

CGST Reckoner

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Levy & collection (Sec. 1-11)

Chapter III: Levy & Collection of Tax	
7	<p>Scope of supply: Supply includes:</p> <ul style="list-style-type: none">▶ All forms of supply of goods or services or both such as sale, transfer, exchange, license, lease etc. made for a consideration, for business▶ Import of services for a consideration, whether or not for business▶ The activities referred to in Schedule I <p>The classification of supply of goods or services shall be made as per Schedule II.</p> <p>Supply excludes:</p> <ul style="list-style-type: none">▶ Activities referred in Schedule III▶ Services by way of any activity in relation to a function entrusted to a Panchayat under article 243G of the Constitution undertaken by Government or local authority [Notification No. 14/2017]▶ Service by way of grant of alcoholic liquor licence, against consideration in the form of licence fee or application fee or by whatever name it is called undertaken by the State Government. [Notification No. 25/2019]
8	<p>A composite /mixed supply shall be treated as if supply consists of principal supply & if there is no principal supply, then it consists of supply which attracts highest rate of tax.</p>

9

CGST charging section:

- ▶ GST shall be at **notified rate** not exceeding 20% on all **intra-State supplies** except liquor.
Note:- 20% as per CGST Act and 20% as per SGST Act. Therefore, total GST shall not exceed 40%.
 - ▶ Tax on supply of petroleum, diesel etc. will be levied from date to be notified separately.
 - ▶ Tax is to be paid by the recipient on **reverse charge** on supplies **Notified u/s 9(3) or 9(4)**.
 - ▶ Tax shall be paid by **e-commerce operator** on following intra-State services supplied through it:
 - ◆ Transportation of passengers by radio-taxi, motorcab, maxicab and motor cycle
 - ◆ Following services except where the person supplying such service through e-commerce operator is liable for registration u/s 22(1):
 - ✱ Providing accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes
 - ✱ Services by way of house-keeping, such as plumbing, carpentering etc.
- [[Notification No. 17/2017](#)] & [[Notification No. 23/2017](#)]

10

Composition Levy: If total **turnover** in the preceding FY is **Rs.1.5 crore or below (Rs.75 lakhs or below for Special Category States specified in [Notification No. 14/2019](#))**, may opt to pay an amount at following rate on turnover:

Category of persons	Rate*	
	Up to 31.12.17 [8/2017]	From 01.01.18 [1/2018] , [03/2019]
Manufacturer	1%	0.5%
Composite supplier of food or drink for human use [6(b) of Schedule II]	2.5%	2.5%
Other suppliers of goods	0.5%	0.5% of turnover of taxable supplies of goods & services
Others suppliers covered u/s 10(2A) (service providers)	-	3%

***Note:** SGST Act also prescribes the same rate. Therefore, the total rate will be twice the above given rate.

Conditions:

- ▶ Cannot collect tax from the recipient
- ▶ Not entitled to ITC
- ▶ Not applicable for non-resident or casual taxpayer
- ▶ Not applicable for the supply of
 - ◆ non-GST goods or services
 - ◆ inter-State outward supplies of goods or services
 - ◆ Supply of goods or services through e-commerce operator who is required to collect TCS u/s 52
 - ◆ manufacture of following goods [Notification No. 14/2019, 43/2019]
 - * Ice cream & other edible ice, whether or not containing cocoa [2105 00 00]
 - * Pan masala [2106 90 20]
 - * Aerated Water [2202 10 10]
 - * All goods, i.e. Tobacco and manufactured tobacco substitutes [24]
- ▶ First 3 category of persons mentioned in above table cannot supply services (other than composite supply of food/drink) of value exceeding 10% of turnover in FY or Rs. 5 lakh, whichever is higher

Note: Exempt services provided by way of extending deposits, loans or advances are excluded.

The option shall lapse from the day on which turnover during a FY exceeds the limit.

Time & value of supply (Sec. 12-15)

Chapter IV: Time & value of supply							
12	Liability to pay tax on supplies shall arise at the time of supply . It is & determined as follows:						
13	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Item</th> <th style="text-align: left;">Time of supply is earliest of the following dates:</th> </tr> </thead> <tbody> <tr> <td>12(2): Goods on which tax is paid other than on reverse charge</td> <td> <ul style="list-style-type: none"> ▶ Date of issue of invoice, if issued ▶ Last date for issue of invoice u/s 31 ▶ Date of receipt of payment </td> </tr> <tr> <td>12(3): Goods on which tax is paid on reverse charge</td> <td> <ul style="list-style-type: none"> ▶ Date of the receipt of goods ▶ Date of receipt of payment ▶ Date immediately following 30 days from date </td> </tr> </tbody> </table>	Item	Time of supply is earliest of the following dates:	12(2): Goods on which tax is paid other than on reverse charge	<ul style="list-style-type: none"> ▶ Date of issue of invoice, if issued ▶ Last date for issue of invoice u/s 31 ▶ Date of receipt of payment 	12(3): Goods on which tax is paid on reverse charge	<ul style="list-style-type: none"> ▶ Date of the receipt of goods ▶ Date of receipt of payment ▶ Date immediately following 30 days from date
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12(2): Goods on which tax is paid other than on reverse charge	<ul style="list-style-type: none"> ▶ Date of issue of invoice, if issued ▶ Last date for issue of invoice u/s 31 ▶ Date of receipt of payment 						
12(3): Goods on which tax is paid on reverse charge	<ul style="list-style-type: none"> ▶ Date of the receipt of goods ▶ Date of receipt of payment ▶ Date immediately following 30 days from date 						

		of issue of invoice						
13(2): Services on which tax is paid other than on reverse charge	<ul style="list-style-type: none"> ▶ Date of issue of invoice if within last date u/s 31 & if not, then date of provision of service ▶ Date of receipt of payment 							
13(3): Services on which tax is paid on reverse charge	<ul style="list-style-type: none"> ▶ Date of receipt of payment ▶ Date immediately following 60 days from date of issue of invoice 							
<ul style="list-style-type: none"> ▶ In the case of goods on which tax is paid on reverse charge and in the case of services, if it is not possible to determine the time of supply based on the events stated above, then date of entry in books of account of the recipient is the time of supply. ▶ If it is still not possible to determine the time of supply, then if periodical return is to be filed, date of filing and if not filed, then date of payment of tax is the time of supply [12(5) /13(5)]. ▶ Date of receipt of payment shall be earlier of the dates on which the payment is, entered in books of account & credited to bank account. ▶ If the supplier receives an amount up to Rs. 1000 in excess of invoice amount, the time of supply for such excess shall, at the option of the supplier, be the date of issue of invoice. ▶ To the extent of addition in the value by way of interest, late fee or penalty for delayed payment of any consideration, the time of supply shall be date of receipt of such addition. 								
14	<p>Section 12 & 13 are not applicable where there is a change in the rate of tax and any one of the following dates is after the change in rate of tax:</p> <ul style="list-style-type: none"> ▶ Date of supply of goods/services ▶ Date of issue of invoice ▶ Date of receipt of payment <p>In such cases the time of supply is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Condition</th> <th style="text-align: left;">Time of supply</th> </tr> </thead> <tbody> <tr> <td>Date of supply of goods/services is after change in the rate of tax and either invoice or payment is after the change</td> <td>Date of receipt of payment or date of issue of invoice whichever is later</td> </tr> <tr> <td>All other cases</td> <td>Date of receipt of payment or</td> </tr> </tbody> </table>		Condition	Time of supply	Date of supply of goods/services is after change in the rate of tax and either invoice or payment is after the change	Date of receipt of payment or date of issue of invoice whichever is later	All other cases	Date of receipt of payment or
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All other cases	Date of receipt of payment or							

	<p>date of issue of invoice whichever is earlier</p>
	<p>Date of receipt of payment shall be earlier of the dates on which the payment is, entered in his books of account & credited to his bank account. However it shall be the date of credit in the bank account if such credit is after 4 working days from the date of change in rate of tax.</p>
15	<p>The value of supply shall be the transaction value, which is the price actually paid or payable where the supplier & the recipient are not related. Price includes:</p> <ul style="list-style-type: none"> ▶ Any taxes, duties, cesses, charges levied under any law other than the GST Acts if charged separately ▶ Any amount that the supplier is liable to pay but which has been incurred by the recipient & not included in the consideration ▶ Incidental expenses & any amount charged for anything done by the supplier at the time of or before delivery of supplies ▶ Interest, late fee, penalty for delayed payment of consideration ▶ Subsidies directly linked to the price except subsidies provided by the Central & State Governments <p>The value of the supply shall exclude discount which is given:</p> <ul style="list-style-type: none"> ▶ before or at the time of the supply if such discount has been recorded in the invoice ▶ after time of supply, if discount is in terms of an agreement, specifically linked to relevant invoices & ITC attributable to the discount has been reversed by the recipient <p>Explanation: For the purposes of this Act,—</p> <p>(a) persons shall be deemed to be “related persons” if—</p> <ul style="list-style-type: none"> (i) such persons are officers or directors of one another’s businesses; (ii) such persons are legally recognised partners in business; (iii) such persons are employer and employee; (iv) any person directly or indirectly owns, controls or holds 25% or more of the outstanding voting stock or shares of both of them; (v) one of them directly or indirectly controls the other; (vi) both of them are directly or indirectly controlled by a third person; (vii) together they directly or indirectly control a third person; or (viii) they are members of the same family;

(b) the term "person" also includes legal persons;

(c) persons who are associated in the business of one another in that one is the sole agent or sole distributor or sole concessionaire of the other, shall be deemed to be related.

Input Tax Credit (Sec. 16-21)

Chapter V: Input Tax Credit

16 Eligibility and conditions for taking ITC:

- ▶ ITC charged on supply used for business can be taken only if:
 - ◆ Invoice or debit note is in possession
 - ◆ Invoice or debit note is furnished by supplier in GSTR-1/IFF and the same is communicated to recipient in Form GSTR-2B ([Notification No.40/2021](#))
 - ◆ Entire supply has been received
 - ◆ ITC is not restricted in GSTR-2A/GSTR-2B
 - ◆ Tax has been paid in cash or through utilization of ITC
 - ◆ Filed the return u/s 39
- ▶ If the recipient fails to pay the consideration & tax other than tax on reverse charge, within 180 days from date of issue of invoice, ITC taken & interest shall be added to his output tax liability. On payment, he can avail the ITC again.
- ▶ ITC cannot be taken after the 30th of November following the end of the FY or date of furnishing the relevant annual return, whichever is earlier.
- ▶ ITC shall not be allowed on the tax component of the cost of capital goods and plant & machinery if depreciation is claimed on tax component under IT Act.

ITC can be availed in following order as specified u/s 49:

ITC available in electronic credit ledger	To be used only against following taxes in the same order
Integrated tax	Integrated, Central & State or Union territory tax
Central tax	Central & integrated tax

	State tax	State & integrated tax
	Union territory tax	Union territory & integrated tax
	The ITC on account of central tax, State tax or Union territory tax shall be utilized only after the ITC available on account of integrated tax has first been utilized fully. Further, for payment of Integrated tax, the ITC on account State tax or Union territory tax shall be utilized only after ITC on account Central tax has first been utilized fully.	
17	<p>Restrictions on ITC:</p> <ul style="list-style-type: none"> ▶ If supply is used partly for business and partly otherwise, ITC shall be restricted to so much of input tax which is attributable to the purposes of business. ▶ If supply is used for effecting partly taxable supplies including zero-rated supplies and partly exempt supplies, ITC shall be restricted to so much of input tax which is attributable to the taxable supplies. The value of exempt supply shall include supplies on which tax is paid on reverse charge, transactions in securities, sale of land and subject to Schedule II 5(b), sale of building; but excludes the activities referred to in Schedule III (except paragraph 5). ▶ A banking company or a financial institution shall have the option to avail 50% of ITC every month and the rest shall lapse and the option once exercised shall not be withdrawn during the FY. ▶ ITC is not available for: <ul style="list-style-type: none"> ◆ Motor vehicles having approved seating capacity up to 13 persons (including driver), except when they are used for making taxable supply of transportation of passengers or for further supply of such vehicles or for training on driving of such vehicles. ◆ Vessels and aircraft except when they are used for transportation of goods or making taxable supply of transportation of passengers or for further supply of such vessels or aircraft or for training on navigating such vessels or flying such aircraft. ◆ Services of general insurance, servicing, repair and maintenance of vehicles, vessels or aircraft referred above except the case where it is used for the purpose specified above or the person receiving this service is either a manufacturer of such vehicles or provider of general insurance services on such vehicles. 	

- ◆ Supply of food & beverages, outdoor catering, beauty treatment, health services, plastic surgery, leasing, renting or hiring of motor vehicles, vessels or aircrafts referred above except when used for the purposes specified above, life insurance and health insurance. However, ITC is available for inward supply of a category is used for making an outward taxable supply of the same category or as a part of composite or mixed supply. Supply of membership of a club, health & fitness center
- ◆ Travel benefits given to employees on vacation if employer is not obligated to provide the same under any law.
- ◆ Works contract services or supplies for construction of an immovable property (other than plant & machinery) except where input service is used for output supply of works contract service
- ◆ Supply on which composition levy has been paid u/s 10
- ◆ Supply used for personal consumption
- ◆ Supply received by a non-resident taxable person except on goods imported by him
- ◆ Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples
- ◆ Any tax paid u/s 74, 129 & 130

18 **ITC on stock:**

- ▶ A person can take credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on day immediately preceding the dates given below:

Case	Dates
Applied for registration within 30 days from date of becoming liable to registration and has been granted such registration	Date from which liable to pay tax
Registered u/s 25(3)	Date of grant of registration
Switch from composition levy to normal levy	Date from which liable to pay tax u/s 9
Exempt supply becomes taxable supply	Date of on which the supply becomes taxable

	<ul style="list-style-type: none"> ▶ On switch from composition levy to normal levy or exempt supply becoming taxable supply, ITC can be taken on capital goods reduced by prescribed percentage points, held in stock on the day immediately preceding the date from which he becomes liable to pay tax. ▶ In the above cases, ITC cannot be taken after 1 year from the date of issue of invoice. ▶ If any person who has taken ITC opts to pay tax u/s 10 or the supply become wholly exempt, 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, reduced by prescribed percentage points, on the day immediately preceding the date of exercising of such option or the date of such exemption, shall be paid. After payment, the balance of ITC, if any, in electronic credit ledger shall lapse. ▶ On supply of capital goods or plant and machinery, on which ITC has been taken, an amount equal to the ITC taken on the said capital goods or plant and machinery reduced by prescribed percentage points or the tax on the transaction value, whichever is higher, shall be paid. However, where refractory bricks, moulds & dies, jigs & fixtures are supplied as scrap, the taxable person may pay tax on the transaction value. ▶ On sale, merger, demerger, amalgamation, lease or transfer of business with specific provisions for transfer of liabilities, ITC which remains unutilised can be transferred to successor.
19	<p>The principal shall be allowed ITC on inputs & capital goods sent to a job-worker even if the goods are directly sent to the job worker without being brought to his place of business. However, inputs should be utilized or received back within 1 year and capital goods should be received back within 3 years (except moulds & dies, jigs & fixtures or tools).</p>
20	<p>The Input Service Distributor (ISD) shall distribute the credit against a document of credit. The ITC on input services attributable to a recipient shall be distributed only to that recipient. Credit shall be distributed on prorata basis of the turnover of such recipient to aggregate turnover of all recipients for relevant period.</p> <p>Relevant period is:</p> <ul style="list-style-type: none"> ◆ If the recipients have turnover in the FY preceding year of distribution, then that year

- ◆ Otherwise, the last quarter for which turnover of all the recipients is available, previous to the month during which credit is to be distributed
- 'Turnover' is the turnover reduced by tax levied under entries 84 and 92A of List I & entry 51 & 54 of List II of the 7th Schedule to the Constitution i.e., excise duties and VAT.

Registration (Sec. 22-30)

Chapter VI: Registration

22 **Person liable to register:**

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- ▶ Having **Turnover > Rs.10 Lakh**, if making taxable supplies from Special category states, i.e., **Manipur, Mizoram, Nagaland and Tripura**
- ▶ Having **Turnover > Rs.40 Lakh**, if he is engaged in exclusive **supply of goods** other than Ice cream and other edible ice (2105 00 00), Pan masala (2106 90 20) or Tobacco and manufactured tobacco substitutes (24).

Not applicable, if person makes intra-state supplies in state Arunachal Pradesh, Meghalaya, Puducherry, Sikkim, Telangana, Uttarakhand, Manipur, Mizoram, Nagaland Tripura [[Notification 10/2019](#)]

- ▶ **Having Turnover > Rs.20 Lakh** (other than above mentioned persons)
- ▶ **Registered** or holding license under an **existing law**
- ▶ Transferee or **successor** of the business of a registered person
- ▶ Making **inter-State taxable supply**
- ▶ **Casual or non - resident** taxable person making taxable supply
- ▶ Required to pay tax under **reverse charge or u/s 9(5)**
- ▶ Making **taxable supply on behalf** of other taxable persons
- ▶ Required to deduct tax u/s **51 or ISD**, whether or not separately registered under this Act
- ▶ Making supplies **through e-commerce operator** who is required to collect TCS u/s 52 (other than supplies specified u/s 9(5))
- ▶ **E-commerce operator** who is required to collect TCS u/s 52
- ▶ Supplying **online information access/retrieval services** from outside India to an unregistered person in India
- ▶ Notified class of persons

23 **Person not liable to register:**

- ▶ Person engaged in business of supplying **only exempt supply** under this Act or integrated GST Act
- ▶ An **agriculturist**, to the extent of **supply of produce** out of cultivation of land
- ▶ Persons making taxable supply, where entire **tax is payable by the recipient under reverse charge basis u/s 9(3)** of this Act [[Notification 5/2017-Central Tax](#)]
- ▶ Interstate supplies of **handicraft goods** notified in [[Notification 56/2018](#)] & [[Notification 38/2017](#)] in a FY does not exceed Rs. 20 lakhs (Rs.10 lakhs in **special category states**) provided the supplier has PAN and the goods move under the cover of an e-way bill.
- ▶ Interstate **supply of job work** by a job worker to a registered person provided the turnover in a FY does not exceed Rs. 20 lakhs (Rs.10 lakhs in **special category states**) and not involved in supply of services in relation to Jewellery, goldsmiths' and silversmiths' wares and other articles (Chapter 71) [[Notification 7/2017](#), [02/2019](#)].
- ▶ Supplies (other than supplies specified u/s 9(5)) **through e-commerce operator** who is required to collect TCS u/s 52 provided the turnover in a FY does not exceed Rs. 20 lakhs (Rs.10 lakhs in **special category states**) [[Notification 65/2017](#)], [[Notification 06/2019](#)]

25 **Procedure for registration:**

- ▶ Registration to be **applied for within 30 days** from the date of becoming liable.
- ▶ **PAN is mandatory** for registration. However, deductor may have a **TAN** instead of PAN
- ▶ A person, though not liable may register **voluntarily**, & all provisions of this Act, as are applicable to a registered person, shall apply to such person.
- ▶ A **casual or non-resident** taxable person shall apply at least 5 days prior to the commencement of business.
- ▶ A person having a unit, as defined in the Special Economic Zones Act, 2005 (28 of 2005), in a SEZ or being a SEZ developer has to apply for a separate registration, as distinct from his place of business located outside the SEZ in the same State or Union territory.
- ▶ Only single registration in a State or Union territory shall be granted.

	<p>However, for person having multiple places of business in a State, separate registration for each places of business can be granted subject to conditions.[Rule 11]</p> <ul style="list-style-type: none"> ▶ A person who has obtained registration for himself or his establishment in more than one State or Union territory shall, be treated as distinct persons under this Act for each such registration. ▶ A certificate of registration shall be issued from prescribed date and shall be deemed to have been granted after expiry of notified period, if no deficiency has been communicated to the applicant within that period. ▶ Every registered person shall furnish proof of possession of Aadhaar number or notified alternate means of identification in a notified manner. However Aadhaar authentication is not required in case of persons notified in Notification - 03/2021 & Notification 36/2021 <p>Clarification: Inter-state movement of goods like movement of various modes of conveyance, between distinct persons as specified u/s 25(4) may not be treated as supply & consequently IGST will not be payable on such supply. However, applicable CGST/SGST/IGST shall be leviable on repairs & maintenance done for such conveyance. [Circular No. 1/1/2017-IGST]</p>
26	<ul style="list-style-type: none"> ▶ Registration under State or Union territory Act is deemed as registration under this Act unless application for registration is rejected under this Act within time specified u/s 25(10) ▶ Rejection of application for registration under State or Union territory Act is deemed as rejection under this Act
27	<p>In case of casual or non-resident taxable person:</p> <ul style="list-style-type: none"> ▶ Certificate of registration is valid for the period specified in the application or 90 days, whichever is earlier ▶ Taxable supplies to be made only after issue of certificate ▶ At the time of applying, advance deposit shall be made of estimated tax liability for the period for which the registration is sought by crediting the electronic cash ledger and the same shall be utilized only as per section 49
28	<p>Changes in the information given for registration shall be communicated within prescribed period. The same may be rejected after giving an opportunity of being heard. Rejection of such information under State or Union territory GST Acts shall be deemed to be rejection under this Act.</p>

29	<p>▶ Registration may be cancelled from any date including retrospective date, if person has:</p> <ul style="list-style-type: none"> ◆ Contravened provisions of the Act or rules ◆ Person paying Tax u/s 10 has not filed return for a Financial Year beyond 3 months from the due date ◆ Registered Person other than person paying tax u/s 10 has not furnished returns for such continuous period as prescribed ◆ Voluntarily registered u/s 25(3) & has not commenced business within 6 months from date of registration ◆ Obtained registration by means of fraud, willful misstatement or suppression of facts <p>▶ Cancellation of registration shall not affect the liability to pay tax or to discharge any obligation under this Act for any period prior to the date of cancellation.</p> <p>▶ Cancellation of registration under State or Union territory Act is deemed as cancellation under this Act.</p> <p>▶ On cancellation, e-ledger shall be debited by ITC determined u/s 18(1).</p>
30	<p>▶ A person may apply for revocation of cancellation within 30 days from the date of service of the order of cancellation.</p> <p>▶ Revocation of cancellation of registration under State or Union territory GST Acts shall be deemed to be revocation of cancellation under this Act.</p>

Invoices & Accounts (Sec.31-36)

Chapter VII: Tax invoice, credit and debit notes	
31	<p>Issue of invoice or any other document in lieu of invoice:</p> <ul style="list-style-type: none"> ▶ A registered person making taxable supply shall issue an invoice showing the description, quantity of goods and value of supply, tax charged thereon & other prescribed details. ▶ For goods, invoice to be issued before or at the time of, <ul style="list-style-type: none"> ◆ Removal of goods for supply, if supply involves movement of goods ◆ Delivery of goods to the recipient in other cases ▶ For services, invoice to be issued before or after the provision of service, but within prescribed period.

- ▶ **Need not issue** invoice if **value** of supply is **less than Rs.200**.
- ▶ Issue a **bill of supply** on **exempted supply** or pays tax u/s 10, unless the value of supply is less than Rs.200.
- ▶ Issue a **receipt voucher** on receipt of **advance** payment. However, **if supply is not made** and tax invoice is not issued, then the registered supplier may issue a **refund voucher** against such advance payment.
- ▶ If **pays tax u/s 9(3)/(4)**, issue:
 - ◆ **Invoice** for supply received from **unregistered supplier** on the date of receipt of supply
 - ◆ **Payment voucher** at the time of making payment to the supplier.
- ▶ Issue a **revised invoice within 1 month** from issue of certificate of registration, against invoice already issued during the period from effective date of registration to date of issue of certificate.
- ▶ Registered person [**other than a Government dept., local authority, SEZ unit & persons referred in rule 54 (2), (3), (4), (4A)**] whose turnover in any preceding financial year starting from 2017-18, exceeds Rs.10 crores shall issue **e-Invoice in case of supply to regd. Persons & exports**.
[\[Notification 13/2020, 61/2020, 70/2020, 88/2020, 05/2021, 23/2021, 01/2022 & 17/2022\]](#)
- ▶ Registered person [**other than persons** referred in rule 54(2),(3),(4), (4A) and u/s 14 of IGST Act], whose turnover in any preceding FY starting from 2017-18, exceeds Rs.500 crores, shall issue the invoice containing **Dynamic Quick Response Code(QR Code)** in case of supply to unregistered person. [\[Notification 14/2020, Notification No. 71/2020, Notification No. 28/2021.\]](#)

Invoice in Special cases:

- ▶ If supply of services ceases **under a contract** before **completion**, the invoice shall be issued at the time when the supply ceases to the extent of the supply made before such cessation
- ▶ If **goods** being sent or taken **on approval** for sale or return are removed before supply, then invoice to be issued before or at the time of, earlier of, supply or 6 months from the date of removal

In case of **continuous supply** of goods:

Case	Invoice shall be issued
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	If successive statements of accounts or payment are involved	Before or at the time of issue or receipt of such statements or payments
	In case of continuous supply of services:	
	If due date of payment is there in the contract	On or before the due date of payment
	If payment date is not there in the contract	Before or at the time of receipt of payment
	If payment is linked to completion of an event	On or before the date of completion
32	Prohibition of unauthorized collection of tax:	
	<ul style="list-style-type: none"> ▶ Unregistered person shall not collect tax under this Act. ▶ Registered person shall collect tax only as per this Act or the rules. 	
33	Amount of tax should be indicated in invoice and other documents.	
34	Issue of credit or debit notes:	
	<ul style="list-style-type: none"> ▶ Credit notes may be issued by registered supplier in the following cases: <ul style="list-style-type: none"> ◆ Taxable value or tax charged in invoices exceeds actual value or tax payable ◆ Supply is returned or is found to be deficient by the recipient ▶ Details of such note shall be declared in the return for the month of issue of note but not later than 30th November following the end of the FY in which such supply was made, or the date of furnishing of the relevant annual return, whichever is earlier ▶ Debit notes may be issued if taxable value or tax charged in invoices is less than the actual value or tax payable & details of such note shall be declared in the return in month of issue of such note ▶ No reduction in output tax liability of supplier on account of credit note shall be permitted, if the incidence of tax & interest on such supply has been passed on to other person 	
Chapter VIII: Accounts & records		
35	<ul style="list-style-type: none"> ▶ Registered person shall maintain at principal place of business a true & correct account of: <ul style="list-style-type: none"> ◆ Production , inward & outward supply 	

	<ul style="list-style-type: none"> ◆ Stock of goods ◆ ITC availed ◆ Output tax payable & paid ◆ Other prescribed particulars <ul style="list-style-type: none"> ▶ If multiple places of business are specified in the certificate of registration, the accounts relating to each place of business shall be kept at such places ▶ Every owner or operator of any storage place & every transporter, whether registered or not, shall maintain records of the consigner, consignee & other prescribed details. ▶ If turnover during a FY exceeds Rs.2 crore (5 crores in case FY 18-19 & 19-20), accounts should be audited by a C.A. or a Cost Accountant & shall submit a copy of the audited annual accounts, the reconciliation statement u/s 44 (2) in FORM GSTR-9C and other prescribed documents. Reconciliation statement shall reconcile the value of supplies declared in the return and audited financial statement. This condition shall not apply to any department of the Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities.
36	<ul style="list-style-type: none"> ▶ Every person required to maintain records u/s 35 shall retain them until the expiry of 72 months from the due date of furnishing of annual return for the year for which record is kept. ▶ Records pertaining to the subject matter of proceedings before any authority or investigation for an offence under Chapter XIX, shall be retained for 1 year after final disposal of such proceedings or for the period specified above, whichever is later.

Returns (Sec. 37-48)

Please [click here](#) to refer the Forms

Chapter IX: Returns	
37 38	Return of outward and inward supplies by the registered person (other & than ISD, non-resident, a person paying composition levy u/s 10, TDS u/s 51 or TCS u/s 52) in GSTR-1, subject to conditions and restrictions prescribed.

Note: A registered person having aggregate turnover of up to 1.5 crore rupees in the preceding FY or current year can opt to file quarterly return of Form GSTR-1. [[Notification No. 43/2018](#)]

- ▶ **Supplier** shall, within 10th of the succeeding month, furnish details of **outward supplies** effected during a tax period which will be communicated to the recipient electronically
- ▶ **Rectification** (other than error discovered by tax authorities) of details given in return is **allowed** in the return filed for discovery period. Last date for such rectification is:
 - ◆ 30th of November following the end of the FY to which such details pertain or
 - ◆ **Date of furnishing** the relevant **annual return, whichever is earlier.**
- ▶ A registered person shall not be allowed to file details of outward supplies, if for any of the previous tax periods such details of outward supplies have not been filed by him except unless specified by the Central Govt. by way of notification.
- ▶ An auto generated statement of inward supplies shall be made available to the recipient and it shall consist of
 - ◆ Details of inward supplies for which ITC can be availed
 - ◆ Details of supplies for which ITC cannot be availed by the recipient on account of details furnished u/s 37(1) by below mentioned persons:
 - ✱ Within such period of taking registration
 - ✱ Who has continuously defaulted in payment of tax
 - ✱ Whose output tax payable exceeds the output tax paid during such period
 - ✱ Who availed input tax credit more than the credit actually available to him
 - ✱ Who has defaulted in discharging his tax liability as per section 49(12)

3	(1	<p>Monthly return of outward and inward supplies by registered persons (other than ISD, non-resident, a person paying composition levy u/s 10, TDS u/s 51 or TCS u/s 52) in GSTR-3B</p>
9)	
	(2	<p>Person paying composition levy u/s 10 shall file quarterly return of inward supplies, tax payable and tax paid within 18 days after the end of</p>
)	

	such quarter in Form CMP-08.
(3)	A person required to deduct TDS u/s 51 shall file return for the month in which deductions have been made within 10 days after the end of such month in Form GSTR-7.
(4)	An ISD shall file monthly return within 13 days after the end of such month in Form GSTR-6.
(5)	A non-resident taxable person shall file monthly return within 13 days after the end of month or within 7 days after the last day of the period of registration specified u/s 27(1), whichever is earlier in Form GSTR-5.
(6)	The Commissioner may extend the time limit for furnishing the returns by notification.
(7)	Tax due as per return is to be paid before due date to file return.
(8)	Every registered person is required to file NIL return even if outward supply has not been made.
(9)	Rectification (other than error discovered by tax authorities) in monthly/quarterly returns shall be made in such form and manner as may be prescribed. Last date for such rectification is: <ul style="list-style-type: none"> ▶ 30th of November following the end of the FY to which such details pertain or ▶ Date of furnishing the relevant annual return, whichever is earlier.
(10)	If return/details of outward supplies for any previous periods has not been filed then current return cannot be filed unless specified by the Central Govt. by way of notification.
4 0	First return: Outward supplies made from the date on which he became liable to registration till the date of grant of registration shall be declared in the first return filed by him after registration.
4 1	Availment of ITC: Credit of ITC can be availed as self-assessed in return and it will be added to electronic credit ledger. If Tax has not been paid by the supplier then the ITC along with interest shall be reversed in the prescribed manner. The supplier can re-avail the ITC reversed if he makes the payment of such tax due.
4	▶ Every registered person, (other than ISD, casual taxable person, non-

4	<p>resident, deductor u/s 51 or collector u/s 52, person in non-taxable territory providing OIDAR services to non-taxable online recipient) shall furnish an annual return for every FY on or before 31st December following the end of such FY.</p> <p>Furnishing annual return for FY 17-18 to 20-21 is optional if Turnover is up to Rs.2 crore. [Notification No. 47/2019, 77/2020, 31/2021]</p> <ul style="list-style-type: none"> ▶ Every person (other than person in non-taxable territory providing OIDAR services to non-taxable online recipient) with Turnover > 5 crore shall furnish a copy of annual accounts & a self-certified reconciliation statement in FORM GSTR-9C (refer Rule 80).
4 5	<p>Registered persons whose registration has been cancelled and who are required to furnish a return u/s 39(1) shall furnish a final return within 3 months of the date of cancellation or date of order of cancellation, whichever is later.</p> <p>The persons whose registration has been cancelled on or before 30-Sep-18 shall furnish a final return in Form GSTR-10 within 31-Dec-18. [Notification No. 58/2018]</p>
4 6	<p>Notice to return defaulters u/s 39, 44 & 45 can be issued to file return within 15 days.</p>
4 7	<p>Levy of late fee: On failure to file details u/s 37, 39, 44, 45 or 52 within due date, late fee of Rs.100 shall be paid per day subject to maximum of Rs.5000 except in case of annual return u/s 44. In case of annual return u/s 44, maximum limit is 0.25% of turnover. Note-: Rs. 100 late fee is as per CGST Act. SGST Acts also prescribe Rs. 100 per day. Therefore total late fee of Rs.200 per day is to be paid.</p> <p>However, as per Section 128, the Government has waived the late fee payable for some GSTRs. Click here</p>
4 8	<p>GST practitioner: Approved GST practitioner may be authorised to file details and returns u/s 37, 39, 44, 45 and such other functions. The responsibility for correctness of any particulars filed shall be with the person on whose behalf such return and details are filed.</p> <p>Manner of approval, eligibility, conditions, duties, manner of removal of GST practitioner is prescribed in Rule 83.</p>

Tax payment & assessment (Sec. 49-60)

Chapter X: Payment of tax			
49,	Item	Credited to	Used for any payment
49A, 49B	Tax, interest, penalty, fee, etc. paid	Electronic cash ledger	Under this Act or rules
	ITC as self-assessed in return	Electronic credit ledger	Of output tax under this Act or Integrated GST Act
<p>ITC can be availed in specific order mentioned u/s 49. The said order is given along with summary of section 16 (ITC).</p> <ul style="list-style-type: none"> ▶ The balance in the e-ledger after payment may be refunded as per section 54. ▶ All liabilities under this Act shall be recorded in an electronic liability register. ▶ Dues shall be discharged in the following order: <ul style="list-style-type: none"> ◆ Dues of previous tax periods ◆ Dues of the current tax period ◆ Any other amount payable including the demand determined u/s 73 or 74 ▶ The amount available in a electronic cash ledger can be transferred to the electronic cash ledger for <ul style="list-style-type: none"> ◆ IGST, CGST, SGST, UTGST or Cess as notified or ◆ IGST or CGST of a distinct person specified u/s 25(4) or 25(5) provided no unpaid liability exists in the electronic liability register of transferor. <p>Such transfer shall be deemed to be a refund from the electronic cash ledger.</p> ▶ The Central Govt. by notification may specify the maximum proportion of output tax liability which may be discharged through the electronic credit ledger. 			
50	<ul style="list-style-type: none"> ▶ Interest shall be paid @ 18% p.a. on delayed payment of tax and on the input tax credit wrongly availed and utilized. [Notification No. 13/2017 as amended by Finance Act, 2022] ▶ In the case of return filed after due date (except the case having 		

	<p>proceedings u/s 73 or 74), the Interest on tax payable in respect of supplies made during a tax period shall be levied on the portion of tax paid by debiting the electronic cash ledger only.</p> <p>Note: The interest rate is reduced for delay in filing GSTR-3B in the cases specified in Notification No.51/2020, 08/2021, 18/2021 & for delayed filing of GSTR-8 in the cases specified in Notification No. 08/2022.</p>
51	<p>▶ Notified deductor has to deduct TDS at the rate of 1% (1% as per CGST Act & 1% as per SGST Act. Therefore Total TDS deductible is 2%) from the payment made or credited to the supplier, w.e.f. 01-Oct-18, if the total value of supply excluding tax under a contract exceeds Rs.2,50,000. The supplier can claim credit of such TDS. Notified deductor includes the following [Notification No.50/2018]:</p> <ul style="list-style-type: none"> a) a department or establishment of the Central Government or State Government; or b) local authority; or c) Governmental agencies; or d) As per Notification No.50/2018: <ul style="list-style-type: none"> ◆ an authority or a board or any other body, - <ul style="list-style-type: none"> (i) set up by an Act of Parliament or a State Legislature; or (ii) established by any Government, with fifty-one percent or more participation by way of equity or control, to carry out any function; ◆ society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860); ◆ public sector undertakings <p>▶ As per Notification No. 57/2018, this shall not apply to the authorities under the Ministry of Defence, other than the authorities specified in the Annexure-A and their offices.</p> <p>▶ As per Notification No. 61/2018, this shall not apply to the supplies from a public sector undertaking to another public sector undertaking, whether or not a distinct person.</p> <p>▶ As per Notification No. 73/2018, this shall not apply to the supply between one person to another persons specified above.</p> <p>▶ However deduction shall not be made if the location of the supplier and</p>

	<p>the place of supply is in a State or Union territory which is different from registration of recipient.</p> <ul style="list-style-type: none"> ▶ Such deduction shall be paid within 10 days after the end of the month of deduction. ▶ A certificate of Tax Deducted at Source shall be furnished to the deductee in such form and manner as prescribed. ▶ Deductor or deductee can claim refund of TDS on account of excess or wrong deduction as per section 54 except where deductee has already taken credit of such amount. ▶ Intra-State supply received by a deductor from unregistered supplier, is exempted from the whole of the central tax leviable thereon u/s 9(4), subject to the condition that the deductor is not liable to be registered otherwise than u/s 24(vi) [Notification No.9/2017].
52	<ul style="list-style-type: none"> ▶ E-commerce operator, not being an agent, shall collect TCS at notified rate not exceeding 0.5% (0.5% under CGST Act & 0.5% under SGST Act. Therefore Total TCS rate is 1%) of the net value of taxable supplies made through it by other suppliers w.e.f. 01-Oct-18 [Notification No.51/2018]. The supplier can claim credit for such TCS. [Notification No. 52/2018] & [Notification No. 02/2018] ▶ TCS shall be paid to the Government within 10 days after the end of month of collection. ▶ Monthly statement shall be filed with details within 10th of the succeeding month. Annual statement shall be filed before 31st December following the end of FY or a notified due date. ▶ Errors can be rectified & interest shall be paid u/s 50(1). Rectification is not allowed after the 30th of November following the end of the FY or the actual date of filing relevant annual statement, whichever is earlier.
Chapter XI: Refunds	
54	<ul style="list-style-type: none"> ▶ Application for refund to be filed within 2 years. ▶ Refund of balance in electronic cash ledger u/s 49(6) may be claimed in the prescribed form. ▶ Refund of any unutilised ITC at the end of tax period may be claimed for: <ul style="list-style-type: none"> ◆ Zero rated supplies made without payment of tax ◆ Credit accumulated on account of rate of tax on inputs being higher

	<p>than rate on outputs except for nil rated, exempt & notified supplies except for goods specified in [Notification No. 5/2017], [Notification No. 29/2017] & [Notification No. 46/2017]</p> <p>The goods notified in above notifications are applicable for provision given in Notification No. 21/2018. [clarification in Circular No.56/30/2018-GST]</p> <ul style="list-style-type: none"> ▶ Refund is not allowed where: <ul style="list-style-type: none"> ◆ Goods exported out of India are subjected to export duty ◆ Supplier avails drawback in respect of central tax ◆ Supplier claims refund of the integrated tax paid ◆ Services specified under Schedule II 5(b) [Notification No. 15/2017]
55	<p>Following persons are entitled to claim a refund of taxes paid on the notified supplies received by them subject to conditions [Notification No. 16/2017]:</p> <p>(i) United Nations or a specified international organisation; and</p> <p>(ii) Foreign diplomatic mission or consular post in India, or diplomatic agents or career consular officers posted therein</p>
56	<ul style="list-style-type: none"> ▶ If any tax ordered to be refunded u/s 54(5) is not refunded within 60 days from the date of receipt of application u/s 54(1) interest at 6% shall be paid. ▶ Provided that where any claim of refund arises from an order passed by an authority or tribunal or court and the same is not refunded within 60 days from the date of receipt of application filed consequent to such order, interest at 9% shall be payable from the date immediately after the expiry of sixty days from the date of receipt of application till the date of refund.
Chapter XII: Assessment	
59	Tax payable under this Act shall be self-assessed in return filed u/s 39.
60	If unable to self-assess, tax may be paid on a provisional basis subject to conditions.

Liability to pay & advance ruling (Sec. 85-106)

Chapter XVI: Liability to pay in certain cases	
Case	Person liable to pay any amount due

85	Transfer of business in any manner	Transferor & transferee jointly & severally, wholly or to the extent of such transfer, up to time of transfer
86	Agent supplies or receives taxable goods on behalf of principal	Agent & principal jointly & severally
90	Firm	Firm & its partners, jointly & severally except that retired partner shall be liable only up to date of retirement if date is intimated to the Commissioner
91	Business is carried on by guardian, trustee or agent of a minor or incapacitated person	Guardian, trustee or agent
92	Estate of person owning business is under the control of Court of Wards, the Administrator General, the official Trustee, receiver or manager appointed under order of a court	The Court of Wards, the Administrator General, the official Trustee, receiver or manager
93	Person who carries on a business dies	If business is continued after death by any person, then such person, otherwise legal representative
	Partition of property of a HUF or AOP	Each member jointly & severally, up to partition
	Dissolution of firm	Every partner jointly & severally up to dissolution
	Termination of guardianship or trust	Ward or the beneficiary of trust, up to termination
94	Discontinuation of business of firm, AOP or HUF	Every partner or member jointly & severally, up discontinuance
	Change in the constitution of a firm or AOP	The partners or members jointly & severally before its reconstitution

The amount due is to be paid by above mentioned persons even if liability is determined at a later date.

87 If **on amalgamation or merger** in pursuance of an order, companies involved have supplied or received any supplies to or from each other during date of effect of order to date of order, then such supply shall be included in the turnover or receipt of the respective companies.

88 ▶ **Liquidator of company** shall give intimation of his appointment to the & Commissioner within 30 days after the appointment.

89 ▶ If any amount due from a **private company** for any period cannot be recovered, every director during such period shall, jointly & severally, be liable for such amount (except where the private company is later converted into a public company) unless he proves that non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company.

Chapter XVII: Advance ruling

97 An **application** may be made for advance ruling, stating **question on which ruling is sought**, which shall be in respect of:

- ◆ Classification of any supplies
- ◆ Applicability of a notification
- ◆ Determination of time, value of supply & liability to pay tax
- ◆ Admissibility of ITC
- ◆ Whether applicant is required to be registered
- ◆ Whether any particular thing done by the applicant results in supply

Offences & Penalties (Sec. 122-138)

Chapter XIX: Offences and penalties

12 122(1): **Penalty** of higher of Rs.10,000 or amount which is due under below
2 offences shall be paid by a person who:

- ▶ **Does not issue** or issues **incorrect** or false invoice
- ▶ Issues any invoice or document by **using the registration no. of another person**
- ▶ Issues **invoice without supply & avails ITC** on such invoice
- ▶ **Suppresses turnover** or fraudulently obtains refund of tax

- ▶ Collects any tax which is not paid to the government within 3 months from due date of payment
- ▶ Deducts or collects, lesser amount than required u/s 51(1) or 52(1) or fails to pay u/s 51(2) or 52(3)
- ▶ Takes or distributes ITC in contravention of section 20
- ▶ Falsifies or fails to retain financial records, accounts or documents
- ▶ Fails to furnish or furnishes false information or return or documents
- ▶ Fails to obtain registration even though liable to do so
- ▶ Transports any taxable goods without the cover of documents
- ▶ Supplies, transports or stores goods which are liable to confiscation
- ▶ Tampers or destroys any material evidence or document or goods that have been detained, seized, or attached
- ▶ Obstructs or prevents any officer in discharge of his duties

122(1A): Any person retaining benefit of any transaction as mentioned below at whose instance such transaction is conducted shall be liable to the penalty equal to Tax evaded, ITC availed or passed on.

- ▶ Transaction without issuing invoice or by issuing incorrect or false invoice
- ▶ Avail credit for invoice or bill issued without supply of goods or services
- ▶ Utilizes ITC without actual receipt of goods or services
- ▶ Takes or distributes ITC in contravention of section 20

122(2): Supplier of any supplies on which any tax has not been paid or short-paid or wrongly refunded, or ITC has been wrongly availed or utilized shall be liable to a penalty equal to:

Involving fraud or willful misstatement or suppression of facts to evade tax	Higher of Rs.10,000 or the tax due
Other cases	Higher of Rs.10,000 or 10% of the tax due

122(3): Penalty up to Rs.25,000 shall be paid if a person:

- ▶ Aids or abets any of the offences specified 122(1)
- ▶ Possesses, transports, stores, supplies, purchases etc. goods which he knows or believes are liable to confiscation
- ▶ Receives or deals with supply of services which he knows or believes are in

	<p>contravention of any provisions</p> <ul style="list-style-type: none"> ▶ Fails to appear before the officer of central tax when summoned ▶ Fails to issue invoice as per provisions or invoice is not accounted in the books 										
	Offence	Penalty (Rs.)	Maximum (Rs.)								
12 3	Not filing return u/s 150 within specified period	100 per day	5000								
12 4	Failure to furnish any information or return u/s 151 or furnishing of false information	Up to 10000 and 100 per day	25000								
12 5	Contravention of any provisions of this Act or any rules for which no penalty is separately provided	-	25000								
12 6	Penalty is not imposed for minor breaches (tax is less than Rs.5,000) of tax regulations or procedural requirements & any omission or mistake in documentation which is easily rectifiable & made without fraudulent intent or gross negligence.										
12 8	<ul style="list-style-type: none"> ▶ For late filing of GSTR-1, 3B, 5, 6 & 7, the late fee payable u/s 47 has been reduced to Rs. 25/- per day. ▶ For GSTR-1, 3B & 5, if the Tax liability is Nil, then fee is Rs. 10/- per day. ▶ For GSTR-9, from FY 22-23, if aggregate Turnover is up to Rs.5 crore, then fee is Rs.25 per day. If aggregate Turnover is above Rs.5 crore, fee is Rs.50 per day. <p>Note: SGST Act also prescribes the same amount of late fee. Therefore, total late fee payable will be twice of the above said amounts.</p> <p>Notification No. 4/2018, 5/2018, 7/2018, 76/2018</p> <ul style="list-style-type: none"> ▶ The late fee payable for late filing GSTR-1,3B,4 & 7 is restricted to below mentioned limit (applicable from June-2021/quarter Jun-Jul-2021, FY 21-22 for GSTR-4): <table border="1"> <thead> <tr> <th>Return</th> <th>Condition</th> <th>Max. limit (Rs.)</th> <th>Notification</th> </tr> </thead> <tbody> <tr> <td></td> <td> <ul style="list-style-type: none"> ▶ GSTR 1 NIL Return ▶ GSTR 3B - if Tax Payable is 'NIL' </td> <td>250</td> <td>19/2021, 20/2021</td> </tr> </tbody> </table>			Return	Condition	Max. limit (Rs.)	Notification		<ul style="list-style-type: none"> ▶ GSTR 1 NIL Return ▶ GSTR 3B - if Tax Payable is 'NIL' 	250	19/2021, 20/2021
Return	Condition	Max. limit (Rs.)	Notification								
	<ul style="list-style-type: none"> ▶ GSTR 1 NIL Return ▶ GSTR 3B - if Tax Payable is 'NIL' 	250	19/2021, 20/2021								

GSTR-1 & 3B	Other than above cases:		
	<ul style="list-style-type: none"> ▶ If Turnover is up to Rs.1.5 Crore 	1000	
	<ul style="list-style-type: none"> ▶ If Turnover is > Rs.1.5 crore, up to Rs. 5 Crore 	2500	
GSTR-4	Nil Return	250	21/2021
	Other than NIL Return	1000	
GSTR -7	-	1000	22/2021
GSTR-9	-	0.02% of Turnover	07/2023

The late fee is waived in following cases:

- ▶ GSTR-9 for FY 2017-18 to FY 2021-22 is filed between 1.4.2023 to 30.6.2023, then late fee in excess of Rs.10,000/- is waived off. [Notification No. 07/2023](#)
- ▶ GSTR-10 is not filed within due date, but filed between 1.4.2023 to 30.6.2023, then late fee in excess of Rs.500 is waived off. [Notification No. 08/2023](#)
- ▶ GSTR-4 for FY 2021-22 filed on or before 28-Jul-2022 [Notification No.12/2022](#)
- ▶ GSTR-3B for the months/quarter of July, 2017 to April, 2021 is not filed within due dates but filed between 01-Jun-2021 to 30-Nov-2021, then late fee in excess of Rs.250 is waived off in case of Nil return & late fee in excess of Rs. 500 is waived off in case of other than Nil returns. [Notification No. 19/2021](#) & [33/2021](#)
- ▶ GSTR-3B for the months March, April & May 2021 / Quarter Jan-Mar-2021 if filed before the date mentioned in [Notification No. 09/2021](#) & [19/2021](#).
- ▶ GSTR-4 for FY 2019-20 is filed between 01-Nov-2020 to 31-Dec-2020 if principal place of business is in Ladakh. [Notification No. 93/2020](#)
- ▶ GSTR-10 is not filed within due date, but filed between 22-Sep-20 to 31-Dec-20, then late fee in excess of Rs. 250 is waived. [Notification No. 68/2020](#)
- ▶ GSTR-4 nil return for the quarters from July, 2017 to March, 2019 is filed

between 22-Sep-20 to 31-Oct-20, then late fee in excess of Rs. 250 is waived. [Notification No 67/2020, Corrigendum](#)

- ▶ GSTR-1 for the months from March to June 2020 / Quarter ending in March-2020 & June-2020, is filed on or before the date mentioned in [Notification No.53/2020](#).
- ▶ GSTR-3B for the month of February to July-2020 is filed before the date mentioned in [Notification No.52/2020](#). If the return could not be filed within mentioned date, but filed on or before 30-Sep-2020, the late fee is fully waived off in case of Nil return & late fee in excess of Rs. 250 is waived off in case of other than Nil returns. [Notification No.57/2020](#)
- ▶ GSTR-3B for the month of July, 2017 to January, 2020 is filed between 01-Jul-2020 to 30-Sep-2020, then late fee is fully waived off in case of Nil return & late fee in excess of Rs. 250 is waived off in case of other than Nil returns. [Notification No.52/2020](#)
- ▶ GSTR 1 for the months/quarters from July,2017 to November,2019 is not filed by the due date, but furnishes the said returns between the 19-Dec-2019 to 17-Jan-2020 [Notification No. 74/2019](#) , [04/2020](#)
- ▶ If taxpayers of Jammu and Kashmir files the return for the month July & August 2019 in GSTR-1 by 11-Oct-2019, GSTR-7 by 11-Oct-2019 & GSTR-3B by 20-Oct-2019 [Notification No.41/2019](#) , [48/2019](#)
- ▶ If GSTR-6 return for the month July-2019 is filed on or before 20-Sep-2019 by taxpayers of Jammu and Kashmir [Notification No.41/2019](#)
- ▶ If GSTR-6 and GSTR-1 monthly return for the month July-2019 is filed on or before 20-Sep-2019 by taxpayers of notified districts of Bihar, Gujarat, Karnataka, Kerala, Maharashtra, Odisha, Uttarakhand [Notification No.41/2019](#)
- ▶ **GSTR-1/ GSTR-3B/ GSTR-4** for the months/quarters from July, 2017 to September, 2018 is not filed by the due date, but furnishes the said returns between the 22-Dec-18 to 31-Mar-19.[[Notification No. 75/2018](#)] & [[Notification No. 76/2018](#)] & [[Notification No. 77/2018](#)]
- ▶ GSTR-3B for the month October-2017 if submitted, but not filed.
- ▶ GSTR-6 filed in between 1-Jan-2018 to 23-Jan-2018 [Notification No. 41/2018](#)

12 If any person transports or stores **goods in transit in contravention** of the provisions of this Act or rules, such goods & conveyance used for transport &

9	documents relating to such goods & conveyance shall be liable to detention or seizure & shall be released, on payment of penalty given below or Rs.25,000, whichever is less, and providing security equal to penalty & tax payable.													
	<table border="1"> <thead> <tr> <th>Person who pays such tax & penalty</th> <th>Type of goods</th> <th>% of Penalty</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Owner</td> <td>Taxable goods</td> <td>100% of tax payable</td> </tr> <tr> <td>Exempted goods</td> <td>2% of value of goods</td> </tr> <tr> <td rowspan="2">Transporter</td> <td>Taxable goods</td> <td>50% of tax payable</td> </tr> <tr> <td>Exempted goods</td> <td>5% of value of goods</td> </tr> </tbody> </table>	Person who pays such tax & penalty	Type of goods	% of Penalty	Owner	Taxable goods	100% of tax payable	Exempted goods	2% of value of goods	Transporter	Taxable goods	50% of tax payable	Exempted goods	5% of value of goods
Person who pays such tax & penalty	Type of goods	% of Penalty												
Owner	Taxable goods	100% of tax payable												
	Exempted goods	2% of value of goods												
Transporter	Taxable goods	50% of tax payable												
	Exempted goods	5% of value of goods												
	<p>If the transporter or owner fails to pay such amount within 14 days of such detention or seizure, further proceedings shall be initiated u/s 130.</p> <p>Note: Total Penalty is the sum of the penalties leviable under other GST Acts.</p>													
130	<p>If a person commits any of the following offences, then such goods or conveyances is liable to confiscation & penalty u/s 122 shall be paid:</p> <ul style="list-style-type: none"> ▶ Supplies or receives any goods in contravention of provisions ▶ Does not account for goods on which he is liable to pay tax ▶ Supplies any goods liable to tax without having applied for registration ▶ Contravenes any provisions with intent to evade tax ▶ Uses any conveyance for transportation of goods in contravention of provisions (Unless the owner of the conveyance proves that it was so used without his knowledge) 													
132	<p>Person commits or attempts to commit or abets any of the following offences:</p> <ul style="list-style-type: none"> ▶ Does not issue invoice ▶ Issues invoice without supply & avails ITC on such invoice ▶ Collects any tax which is not paid to the government within 3 months from due date of payment ▶ Evades tax or fraudulently avails ITC or refund ▶ Possesses, transports, stores, supplies , purchases etc. goods which he knows or believes are liable to confiscation 													

	<ul style="list-style-type: none"> ▶ Receives or deals with supply of services which he knows or believes are in contravention of any provisions ▶ Fails to supply information or furnishes false information without intention to avoid tax 								
	<table border="1"> <thead> <tr> <th>Tax evaded or ITC wrongly availed or refund wrongly taken exceeds</th> <th>Fine &/or imprisonment up to</th> </tr> </thead> <tbody> <tr> <td>500 lakh</td> <td>5 years</td> </tr> <tr> <td>200 lakh</td> <td>3 years</td> </tr> <tr> <td>100 lakh</td> <td>1 year</td> </tr> </tbody> </table>	Tax evaded or ITC wrongly availed or refund wrongly taken exceeds	Fine &/or imprisonment up to	500 lakh	5 years	200 lakh	3 years	100 lakh	1 year
Tax evaded or ITC wrongly availed or refund wrongly taken exceeds	Fine &/or imprisonment up to								
500 lakh	5 years								
200 lakh	3 years								
100 lakh	1 year								
	<p>Person who commits or abets commission of following offences shall be punishable with imprisonment up to 6 months or with fine or both:</p> <ul style="list-style-type: none"> ▶ Falsifies financial records, accounts or documents or furnishes false information ▶ Obstructs or prevents any officer in the discharge of his duties ▶ Tampers with or destroys any material evidence or documents 								
13	<p>Persons deemed to be guilty of offence:</p>								
7	<ul style="list-style-type: none"> ▶ Persons in charge of & responsible for the conduct of a body corporate, at the time of offence ▶ Any director, manager or officer of a company if offence has been committed with the consent or connivance of, or due to negligence of such person 								

Transitional provisions (Sec. 139-142)

Chapter XX: Transitional provisions	
139	<ul style="list-style-type: none"> ▶ Certificate of registration on provisional basis is issued subject to conditions to a person registered under existing law & having a valid PAN unless he has filed an application that he is not liable to register and the same is accepted. ▶ The final certificate of registration shall be granted in prescribed form & manner.
140	<p>Transitional arrangements for ITC:</p> <p>140(1): A person can avail CENVAT credit of eligible duties c/f in the return</p>

under the existing law relating to the period before the appointed day subject to following conditions:

- ▶ Such credit is [admissible as ITC](#) under this act
- ▶ Credit does not relate to goods cleared under notified [exemption notifications](#)
- ▶ All [returns](#) for the [last 6 months](#) under the existing law are [filed](#) before the appointed date

140(2): Persons can avail unavailed CENVAT [credit](#) of [capital goods not c/f](#) in the return under the existing law relating to the period before the appointed day, if such credit is [admissible as ITC](#) under this act.

140(8): A person having [centralized registration](#) under existing law can avail CENVAT [credit c/f](#) in the return under the existing law relating to the period before the appointed day, subject to following conditions:

- ▶ Such credit is [admissible as ITC](#) under this act
- ▶ All [returns](#) for the last [3 months](#) under the existing law are filed before the appointed date

140(3): A person can take [credit](#) of eligible duties in respect of inputs held [in stock](#) & inputs contained in semi-finished or finished goods held in stock on appointed day, if he:

- ◆ Is [not liable to be registered](#) under the existing law
- ◆ Manufactures or provides [exempted supply](#)
- ◆ Provides works contract service & was availing benefit of notification No. 26/2012 of ST
- ◆ Is a first or second stage [dealer](#) or a registered [importer](#) or a [depot of a manufacturer](#)
- ▶ Conditions:
 - ✳ The inputs or goods are [used for](#) making [taxable supplies](#) under this Act
 - ✳ The registered person is [eligible for ITC](#) on such inputs under this Act
 - ✳ [Invoices](#) evidencing payment of duty under existing law is [in possession](#)
 - ✳ Such invoices were [issued not earlier than 12 months](#) before the appointed day
 - ✳ The supplier of services is [not eligible](#) for any [abatement](#) under this

Act

140(6): A person paying [tax at a fixed rate or composition levy](#) can take [credit](#) of eligible duties in respect of inputs held [in stock](#) & inputs contained in semi-finished or finished goods held in stock on appointed day, subject to conditions:

- ▶ The inputs or goods are used for making taxable supplies under this Act
- ▶ The registered person is eligible for ITC on such inputs under this Act
- ▶ Invoices evidencing payment of duty under existing law is in possession
- ▶ Such invoices were issued not earlier than 12 months before the appointed day

140(4): [Credit](#) can be taken u/s 140(1) & (3) for supply taxable under this act & previously assessable under the [Central Excise Act, 1944](#) or [Chapter V of the Finance Act, 1994](#).

140(5): [Credit](#) of eligible duties (except service tax) can be taken for supplies received on or [after the appointed day](#) if the invoice was recorded in the books of accounts within 30 days from the appointed day & statement is furnished.

140(7): ITC on services received prior to the appointed day by an [ISD](#) shall be eligible for distribution even if the invoices relating to such services are received on or after the appointed day.

140(9): If CENVAT [credit](#) for input services provided under the existing law has been [reversed](#) due to [non-payment](#) of consideration within 3 months, credit can be reclaimed payment is made within 3 months from the appointed day.

Eligible duties & taxes means the following taxes paid under existing laws:

Tax/ duty	Section	Act
Excise duty	3	Additional Duties of Excise (Goods of Special importance) Act, 1957
	Schedule I , II	Central Excise Tariff Act, 1985
Customs duty	3 (1),	Customs Tariff Act, 1975

		(5)					
	NCCD	136	the Finance Act, 2001				
	Service tax	66B	Finance Act, 1994				
	The eligible duties & taxes excludes cess collected as additional duty of customs u/s 3(1) of Customs Tariff Act, 1975 and cess which is not mentioned above.						
141	<p>Transitional provisions for job worker:</p> <ul style="list-style-type: none"> ▶ If any inputs or semi-finished goods or excisable goods are sent to a job worker without payment of tax under existing law prior to the appointed day & such inputs or goods are returned within 6 months from the appointed day, no tax shall be payable if manufacturer & job-worker declare the details of the inputs or goods held in stock by the job-worker on the appointed day. ▶ If said inputs or goods are not returned within the specified period, ITC shall be recovered u/s 142(8)(a). ▶ The manufacturer may transfer the said goods to the premises of any registered person for supplying therefrom, on payment of tax in India or without payment of tax for exports within specified period. 						
142	<p>Miscellaneous transitional provisions:</p> <p>142(1): If goods on which duty had been paid under the existing law at the time of removal (less than 6 months prior to the appointed day) are returned by an unregistered person within 6 months from the appointed day, the person shall be eligible for refund.</p> <p>142(2): If in pursuance of a contract entered into prior to the appointed day, the price of supply is revised on or after the appointed day, supplementary invoice or debit or credit note shall be issued within 30 days of such revision & such issue shall be deemed to be outward supply made under this Act.</p> <p>If recipient has not reduced ITC relating to credit note, supplier cannot reduce his tax liability relating to credit note.</p> <p>The following cases under existing law shall be disposed of as under:</p> <table border="1"> <thead> <tr> <th>Sectio n</th> <th>Case</th> <th>Initiated</th> <th>Claim under existing law</th> </tr> </thead> </table>			Sectio n	Case	Initiated	Claim under existing law
Sectio n	Case	Initiated	Claim under existing law				

142(3)	Refund claim	At any time	CENVAT credit, tax, interest etc.
142(4)	Refund claim for exported supply	After appointed day	Any duty or tax
142(5)	Refund claim for services not provided	After appointed day	Tax paid
142(6)	Proceeding of appeal, review etc.	At any time	CENVAT credit
142(7)	Proceeding of appeal, review etc.	At any time	Output duty or tax
142(8)	Assessment /adjudication proceedings	At any time	CENVAT credit, tax, interest etc.
142(9)	Return under existing law is revised	After appointed day	CENVAT credit, tax, interest etc.
<ul style="list-style-type: none"> ▶ For section 142(6) to (9): Rejected or recovered amount, if any, is not admissible as ITC under this Act. ▶ For section 142(3) & (4): If refund claim of CENVAT credit is rejected, the amount so rejected shall lapse. ▶ For section 142(3),(4) & (6): No refund of CENVAT credit is allowed if it has already been c/f under this Act. 			
<p>142(11): Notwithstanding anything contained in section 12 or 13 no tax is payable to the extent the tax was leviable under the VAT Act of the State or Chapter V of the Finance Act, 1994 & if tax is already paid then credit can be taken for supplies after the appointed day.</p>			
<p>142(12): If goods are sent on approval not less than 6 months before the appointed day are rejected or returned within 6 months after the appointed day, no tax is payable.</p>			
<p>142(13): If invoice is issued before appointed day but payment is made on or after the appointed day, TDS is not deducted u/s 51 even if required to be deducted under any State or Union territory law relating to VAT.</p>			

Miscellaneous provisions (Sec. 143-174)

Chapter XXI: Miscellaneous	
143	<p>Job work procedure:</p> <ul style="list-style-type: none">▶ A principal may send inputs or capital goods, without payment of tax, to a job worker & shall either bring back or supply such inputs or capital goods (other than moulds & dies, jigs & fixtures, or tools) within 1 year & 3 years, respectively, of being sent out. If not, such inputs/capital goods shall be deemed to be supplied by the principal on the day of sending out.▶ The principal shall not supply the goods from the place of business of a job worker unless the principal declares such place of the job-worker as his additional place of business except where the job worker is registered u/s 25 or the principal supplies notified goods.
145	<p>Admissibility of documents as evidence:</p> <p>A micro film or reproduction of the images embodied in such film or a facsimile copy or printout or information stored electronically shall be deemed to be a document & is admissible in any proceedings.</p>
146	<p>www.gst.gov.in is notified as the common Goods and Services Tax Electronic Portal for facilitating registration, payment of tax, furnishing of returns and computation and settlement of integrated tax.</p> <p>www.ewaybillgst.gov.in is notified as the common Goods and Services Tax Electronic Portal for furnishing electronic way bill. [Notification No. 9/2018]</p> <p>www.invoice1.gst.gov.in, www.invoice2.gst.gov.in, www.invoice3.gst.gov.in, www.invoice4.gst.gov.in, www.invoice5.gst.gov.in, www.invoice6.gst.gov.in, www.invoice7.gst.gov.in, www.invoice8.gst.gov.in, www.invoice9.gst.gov.in, www.invoice10.gst.gov.in are notified as the common Goods and Service Tax Electronic Portal for preparation of the invoice as per Rule 48(4) for registered persons having aggregate turnover of Rs.100 crore or more. [Notification No.69/2019] & [Notification No.70/2019].</p>
147	<p>Deemed exports: [Notification No. 48/2017] & [Circular No. 14/14 /2017 - GST]</p> <p>The supply of following goods are notified as deemed exports, where goods</p>

	<p>supplied do not leave India, and payment for such supplies is received either in Indian rupees or in convertible foreign exchange, if such goods are manufactured in India.</p> <ul style="list-style-type: none"> ▶ Supply of goods by a registered person against Advance Authorisation Provided that goods so supplied, when exports have already been made after availing ITC on inputs used in manufacture of such exports, shall be used in manufacture and supply of taxable goods (other than nil rated or fully exempted goods) and a certificate to this effect from a chartered accountant is submitted to the jurisdictional commissioner of GST or any other officer authorised by him within 6 months of such supply. Provided further that no such certificate shall be required if ITC has not been availed on inputs used in manufacture of export goods. [Notification No. 01/2019] ▶ Supply of capital goods by a registered person against Export Promotion Capital Goods Authorisation ▶ Supply of goods by a registered person to Export Oriented Unit “Export Oriented Unit” means an Export Oriented Unit or Electronic Hardware Technology Park Unit or Software Technology Park Unit or Bio-Technology Park Unit approved in accordance with the provisions of Chapter 6 of the Foreign Trade Policy 2015-20. ▶ Supply of gold by a bank or Public Sector Undertaking specified in the notification No. 50/2017-Customs, dated the 30th June, 2017 (as amended) against Advance Authorisation.
148	<p>Special procedures of registration, return, tax payment for certain classes of persons:</p> <ul style="list-style-type: none"> ▶ Registered person who did not opt for the composition levy u/s 10 shall pay the central tax on the outward supply of goods at the time of supply as specified in section 12(2)(a) of the said Act including in the situations attracting the provisions of section 14 of the said Act, and shall accordingly furnish the details and returns as mentioned in Chapter IX of the said Act and the rules made there under and the period prescribed for the payment of tax by such class of registered persons shall be such as specified in the said Act [Notification No. 40/2017] ▶ In case below mentioned registered person, the liability to pay tax shall

	<p>arise when such registered person transfers possession or the right in the constructed complex, building or civil structure, to the person supplying the development rights by entering into a conveyance deed or similar instrument (for example allotment letter):</p> <ul style="list-style-type: none"> ◆ registered persons who supply development rights to a developer, builder, construction company or any other registered person against consideration, wholly or partly, in the form of construction service of complex, building or civil structure; and ◆ registered persons who supply construction service of complex, building or civil structure to supplier of development rights against consideration, wholly or partly, in the form of transfer of development rights. [Notification No. 4/2018] <p>▶ The person, who received a Provisional Identification Number, but did not file the complete FORM GST REG-26 till 31-Dec-17, can apply for GSTIN by following special procedure given in Notification No. 31/2018 (subject to amendments in Notification No. 67/2018).</p>
150	<p>Obligation to furnish information return by following persons if they are responsible to maintain specified records:</p> <ul style="list-style-type: none"> ▶ A taxable person ▶ A local authority or other public body or association; ▶ Any authority responsible for collection of VAT, sales tax, excise duty or customs duty; ▶ An income tax authority appointed under the provisions of the Income-tax Act, 1961 ▶ A banking company or any entity entrusted with distribution of electricity ▶ The Registrar/ Sub-Registrar under the Registration Act, 1908 or Companies Act, 2013 ▶ Registering authority under the Motor Vehicles Act, 1988 ▶ Collector referred to in the Right to Fair Compensation & Transparency in Land acquisition, Rehabilitation & Resettlement Act, 2013 ▶ The recognized stock exchange referred to in Securities Contracts (Regulation) Act, 1956 ▶ A depository referred to in the Depositories Act, 1996

	<ul style="list-style-type: none"> ▶ An officer of the RBI ▶ The GST Network, a company registered under the Companies Act, 2013 ▶ A person to whom a Unique Identity Number has been granted u/s 25(9) ▶ Any other specified person <p>'Specified Record' means record of registration or statement of accounts or return or document containing details of tax payment & transaction of supplies related to a bank account or consumption of electricity or transaction of purchase, sale or exchange of goods or property or right or interest in a property under any law.</p>
168	<p>Power to issue instructions or directions: 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.</p> <p>For Manual filing and processing of refund claims in respect of zero-rated supplies, refer Circular No.17/17/2017-GST</p>
170	<p>Rounding off: Any sum payable or due, under this Act shall be rounded off to the nearest Rupee. Where part of a rupee is 50 paise or more, it shall be increased to one rupee & if less, it shall be ignored.</p>
171	<p>Anti-profiteering measure: Any reduction in rate of tax or the benefit of ITC shall be passed on to the recipient by way of commensurate reduction in prices.</p> <p>If the profiteered amount is not deposited within 30 days from the date of passing of order by the Authority, the registered person, who has profiteered shall pay penalty equal to 10% of profiteered amount.</p>