be prescribed.4. <u>Insertion of Section 31A (Facility of digital payment to recipient):</u>

- a. Specified suppliers shall mandatorily provide the option of specified modes of electronic payment to their recipients. Such suppliers shall be notified from time to time by the Government via notifications.

5. Amendment to Section 44 (Annual Return):

- a. Commissioner may extend the time limit for furnishing the annual return for such class of registered persons as may be specified.
- b. Extension of time limit notified by Commissioner of State tax or Commissioner of Union Territory tax shall be deemed to be notified by Commissioner.

6. Amendment to Section 49 (Payment of tax, interest, penalty or other amounts):

- a. Registered person may transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for integrated tax, central tax, State tax, Union territory tax or cess, and shall be deemed to be refund from electronic cash ledger.

7. Amendment to Section 52 (Tax collection at source):

- a. Commissioner may extend the time limit for furnishing the statement for such class of specified persons

8. Insertion of new Section 53A (Transfer of Certain amounts):

- a. Where any amount has been transferred by registered person from electronic cash ledger to the electronic cash ledger for integrated tax, central tax, State tax, Union territory tax or cess under Section 49, the Government shall transfer the such amount to the State tax account or Union Territory tax account.

9. Amendment to Section 171 (Anti-Profiteering measure):

- a. Where the Authority comes to the conclusion that any person has profiteered, such person shall be liable to pay penalty equivalent to ten percent of the amount so profiteered.
- b. No penalty shall be levied if the amount so profiteered is deposited within thirty days of passing of order by the Authority.
- c. The expression “profiteered” shall mean the amount determined on account of not passing the benefit of reduction in rate of tax on supply of goods or services or both or the benefit of input tax credit to the recipient by way of commensurate reduction in the price of the goods or services or both.

2.	<p>As per <u>Notification No. 02/2020 (CGST) dated 01.01.2020</u>,</p> <ol style="list-style-type: none"> 1. The Commissioner may on the recommendations of the Council extend the date for submitting the declaration electronically in FORM GST TRAN-1 by a further period but not beyond 31.03.2020. 2. The registered persons filing declaration in FORM GST TRAN-1 may submit statement in FORM GST TRAN-2 by 30.04.2020. 3. In FORM REG-01, entries at serial no. 12 (pertaining to SEZ Units) and at serial no. 13 (Pertaining to SEZ Developers) has been substituted. 4. FORM INV-1 has been substituted in the said Notification.
3.	<p>As per <u>Notification No. 03/2020 (CGST) dated 01.01.2020</u>, those persons whose principal place of business lies in the State/Union Territory of Jammu & Kashmir or in the UT of Ladakh:</p> <ol style="list-style-type: none"> 1. have an option to transfer the ITC from the registered GSTIN, till the 31.12.2019 in the State of Jammu and Kashmir, to the new GSTIN in the Union territory of Jammu and Kashmir or in the Union territory of Ladakh from the 01.01.2020. 2. The balance of State taxes in electronic credit ledger of the said class of persons from the 01.01.2020, shall be transferred as balance of Union territory tax in the electronic credit ledger.
4.	<p>As per <u>Notification No. 04/2020 (CGST) dated 10.01.2020</u>, the one-time amnesty scheme to file all FORM GSTR-1 from July 2017 to November, 2019 has been extended to 17th January, 2020.</p>
5.	<p>As per <u>Notification No. 05/2020 (CGST) dated 13.01.2020</u>, CBIC has authorised</p> <ol style="list-style-type: none"> a) the Principal Commissioner or Commissioner of Central Tax for decisions or orders passed by the Additional or Joint Commissioner of Central Tax; and b) the Additional or Joint Commissioner of Central Tax for decisions or orders passed by the Deputy Commissioner or Assistant Commissioner or Superintendent of Central Tax, <p>as the Revisional Authority under Section 108.</p>
6.	<p>As per <u>Circular No. 31/1/2020 (CGST) dated 23.01.2020</u>, existence of exporters has been verified to mitigate the risk of fraudulent refund of IGST paid through utilizing the ITC which was availed on the basis of fake invoices.</p> <ol style="list-style-type: none"> a) Small fraction of the total number of exporters who have claimed refund have been selected for verification.

- b) The refund scrolls in such cases are kept in abeyance till the verification report in respect of such cases is received from the field formations.
- c) The export consignments/shipments of concerned exporters are subjected to 100 % examination at the customs port.
- d) Exporters whose scrolls have been kept in abeyance for verification would be informed at the earliest possible either by the jurisdictional CGST or by Customs.

Filing of information by the exporter:

The exporters on being informed should fill in information in the format attached as Annexure 'A' to this Circular and submit the same to their jurisdictional CGST authorities for verification by them.

Annexure A have 3 parts:

- a) **Ist part:** GST Related Data (like Name of entities from which the director associated with, details of GST liability, Detail of ITC, Refund Claimed, Summary of E way Bill generated)
- b) **IInd Part:** Financial Data (like bank account details including the bank details of directors, Bank Statement of past 6 months, Top 5 creditor & debtors, etc.)
- c) **IIIrd Part:** Additional Data (like Copy of PAN, IEC, Telephone Bill, Electricity Bill, etc.)

Time limit for completion of verification:

- a) Verification shall be completed by jurisdiction CGST office within 14 working days of furnishing of information by the exporter.
- b) If the verification is not completed within this period, the jurisdiction officer will bring it the notice of a nodal cell to be constituted in the jurisdictional Pr. Chief Commissioner/Chief Commissioner Office.
- c) After a period of 14 working days from the date of submission of details in the prescribed format, the exporter may also escalate the matter to the Jurisdictional Pr. Chief Commissioner/Chief Commissioner of Central Tax by sending an email to the Chief Commissioner concerned.
- d) The Jurisdictional Pr. Chief Commissioner/Chief Commissioner of Central Tax should take appropriate action to get the verification completed within next 7 working days.

Refund pending for more than one month:

- a) In case, any refund remains pending for more than one month, the exporter may register his grievance at www.cbic.gov.in/issue by giving all relevant details like GSTIN, IEC, Shipping Bill No., Port of Export & CGST formation where the details in prescribed format had been submitted etc.

	Such grievances shall be examined by a Committee headed by Member GST, CBIC for resolution of the issue
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