

GOODS & SERVICES TAX (GST)



OTHER INDIRECT TAXES (including legacy issues)



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GOODS & SERVICES TAX (GST)

NOTIFICATIONS

- **Notification No. 20/2019-Central Tax dated 23.04.2019 Seeks to make third amendment, 2019 to the CGST Rules :**

In **Rule 23 “Revocation of cancellation of registration”**, in sub-rule (1), after the first proviso, the following provisos shall be inserted, namely:-

Provided further that all returns due for the period from the date of the order of cancellation of registration till the date of the order of revocation of cancellation of registration shall be furnished by the said person within a period of thirty days from the date of order of revocation of cancellation of registration.

Provided also that where the registration has been cancelled with retrospective effect, the registered person shall furnish all returns relating to period from the effective date of cancellation of registration till the date of order of revocation of cancellation of registration within a period of thirty days from the date of order of revocation of cancellation of registration.

In the said rules, in rule 62,-

- a) in the marginal heading, for the words “Form and manner of submission of quarterly return by the composition supplier”, the words “Form and manner of submission of statement and return” shall be substituted;
- b) in sub-rule (1), -
for the portion beginning with the words and figures “paying tax under section 10” and ending with letters and figures “ FORM GSTR-4”, the following shall be substituted, namely:-

“paying tax under section 10 or paying tax by availing the benefit of notification of the Government of India, Ministry of Finance, Department of Revenue No. 02/2019– Central Tax (Rate), dated the 7th March, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, subsection (i) vide number G.S.R.189 (E), dated the 7th March, 2019 shall -

- (i) furnish a statement, every quarter or, as the case may be, part thereof, containing the details of payment of self-assessed tax in FORM GST CMP08, till the 18th day of the month succeeding such quarter; and
 - (ii) furnish a return for every financial year or, as the case may be, part thereof in FORM GSTR-4, till the thirtieth day of April following the end of such financial year;”;
 - (iii) the proviso shall be omitted;
- c) in sub-rule (2), for the portion beginning with the words “return under” and ending with the words “other amount”, the following shall be substituted, namely:-
“Statement under sub-rule (1) shall discharge his liability towards tax or interest”;
 - d) in sub-rule (4),-
 - (i) after the words and figures “opted to pay tax under section 10” the words, letters, figures and brackets “or by availing the benefit of notification of the Government of India, Ministry of Finance, Department of Revenue No. 02/2019– Central Tax (Rate), dated the 7th March, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.189 (E), dated the 7th March, 2019” shall be inserted; (ii) in the Explanation,-
 - (A) after the words “not be eligible to avail”, the word “of” shall be omitted;
 - (B) after the words “opting for the composition scheme”, the words, letters, figures and brackets “or opting for paying tax by

availing the benefit of notification of the Government of India, Ministry of Finance, Department of Revenue No. 02/2019– Central Tax (Rate), dated the 7th March, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i) vide number G.S.R.189 (E), dated the 7th March, 2019” shall be inserted;

- e) in sub-rule (5), for the words, figures and letters “the details relating to the period prior to his opting for payment of tax under section 9 in FORM GSTR- 4 till the due date of furnishing the return for the quarter ending September of the succeeding financial year or furnishing of annual return of the preceding financial year, whichever is earlier”, the words, letters and figures “a statement in FORM GST CMP-08 for the period for which he has paid tax under the composition scheme till the 18th day of the month succeeding the quarter in which the date of withdrawal falls and furnish a return in FORM GSTR-4 for the said period till the thirtieth day of April following the end of the financial year during which such withdrawal falls” shall be substituted;
- f) after sub-rule (5), the following sub-rule shall be inserted, namely:-
“(6) A registered person who ceases to avail the benefit of notification of the Government of India, Ministry of Finance, Department of Revenue No. 02/2019– Central Tax (Rate), dated the 7th March, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.189 (E) , dated the 7th March, 2019, shall, where required, furnish a statement in FORM GST CMP-08 for the period for which he has paid tax by availing the benefit under the said notification till the 18th day of the month succeeding the quarter in which the date of cessation takes place and furnish a return in FORM GSTR - 4 for the said period till the thirtieth day of April following the end of the financial year during which such cessation happens.”.

- **Notification No.21 /2019 – Central Tax dated 23rd April, 2019 seeks to notify procedure for quarterly tax payment and annual filing of return for the specified taxpayers.**

Central Government, on the recommendations of the Council, hereby notifies the registered persons paying tax under the provisions of section 10 of the said Act or who opt composition scheme for supplier of services with a tax rate of 6% having annual turnover in preceding year up to Rs. 50 lakhs as the class of registered persons who shall follow the special procedure as mentioned below for furnishing of return and payment of tax.

1. The said persons shall furnish a statement, every quarter or, as the case may be, part thereof containing the details of payment of self-assessed tax in FORM GST CMP-08 of the Central Goods and Services Tax Rules, 2017, till the 18th day of the month succeeding such quarter.
2. The said persons shall furnish a return for every financial year or, as the case may be, part thereof in FORM GSTR-4 of the Central Goods and Services Tax Rules, 2017, on or before the 30th day of April following the end of such financial year.
3. The registered persons paying tax by availing the benefit of the said notification, in respect of the period for which he has availed the said benefit, shall be deemed to have complied with the provisions of section 37 and section 39 of the said Act if they have furnished **FORM GST CMP-08** and **FORM GSTR-4** as provided in point 1 and point 2 above.

- **Notification No.9/2019 – Central Tax (Rate) dated 29th March, 2019 seeks to amend notification No. 02/2019- Central Tax (Rate) so as to provide for application of Composition rules to**

persons opting to pay tax at the rate of 6% for supplier of service.

In the said notification, -

- i. In the Table, in column 3, after clause 7, the following clause shall be inserted, namely: -

“8. Where any registered person who has availed of input tax credit opts to pay tax under this notification, he shall pay an amount, by way of debit in the electronic credit ledger or electronic cash ledger, equivalent to the credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock and on capital goods as if the supply made under this notification attracts the provisions of section 18(4) of the said Act and the rules made there-under and after payment of such amount, the balance of input tax credit, if any, lying in his electronic credit ledger shall lapse.”

- ii. In paragraph 3, in the Explanation, after clause (ii), the following clause shall be inserted, namely: -

“(iii) the Central Goods and Services Tax Rules, 2017, as applicable to a person paying tax under section 10 of the said Act shall, mutatis mutandis, apply to a person paying tax under this notification.”

- **Notification No.7/2019 – Central Tax (Rate) dated 29th March, 2019 Seeks to notify certain services to be taxed under RCM under section 9(4) of CGST Act as recommended by Goods and Services Tax Council for real estate sector.**

The Central Government, on the recommendations of the Council, hereby notifies that the registered person shall in respect of supply of goods or services or both, received from **an unregistered supplier** shall pay tax on reverse charge basis as recipient of such goods or services or both, namely :-

S.No.	Supply of goods or services	Recipient of goods or services
1.	Supply of such goods and services or both [other than services by way of grant of development rights, long term lease of land (against upfront payment in the form of premium, salami, development charges etc.) or FSI (including additional FSI)] which constitute the shortfall from the minimum value of goods or services or both required to be purchased by a promoter for construction of project, in a financial year (or part of the financial year till the date of issuance of completion certificate or first occupation, whichever is earlier) as prescribed in notification No. 11/2017- Central Tax (Rate), dated 28th June, 2017, at items (i), (ia), (ib), (ic) and (id) against serial number 3 in the Table, published in Gazette of India vide G.S.R. No. 690, dated 28th June, 2017, as amended	Promoter
2.	Cement falling in chapter heading 2523 in the first schedule to the Customs Tariff Act, 1975 (51 of 1975) which constitute the shortfall from the minimum value of goods or services or both required to be purchased by a promoter for construction of project, in a financial year (or part of the financial year till the date of issuance of completion certificate or first occupation, whichever is earlier) as prescribed in	Promoter

	notification No. 11/ 2017- Central Tax (Rate), dated 28th June, 2017, at items (i), (ia), (ib), (ic) and (id) against serial number 3 in the Table, published in Gazette of India vide G.S.R. No. 690, dated 28th June, 2017, as amended. -	
3.	Capital goods falling under any chapter in the first schedule to the Customs Tariff Act, 1975 (51 of 1975) supplied to a promoter for construction of a project on which tax is payable or paid at the rate prescribed for items (i), (ia), (ib), (ic) and (id) against serial number 3 in the Table, in notification No. 11/ 2017- Central Tax (Rate), dated 28th June, 2017, published in Gazette of India vide G.S.R. No. 690, dated 28th June, 2017, as amended. -	Promoter

- **Notification No.5/2019 – Central Tax (Rate) dated 29th March, 2019 amend notification No. 13/2017- Central Tax (Rate) so as to specify services to be taxed under Reverse Charge Mechanism (RCM) as recommended by Goods and Services Tax Council for real estate sector.**

In the said notification, -

- in the Table, after serial number 5A and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

S.No.	Services	Supplier	Receiver
5B	Services supplied by any person by way of transfer of development rights or Floor Space Index (FSI) (including additional FSI) for construction of a project by a promoter.	Any person	Promoter.
5C	Long term lease of land (30 years or more) by any person against consideration in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name) and/or periodic rent for construction of a project by a promoter.	Any person	Promoter.

CIRCULAR

Circular no.101/20/2019-GST dated 30th April, 2019 GST exemption on the upfront amount payable in installments for long term lease of plots, under Notification No. 12/2017, Central Tax (Rate), S.No. 41, dated 28.06.2017.

It is hereby clarified that GST exemption on the upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable for long term lease (of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business under Entry No. 41 of Exemption Notification 12/2017 – Central Tax (R) dated

28.06.2017 is admissible irrespective of whether such upfront amount is payable or paid in one or more instalments, provided the amount is determined upfront.

S.No.	Heading	Description of Services	Rate (per cent.)	Condition
41	Heading 9972	“Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service by way of granting of long term lease (of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business, provided by the State Government Industrial Development Corporations or Undertakings or by any other entity having 50 per cent. or more ownership of Central Government, State Government, Union territory to the industrial units or the developers in any industrial or financial business area.”	NIL	NIL

Highlights of GST collection.

The GST collections in April jumped to its highest level of Rs 1,13,865 crore since its roll out in 2017. While collections have been gradually increasing since August, they hit a record high last month of Rs 1.06

lakh crore, up from Rs 97,247 crore in the previous month, on the back of high compliance and increased number of returns.

The total gross GST revenue collected in the month of April, 2019, is Rs 1,13,865 crore of which CGST is Rs 21,163 crore, SGST is Rs 28,801 crore, IGST is Rs 54,733 crore, the ministry of finance said in statement.

The ministry said the total number of GSTR 3B Returns filed for the month of March up to 30th April, 2019 is 72.13 lakh. The Centre has settled Rs 20,370 crore to CGST and Rs 15,975 crore to SGST from IGST as regular settlement. Rs 12,000 crore has been settled from the balance from the balance IGST available with the Centre on provisional basis in the ratio of 50:50 between Centre and the States.

Let's talk

For a deeper discussion of how these issues might affect your business, please contact our Indirect Taxation Team.

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