

## Major Changes in GST Laws – Budget 2020

Clause No. Of Finance Bill 2020	Section of GST Act 2017	Present Provision	Proposed Provision	Remarks
116	2(114)	<p>““Union territory" means the territory of—</p> <p>(a) the Andaman and Nicobar Islands;</p> <p>(b) Lakshadweep;</p> <p>(c) Dadra and Nagar Haveli [and Daman and Diu];</p> <p>(d) [ *** ]</p> <p>(e) Chandigarh; and</p> <p>(f) other territory.</p> <p>Explanation.—For the purposes of this Act, each of the territories specified in sub-clauses (a) to (f) shall be considered to be a separate Union territory;</p>	<p>“Union territory" means the territory of—</p> <p>(a) the Andaman and Nicobar Islands;</p> <p>(b) Lakshadweep;</p> <p>(c) Dadra and Nagar Haveli [and Daman and Diu];</p> <p>(d) [Ladakh]</p> <p>(e) Chandigarh; and</p> <p>(f) other territory.</p> <p>Explanation.—For the purposes of this Act, each of the territories specified in sub-clauses (a) to (f) shall be considered to be a separate Union territory;</p>	<p>The definition of Union Territory is changed to add “Ladakh” in it.</p>
117	10(2)	<p>(2) The registered person shall be eligible to opt under sub-section (1), if—</p> <p>(a) save as provided in sub-section (1), he is not engaged in the supply of services;</p> <p>(b) he is not engaged in making any supply of goods which are not leviable to tax under this Act;</p> <p>(c) he is not engaged in making any inter-State outward supplies of goods;</p> <p>(d) he is not engaged in</p>	<p>(2) The registered person shall be eligible to opt under sub-section (1), if—</p> <p>(a) save as provided in sub-section (1), he is not engaged in the supply of services;</p> <p>(b) he is not engaged in making any supply of goods <b>or services</b> which are not leviable to tax under this Act;</p> <p>(c) he is not engaged in making any inter-State outward supplies of goods <b>or services</b>;</p> <p>(d) he is not engaged in making any supply of</p>	<p>Restriction under Composition scheme is enhanced to supplier of services also which was earlier applicable to supplier of goods only.</p> <p>Hence, now composition scheme is restricted for registered persons if he is engaged in <b>supplies</b> not leviable to tax under GST laws, inter-state outward supplies or supplies through ecom operator on which TCS is deductible.</p>

		<p>making any supply of goods through an electronic commerce operator who is required to collect tax at source under section 52; (e) he is not a manufacturer of such goods as may be notified by the Government on the recommendations of the [Council; and] (f) he is neither a casual taxable person nor a non-resident taxable person: Provided that where more than one registered persons are having the same Permanent Account Number [issued under the Income-tax Act, 1961 (43 of 1961)], the registered person shall not be eligible to opt for the scheme under sub-section (1) unless all such registered persons opt to pay tax under that sub-section</p>	<p>goods <b>or services</b> through an electronic commerce operator who is required to collect tax at source under section 52; (e) he is not a manufacturer of such goods as may be notified by the Government on the recommendations of the [Council; and] (f) he is neither a casual taxable person nor a non-resident taxable person: Provided that where more than one registered persons are having the same Permanent Account Number [issued under the Income-tax Act, 1961 (43 of 1961)], the registered person shall not be eligible to opt for the scheme under sub-section (1) unless all such registered persons opt to pay tax under that sub-section</p>	
118	16(4)	<p>A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant</p>	<p>A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or <del>invoice relating to such</del> debit note pertains or furnishing of the relevant annual return, whichever is earlier</p>	<p>Linking of debit note to any invoice is dispensed with. Thus now credit can be taken on debit note. Kinking of debit note to any invoice is not required.</p>

		annual return, whichever is earlier	
119	29(1)(c)	<p>(1) The proper officer may, either on his own motion or on an application filed by the registered person or by his legal heirs, in case of death of such person, cancel the registration, in such manner and within such period as may be prescribed, having regard to the circumstances where,—</p> <p>(a) the business has been discontinued, transferred fully for any reason including death of the proprietor, amalgamated with other legal entity, demerged or otherwise disposed of; or</p> <p>(b) there is any change in the constitution of the business; or</p> <p>(c) the taxable person, other than the person registered under sub-section (3) of section 25, is no longer liable to be registered under section 22 or section 24: [Provided that during pendency of the proceedings relating to cancellation of registration filed by the registered person, the registration may be suspended for such</p>	<p>(1) The proper officer may, either on his own motion or on an application filed by the registered person or by his legal heirs, in case of death of such person, cancel the registration, in such manner and within such period as may be prescribed, having regard to the circumstances where,—</p> <p>(a) the business has been discontinued, transferred fully for any reason including death of the proprietor, amalgamated with other legal entity, demerged or otherwise disposed of; or</p> <p>(b) there is any change in the constitution of the business; or</p> <p>(c) the taxable person is no longer liable to be registered under section 22 or section 24 or intends to opt out of registration voluntarily made under sub-section (3) of section 25. [Provided that during pendency of the proceedings relating to cancellation of registration filed by the registered person, the registration</p> <p>The proper officer can now even cancel voluntary registration taken by the assessee.</p>

		period and in such manner as may be prescribed.	may be suspended for such period and in such manner as may be prescribed.	
120	30(1)	<p><b>30.</b> (1) Subject to such conditions as may be prescribed, any registered person, whose registration is cancelled by the proper officer on his own motion, may apply to such officer for revocation of cancellation of the registration in the prescribed manner within thirty days from the date of service of the cancellation order:</p> <p><b>Provided</b> that the registered person who was served notice under sub-section (2) of section 29 in the manner as provided in clause (c) or clause (d) of sub-section (1) of section 169 and who could not reply to the said notice, thereby resulting in cancellation of his registration certificate and is hence unable to file application for revocation of</p>	<p>30. (1) Subject to such conditions as may be prescribed, any registered person, whose registration is cancelled by the proper officer on his own motion, may apply to such officer for revocation of cancellation of the registration in the prescribed manner within thirty days from the date of service of the cancellation order:</p> <p>Provided that such period may, on sufficient cause being shown, and for reasons to be recorded in writing, be extended –</p> <p>(a) by the Additional Commissioner or the Joint Commissioner, as the case may be, for a period not exceeding 30 days;</p> <p>(b) by the Commissioner for a further period not exceeding thirty days, beyond the period specified in clause (a);</p>	<p>Application for revocation of cancellation needs to be applied in 30 days. Now power has been given in the law to condone delay in applying for revocation of registration. Upto 60 days delay can be condoned.</p>

		<p>cancellation of registration under subsection (1) of section 30 of the Act, against such order passed up to 31-3-2019, shall be allowed to file application for revocation of cancellation of the registration not later than 22-7-2019.</p>	
121	31(2)	<p>A registered person supplying taxable services shall, before or after the provision of service but within a prescribed period, issue a tax invoice, showing the description, value, tax charged thereon and such other particulars as may be prescribed</p> <p>Provided that the Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which—</p> <p>(a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or</p> <p>(b) tax invoice may not be issued.</p>	<p>A registered person supplying taxable services shall, before or after the provision of service but within a prescribed period, issue a tax invoice, showing the description, value, tax charged thereon and such other particulars as may be prescribed</p> <p>Provided that the Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which—</p> <p>(a) specify the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed;</p> <p>(b) subject to the conditions maintained therein, specify the categories of services in respect of which –</p> <p>(i) any other document</p> <p>Amendment made to empower to notify time and manner of issue of invoices for specific categories of persons</p>

			issued in relation to the supply shall be deemed to be a tax invoice; or (ii) tax invoice may not be issued.	
122	51(3) and 51(4)	<p>51(3) The deductor shall furnish to the deductee a certificate mentioning therein the contract value, rate of deduction, amount deducted, amount paid to the Government and such other particulars in such manner as may be prescribed</p> <p>(4) If any deductor fails to furnish to the deductee the certificate, after deducting the tax at source, within five days of crediting the amount so deducted to the Government, the deductor shall pay, by way of a late fee, a sum of one hundred rupees per day from the day after the expiry of such five day period until the failure is rectified, subject to a maximum amount of five thousand rupees.</p>	<p>51(3) A certificate of tax deduction at source shall be issued in such form and in such manner as may be prescribed.</p> <p>(4) <del>If any deductor fails to furnish to the deductee the certificate, after deducting the tax at source, within five days of crediting the amount so deducted to the Government, the deductor shall pay, by way of a late fee, a sum of one hundred rupees per day from the day after the expiry of such five day period until the failure is rectified, subject to a maximum amount of five thousand rupees.</del></p>	TDS certificate to be prescribed. Late fees charged on delay in issue of TDS certificate is dispensed with.

123	109(6)	<p>The Government shall, by notification, specify for each State or Union territory[except for the State of Jammu and Kashmir], a Bench of the Appellate Tribunal (hereafter in this Chapter, referred to as "State Bench") for exercising the powers of the Appellate Tribunal within the concerned State or Union territory: [Provided that for the State of Jammu and Kashmir, the State Bench of the Goods and Services Tax Appellate Tribunal constituted under this Act shall be the State Appellate Tribunal constituted under the Jammu and Kashmir Goods and Services Tax Act, 2017: [Provided further that] the Government shall, on receipt of a request from any State Government, constitute such number of Area Benches in that State, as may be recommended by the Council: [Provided also that] the Government may, on receipt of a request from any State, or on its own motion for a Union territory, notify the Appellate Tribunal in a State to act as the Appellate Tribunal for any other State or Union</p>	<p>The Government shall, by notification, specify for each State or Union territory<del>[except for the State of Jammu and Kashmir]</del>, a Bench of the Appellate Tribunal (hereafter in this Chapter, referred to as "State Bench") for exercising the powers of the Appellate Tribunal within the concerned State or Union territory: <del>[Provided that for the State of Jammu and Kashmir, the State Bench of the Goods and Services Tax Appellate Tribunal constituted under this Act shall be the State Appellate Tribunal constituted under the Jammu and Kashmir Goods and Services Tax Act, 2017:</del> [Provided further that] the Government shall, on receipt of a request from any State Government, constitute such number of Area Benches in that State, as may be recommended by the Council: [Provided also that] the Government may, on receipt of a request from any State, or on its own motion for a Union territory, notify the Appellate Tribunal in a State to act as the Appellate Tribunal for any other State or Union territory, as may be recommended by the</p>	Bench of Appellate Tribunal can now be set up in J&K.
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		territory, as may be recommended by the Council, subject to such terms and conditions as may be prescribed.	Council, subject to such terms and conditions as may be prescribed.	
124	After 122(1)	New provision inserted	122(1A) Any person who retains the benefit of a transaction covered under clause (i), (ii), (vii) or clause (ix) of sub-section (1) and at which whose instance such transaction is conducted shall be liable to a penalty of an amount equivalent to the tax evaded or input tax credit availed of passed on.”	Penalty for persons involved in fake billing or issuing invoice in violation of provision of law or incorrect ITC utilization or incorrect ITC distribution shall be penalized. Amount of penalty is 100%



125	132(1)	<p>(1) Whoever commits any of the following offences, namely:—</p> <p>(a) supplies any goods or services or both without issue of any invoice, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;</p> <p>(b) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax;</p> <p>(c) avails input tax credit using such invoice or bill referred to in clause (b);</p> <p>(d) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;</p> <p>(e) evades tax, fraudulently avails input tax credit or fraudulently obtains refund and where such offence is not covered under clauses (a) to (d);</p> <p>(f) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information with an</p>	<p>(1) Whoever commits or causes to commit and retain the benefits arising out of, any of the following offences, namely:—</p> <p>(a) supplies any goods or services or both without issue of any invoice, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;</p> <p>(b) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax;</p> <p>(c) avails input tax credit using the invoice or bill referred to in clause (b) or fraudulently avails input tax credit without any invoice or bill;</p> <p>(d) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;</p> <p>(e) evades tax, fraudulently avails input tax credit or fraudulently obtains refund and where such offence is not covered under clauses (a) to (d);</p> <p>(f) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information with an</p>	<p>Imprisonment was there for the “person commits” offence. Now amendment is made to cover such persons within the ambit or imprisonment who “causes to commit” or who “retains benefit” also.</p>
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intention to evade payment of tax due under this Act;  
(g) obstructs or prevents any officer in the discharge of his duties under this Act;  
(h) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with, any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;  
(i) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;  
(j) tampers with or destroys any material evidence or documents;  
(k) fails to supply any information which he is required to supply under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by

intention to evade payment of tax due under this Act;  
(g) obstructs or prevents any officer in the discharge of his duties under this Act;  
(h) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with, any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;  
(i) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;  
(j) tampers with or destroys any material evidence or documents;  
(k) fails to supply any information which he is required to supply under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by him is true) supplies false information; or  
(l) attempts to commit, or abets the commission of any of the offences

<p>him is true) supplies false information; or (l) attempts to commit, or abets the commission of any of the offences mentioned in clauses (a) to (k) of this section, shall be punishable—</p> <p>(i) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;</p> <p>(ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;</p> <p>(iii) in the case of any other offence where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one</p>	<p>mentioned in clauses (a) to (k) of this section, shall be punishable—</p> <p>(i) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;</p> <p>(ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;</p> <p>(iii) in the case of any other offence where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;</p> <p>(iv) in cases where he commits or abets the commission of an offence specified in clause (f) or clause (g) or clause (j), he shall be punishable with</p>
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		<p>year and with fine; (iv) in cases where he commits or abets the commission of an offence specified in clause (f) or clause (g) or clause (j), he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.</p>	<p>imprisonment for a term which may extend to six months or with fine or with both.</p>	
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126	140	<p>1) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, the amount of CENVAT credit [of eligible duties] carried forward in the return relating to the period ending with the day immediately preceding the appointed day, furnished by him under the existing law in such manner as may be prescribed.</p> <p><b>Provided</b> that the registered person shall not be allowed to take credit in the following circumstances, namely:—</p> <p>(i) where the said amount of credit is not admissible as input tax credit under this Act; or</p> <p>(ii) where he has not furnished all the returns required under the existing law for the period of six months immediately preceding the appointed date; or</p> <p>(iii) where the said amount of credit relates to goods manufactured and cleared under such exemption notifications as are notified by the Government.</p> <p>(2) A registered person, other than a person opting to pay tax under</p>	<p>1) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, the amount of CENVAT credit [of eligible duties] carried forward in the return relating to the period ending with the day immediately preceding the appointed day, furnished by him under the existing law <b>within such time and</b> in such manner as may be prescribed</p> <p><b>Provided</b> that the registered person shall not be allowed to take credit in the following circumstances, namely:—</p> <p>(i) where the said amount of credit is not admissible as input tax credit under this Act; or</p> <p>(ii) where he has not furnished all the returns required under the existing law for the period of six months immediately preceding the appointed date; or</p> <p>(iii) where the said amount of credit relates to goods manufactured and cleared under such exemption notifications as are notified by the Government.</p> <p>(2) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger,</p> <p>Powers to prescribe time limit and the manner for transitional provisions have been introduced retrospectively.</p>
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section 10, shall be entitled to take, in his electronic credit ledger, credit of the unavailed CENVAT credit in respect of capital goods, not carried forward in a return, furnished under the existing law by him, for the period ending with the day immediately preceding the appointed day in such manner as may be prescribed

**Provided** that the registered person shall not be allowed to take credit unless the said credit was admissible as CENVAT credit under the existing law and is also admissible as input tax credit under this Act.

Explanation.—For the purposes of this subsection, the expression "unavailed CENVAT credit" means the amount that remains after subtracting the amount of CENVAT credit already availed in respect of capital goods by the taxable person under the existing law from the aggregate amount of CENVAT credit to which the said person was entitled in respect of the said capital goods under the existing law.

credit of the unavailed CENVAT credit in respect of capital goods, not carried forward in a return, furnished under the existing law by him, for the period ending with the day immediately preceding the appointed day **within such time and** in such manner as may be prescribed **Provided** that the registered person shall not be allowed to take credit unless the said credit was admissible as CENVAT credit under the existing law and is also admissible as input tax credit under this Act.

Explanation.—For the purposes of this subsection, the expression "unavailed CENVAT credit" means the amount that remains after subtracting the amount of CENVAT credit already availed in respect of capital goods by the taxable person under the existing law from the aggregate amount of CENVAT credit to which the said person was entitled in respect of the said capital goods under the existing law.

(3) A registered person, who was not liable to be registered under the existing law, or who was engaged in the manufacture of exempted goods or

(3) A registered person, who was not liable to be registered under the existing law, or who was engaged in the manufacture of exempted goods or provision of exempted services, or who was providing works contract service and was availing of the benefit of Notification No. 26/2012-Service Tax, dated the 20th June, 2012 or a first stage dealer or a second stage dealer or a registered importer or a depot of a manufacturer, shall be entitled to take, in his electronic credit ledger, credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day **within such time and in such manner as may be prescribed** subject to the following conditions, namely:—

(i) such inputs or goods are used or intended to be used for making taxable supplies under this Act;

(ii) the said registered person is eligible for input tax credit on such inputs under this Act;

(iii) the said registered person is in possession of invoice or other prescribed<sup>1</sup> documents evidencing payment of duty under the existing law in respect of such inputs;

(iv) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day; and

evidencing payment of duty under the existing law in respect of such inputs;

(iv) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day; and

(v) the supplier of services is not eligible for any abatement under this Act:

Provided that where a registered person, other than a manufacturer or a supplier of services, is not in possession of an invoice or any other documents evidencing payment of duty in respect of inputs, then, such registered person shall, subject to such conditions, limitations and safeguards as may be prescribed including that the said taxable person shall pass on the benefit of such credit by way of reduced prices to the recipient, be allowed to take credit at such rate and in such manner as may be prescribed

(4) A registered person, who was engaged in the manufacture of taxable as well as exempted goods under the Central Excise Act, 1944 (1 of 1944) or provision of taxable as well as

(v) the supplier of services is not eligible for any abatement under this Act:

Provided that where a registered person, other than a manufacturer or a supplier of services, is not in possession of an invoice or any other documents evidencing payment of duty in respect of inputs, then, such registered person shall, subject to such conditions, limitations and safeguards as may be prescribed including that the said taxable person shall pass on the benefit of such credit by way of reduced prices to the recipient, be allowed to take credit at such rate and in such manner as may be prescribed

(4) A registered person, who was engaged in the manufacture of taxable as well as exempted goods under the Central Excise Act, 1944 (1 of 1944) or provision of taxable as well as exempted services under Chapter V of the Finance Act, 1994 (32 of 1994), but which are liable to tax under this Act, shall be entitled to take, in his electronic credit ledger,—

(a) the amount of CENVAT credit carried forward in a return furnished under the existing law by him in



exempted services under Chapter V of the Finance Act, 1994 (32 of 1994), but which are liable to tax under this Act, shall be entitled to take, in his electronic credit ledger,—

(a) the amount of CENVAT credit carried forward in a return furnished under the existing law by him in accordance with the provisions of sub-section (1); and

(b) the amount of CENVAT credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day, relating to such exempted goods or services, in accordance with the provisions of sub-section (3).

(5) A registered person shall be entitled to take, in his electronic credit ledger, credit of eligible duties and taxes in respect of inputs or input services received on or after the appointed day but the duty or tax in respect of which has been paid by the supplier under the existing law, subject to the condition that the invoice or any other duty or tax paying

accordance with the provisions of sub-section (1); and

(b) the amount of CENVAT credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day, relating to such exempted goods or services, in accordance with the provisions of sub-section (3).

(5) A registered person shall be entitled to take, in his electronic credit ledger, credit of eligible duties and taxes in respect of inputs or input services received on or after the appointed day but the duty or tax in respect of which has been paid by the supplier under the existing law **within such time and in such manner as may be prescribed**, subject to the condition that the invoice or any other duty or tax paying document of the same was recorded in the books of account of such person within a period of thirty days from the appointed day:

Provided that the period of thirty days may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding thirty days:

document of the same was recorded in the books of account of such person within a period of thirty days from the appointed day:

Provided that the period of thirty days may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding thirty days:

Provided further that said registered person shall furnish a statement, in such manner as may be prescribed<sup>94</sup>, in respect of credit that has been taken under this sub-section.

(6) A registered person, who was either paying tax at a fixed rate or paying a fixed amount in lieu of the tax payable under the existing law shall be entitled to take, in his electronic credit ledger, credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions, namely:—

(i) such inputs or goods are used or intended to be used for making

Provided further that said registered person shall furnish a statement, in such manner as may be prescribed<sup>94</sup>, in respect of credit that has been taken under this sub-section.

(6) A registered person, who was either paying tax at a fixed rate or paying a fixed amount in lieu of the tax payable under the existing law shall be entitled to take, in his electronic credit ledger, credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day **within such time and in such manner as may be prescribed** subject to the following conditions, namely:—

(i) such inputs or goods are used or intended to be used for making taxable supplies under this Act;  
(ii) the said registered person is not paying tax under section 10;  
(iii) the said registered person is eligible for input tax credit on such inputs under this Act;  
(iv) the said registered person is in possession of invoice or other prescribed documents evidencing payment of duty under the existing law in respect of

<p>taxable supplies under this Act;</p> <p>(ii) the said registered person is not paying tax under section 10;</p> <p>(iii) the said registered person is eligible for input tax credit on such inputs under this Act;</p> <p>(iv) the said registered person is in possession of invoice or other prescribed documents evidencing payment of duty under the existing law in respect of inputs; and</p> <p>(v) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day.</p> <p>(7) Notwithstanding anything to the contrary contained in this Act, the input tax credit on account of any services received prior to the appointed day by an Input Service Distributor shall be eligible for distribution as credit under this Act even if the invoices relating to such services are received on or after the appointed day.</p> <p>(8) Where a registered person having centralised registration under the existing law has obtained a</p>	<p>inputs; and</p> <p>(v) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day.</p> <p>(7) Notwithstanding anything to the contrary contained in this Act, the input tax credit on account of any services received prior to the appointed day by an Input Service Distributor shall be eligible for distribution as credit under this Act <b>within such time and in such manner as may be prescribed</b> even if the invoices relating to such services are received on or after the appointed day.</p> <p>(8) Where a registered person having centralised registration under the existing law has obtained a registration under this Act, such person shall be allowed to take, in his electronic credit ledger, credit of the amount of CENVAT credit carried forward in a return, furnished under the existing law by him, in respect of the period ending with the day immediately preceding the appointed day <b>within such time and</b> in such manner as may be prescribed. <b>Provided</b> that if the registered person furnishes</p>
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registration under this Act, such person shall be allowed to take, in his electronic credit ledger, credit of the amount of CENVAT credit carried forward in a return, furnished under the existing law by him, in respect of the period ending with the day immediately preceding the appointed day in such manner as may be prescribed.

**Provided** that if the registered person furnishes his return for the period ending with the day immediately preceding the appointed day within three months of the appointed day, such credit shall be allowed subject to the condition that the said return is either an original return or a revised return where the credit has been reduced from that claimed earlier:

**Provided further** that the registered person shall not be allowed to take credit unless the said amount is admissible as input tax credit under this Act:

**Provided also** that such credit may be transferred to any of the registered persons having the same

his return for the period ending with the day immediately preceding the appointed day within three months of the appointed day, such credit shall be allowed subject to the condition that the said return is either an original return or a revised return where the credit has been reduced from that claimed earlier:

**Provided further** that the registered person shall not be allowed to take credit unless the said amount is admissible as input tax credit under this Act:

**Provided also** that such credit may be transferred to any of the registered persons having the same Permanent Account Number for which the centralised registration was obtained under the existing law.

(9) Where any CENVAT credit availed for the input services provided under the existing law has been reversed due to non-payment of the consideration within a period of three months, such credit can be reclaimed **within such time and in such manner as may be prescribed** subject to the condition that the registered person has made

	<p>Permanent Account Number for which the centralised registration was obtained under the existing law.</p> <p>(9) Where any CENVAT credit availed for the input services provided under the existing law has been reversed due to non-payment of the consideration within a period of three months, such credit can be reclaimed subject to the condition that the registered person has made the payment of the consideration for that supply of services within a period of three months from the appointed day.</p> <p>(10) The amount of credit under sub-sections (3), (4) and (6) shall be calculated in such manner as may be prescribed</p> <p>Explanation 1.—For the purposes of [sub-sections (1), (3), (4)] and (6), the expression "eligible duties" means—</p> <p>(i) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957);</p> <p>(ii) the additional duty leviable under sub-section (1) of section 3 of the Customs Tariff Act, 1975 (51 of 1975);</p> <p>(iii) the additional duty leviable under sub-section (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975);</p> <p>(iv)[***]</p> <p>(v) the duty of excise specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986);</p> <p>(vi) the duty of excise specified in the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986); and</p> <p>(vii) the National</p>	<p>the payment of the consideration for that supply of services within a period of three months from the appointed day.</p> <p>(10) The amount of credit under sub-sections (3), (4) and (6) shall be calculated in such manner as may be prescribed</p> <p>Explanation 1.—For the purposes of [sub-sections (1), (3), (4)] and (6), the expression "eligible duties" means—</p> <p>(i) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957);</p> <p>(ii) the additional duty leviable under sub-section (1) of section 3 of the Customs Tariff Act, 1975 (51 of 1975);</p> <p>(iii) the additional duty leviable under sub-section (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975);</p> <p>(iv)[***]</p> <p>(v) the duty of excise specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986);</p> <p>(vi) the duty of excise specified in the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986); and</p> <p>(vii) the National</p>
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section (1) of section 3 of the Customs Tariff Act, 1975 (51 of 1975); (iii) the additional duty leviable under sub-section (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975); (iv)[\*\*\*]  
(v) the duty of excise specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986); (vi) the duty of excise specified in the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986); and (vii) the National Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001 (14 of 2001), in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day.

Explanation 2.—For the purposes of [sub-sections (1) and (5)], the expression "eligible duties and taxes" means—

(i) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957

Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001 (14 of 2001), in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day.

Explanation 2.—For the purposes of [sub-sections (1) and (5)], the expression "eligible duties and taxes" means—

(i) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957); (ii) the additional duty leviable under sub-section (1) of section 3 of the Customs Tariff Act, 1975 (51 of 1975); (iii) the additional duty leviable under sub-section (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975); (iv) [\*\*\*]  
(v) the duty of excise specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986); (vi) the duty of excise specified in the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986); (vii) the National Calamity Contingent Duty

(58 of 1957);  
(ii) the additional duty leviable under sub-section (1) of section 3 of the Customs Tariff Act, 1975 (51 of 1975);  
(iii) the additional duty leviable under sub-section (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975);  
(iv) [\*\*\*]  
(v) the duty of excise specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986);  
(vi) the duty of excise specified in the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986);  
(vii) the National Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001 (14 of 2001); and  
(viii) the service tax leviable under section 66B of the Finance Act, 1994 (32 of 1994), in respect of inputs and input services received on or after the appointed day.

[Explanation 3.—For removal of doubts, it is hereby clarified that the expression "eligible duties and taxes" excludes any cess which has not been specified in Explanation 1 or

leviable under section 136 of the Finance Act, 2001 (14 of 2001); and  
(viii) the service tax leviable under section 66B of the Finance Act, 1994 (32 of 1994), in respect of inputs and input services received on or after the appointed day.

[Explanation 3.—For removal of doubts, it is hereby clarified that the expression "eligible duties and taxes" excludes any cess which has not been specified in Explanation 1 or Explanation 2 and any cess which is collected as additional duty of customs under sub-section (1) of section 3 of the Customs Tariff Act, 1975 (51 of 1975).]

		Explanation 2 and any cess which is collected as additional duty of customs under subsection (1) of section 3 of the Customs Tariff Act, 1975 (51 of 1975).]		
127	168(2)	(1) The Board may, if it considers it necessary or expedient so to do for the purpose of uniformity in the implementation of this Act, issue such orders, instructions or directions to the central tax officers as it may deem fit, and thereupon all such officers and all other persons employed in the implementation of this Act shall observe and follow such orders,	(1) The Board may, if it considers it necessary or expedient so to do for the purpose of uniformity in the implementation of this Act, issue such orders, instructions or directions to the central tax officers as it may deem fit, and thereupon all such officers and all other persons employed in the implementation of this Act shall observe and follow such orders, instructions or directions.	Changes in power of Board.



	<p>instructions or directions.</p> <p>(2) The Commissioner specified in clause (91) of section 2, sub-section (3) of section 5, clause (b) of sub-section (9) of section 25, sub-sections (3) and (4) of section 35, sub-section (1) of section 37, sub-section (2) of section 38, sub-section (6) of section 39, <i>sub-section (1) of section 44, sub-sections (4) and (5) of section 52,</i>] sub-section (5) of section 66, sub-section (1) of section 143, sub-section (1) of section 151, clause (l) of sub-section (3) of section 158 and section 167 shall mean a Commissioner or Joint Secretary posted in the Board and such Commissioner or Joint Secretary shall exercise the powers specified in the said sections with the approval of the Board</p>	<p>(2) The Commissioner specified in clause (91) of section 2, sub-section (3) of section 5, clause (b) of sub-section (9) of section 25, sub-sections (3) and (4) of section 35, sub-section (1) of section 37, sub-section (2) of section 38, sub-section (6) of section 39, <i>sub-section (1) of section 44, sub-sections (4) and (5) of section 52,</i>] sub-section <del>(5) of section 66,</del> sub-section (1) of section 143 <b>except the second proviso thereof,</b> sub-section (1) of section 151, clause (l) of sub-section (3) of section 158 and section 167 shall mean a Commissioner or Joint Secretary posted in the Board and such Commissioner or Joint Secretary shall exercise the powers specified in the said sections with the approval of the Board</p>	
128	<p>172. (1) If any difficulty arises in giving effect to any provisions of this Act, the Government may, on the recommendations of the Council, by a general or a special order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be necessary or</p>	<p>172. (1) If any difficulty arises in giving effect to any provisions of this Act, the Government may, on the recommendations of the Council, by a general or a special order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be necessary or expedient for the purpose of</p>	<p>Removal of difficulty order can now be issued for the period upto 5 years GST law.</p>

		<p>expedient for the purpose of removing the said difficulty:</p> <p>Provided that no such order shall be made after the expiry of a period of three years from the date of commencement of this Act.</p>	<p>removing the said difficulty:</p> <p>Provided that no such order shall be made after the expiry of a period of <b>five</b> years from the date of commencement of this Act.</p>	
129	<p>Schedule II to CGST Act 2017 Paragraph 4</p>	<p>Transfer of business assets</p> <p>(a) where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, whether or not for a consideration, such transfer or disposal is a supply of goods by the person;</p> <p>(b) where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration, the usage or making available of such goods is a supply of services;</p> <p>(c) where any person ceases to be a taxable</p>	<p>Transfer of business assets</p> <p>(a) where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, <del>whether or not for a consideration</del>, such transfer or disposal is a supply of goods by the person;</p> <p>(b) where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, <del>whether or not for a consideration</del>, the usage or making available of such goods is a supply of services;</p> <p>(c) where any person ceases to be a taxable</p>	<p>Removal of condition would now mean involvement of consideration is must. The amendment is made retrospective.</p>

		<p>person, any goods forming part of the assets of any business carried on by him shall be deemed to be supplied by him in the course or furtherance of his business immediately before he ceases to be a taxable person, unless—</p> <p>(i) the business is transferred as a going concern to another person; or</p> <p>(ii) the business is carried on by a personal representative who is deemed to be a taxable person</p>	<p>supplied by him in the course or furtherance of his business immediately before he ceases to be a taxable person, unless—</p> <p>(i) the business is transferred as a going concern to another person; or</p> <p>(ii) the business is carried on by a personal representative who is deemed to be a taxable person</p>	
130	<p>Retrospective exemption from or levy of collection of central tax in certain cases</p>	<p>New insertion</p>	<p>130. (1) Notwithstanding anything contained in the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 673(E), dated the 28th June, 2017, issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (1) of section 9 of the Central Goods and Services Tax Act, 2017,—</p> <p>5</p> <p>12 of 2017.</p> <p>(i) no central tax shall be levied or collected in respect of supply of fishmeal (falling under heading 2301), during the period</p>	<p>Retrospective exemption to certain supplies.</p>

			<p>commencing from the 1st day of July, 2017 and ending with the 30th day of September, 2019 (both days inclusive); (ii) central tax at the rate of six per cent. shall be levied or collected in respect of supply of pulley, wheels and other parts (falling under heading 8483) and used as parts of agricultural machinery (falling under headings 8432, 8433 and 8436), during the period commencing from the 1st day of July, 2017 and ending with the 31st day of December, 2018 (both days inclusive).</p> <p>10 (2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.</p>	
131	Retrospective effect to notification issued under clause (ii) of proviso to sub-section 3 of section 54 of CGST	New insertion	<p>131. The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 708(E), dated the 30th September, 2019, issued by the Central Government, on the recommendations of the Council, in exercise of the powers under clause (ii) of the proviso to sub-section (3) of section 54 of the Central</p>	<p>Restriction on refund on tobacco products under inverted duty structure is made retrospective since 1<sup>st</sup> July 2017.</p>

	Act 2017	Goods and Services Tax Act, 2017, read with sub-section (2) of section 9 of the Goods and Services Tax (Compensation to States) Act, 2017, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.	
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