Registration under Model Goods and Service Tax Law

1 Basic Threshold Limt

Every supplier shall be liable to be registered under this Act in the State from where he makes a taxable supply of goods and/or services if his aggregate turnover (All-India turnover) in a financial year exceeds

(i) Rs. four lakh; if the taxable person conducts his business in any of the North East States including Sikkim.

(ii) Rs. nine lakh; in other cases

2 Persons liable for Registration irrespective of Basic Threshold Limt

(i) every person who, on the day immediately preceding the appointed day, is registered or holds a license under an earlier law, shall be liable to be registered under this Act with effect from the appointed day.

(ii) Where a business carried on by a taxable person registered under this Act is transferred, whether on account of succession or otherwise, to another person as a going concern, the transferee, or the successor, as the case may be, shall be liable to be registered with effect from the date of such transfer or succession.

Note : In a case of transfer pursuant to sanction of a scheme or an arrangement for amalgamation or, as the case may be, de-merger of two or more companies by an order of a High Court, the transferee shall be liable to be registered, where required, with effect from the date on which the Registrar of Companies issues a certificate of incorporation giving effect to such order of the High Court.

(iii) persons making any inter-State taxable supply

(iv) persons who are required to pay tax under reverse charge

(v) casual taxable persons

(vi) non-resident taxable persons

(vii) every electronic commerce operator

(viii) persons who supply goods and/or services on behalf of other registered taxable persons whether as an agent or otherwise

(ix) persons who supply goods and/or services, other than branded services, through electronic commerce operator

(x) an aggregator who supplies services under his brand name or his trade name

(xi) input service distributor

(xii) persons who are required to deduct tax under section 37

3 Notes -

(i) Every person shall have a Permanent Account Number issued under the Income Tax Act, 1961.

Note : A non-resident taxable person may be granted registration on basis of any other prescribed document.

(ii) The supplier shall not be liable to registration if his aggregate turnover consists of only goods and/or services which are not liable to tax under this Act.

(iii) The taxable threshold shall include all supplies made by the taxable person, whether on his own account or made on behalf of all his principals.

(iv) The supply of goods, after completion of job-work, by a registered jobworker shall be treated as the supply of goods by the "principal" referred to in section 43A, and the value of such goods shall not be included in the aggregate turnover of the registered job worker.

(v) A person having multiple business verticals in a State may obtain a separate registration for each business vertical, subject to such conditions as may be prescribed.

4 Voluntary Registration

A person, though not liable to be registered, may get himself registered voluntarily.

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5 Unique Identity Number

Any specialized agency of the United Nations Organization or any Multilateral Financial Institution and Organization notified under the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), Consulate or Embassy of foreign countries and any other person or class of persons as may be notified by the Board / Commissioner, shall obtain a Unique Identity Number, in the manner prescribed, for the purpose(s) notified, including refund of taxes on the notified supplies of goods and/or services received by them.

6 Procedure

(i) Every person who is liable to be registered shall apply for registration in every such State in which he is so liable within 30 days from the date on which he becomes liable to registration, in such manner and subject to such conditions as may be prescribed.

Note : In a case of the person, other than an Input Service Distributor, who is registered under an earlier law, it shall not be necessary for him to apply for fresh registration under this section and he shall follow the procedure as may be prescribed in this behalf. [Refer Point 7 below]

(ii) The registration or the Unique Identity Number, shall be granted or, as the case may be, rejected after due verification in the manner and within such period as may be prescribed.

(iii) The proper officer shall not reject the application for registration or the Unique Identity Number without giving a notice to show cause and without giving the person a reasonable opportunity of being heard.

(iv) A registration or an Unique Identity Number shall be deemed to have been granted after the period prescribed under Section 19(7), if no deficiency has been communicated to the applicant by the proper officer within that period.

(v) Any rejection of application for registration or the Unique Identity Number under the CGST Act / SGST Act shall be deemed to be a rejection of application for registration under the SGST Act / CGST Act.

However, the grant of registration or the Unique Identity Number under the CGST Act / SGST Act shall be deemed to be a grant of registration or the Unique Identity Number under the SGST/CGST Act **provided** that the application for registration or the Unique Identity Number has not been rejected under SGST/CGST Act within the time specified in subsection (7) of Section 19.

7 Special provisions relating to Migration of existing taxpayers

(i) On the appointed day, every person registered under any of the earlier laws shall be issued a certificate of registration on a provisional basis - Section 142(1).

(ii) The certificate of registration as above shall be valid for a period of six months from the date of its issue.

Note : The said validity period may be extended for such further period as the Central/State Government may, on the recommendation of the Council, notify.

(iii) Every person to whom a certificate of registration has been issued under subsection (1) shall, within the period specified under sub-section (2) i.e. six months, furnish such information as may be prescribed and on furnishing of such information, the certificate of registration issued under subsection (1) shall, subject to the provisions of section 19, be granted on a final basis by the Central/State Government.

(iv) The certificate of registration issued to a person under sub-section (1) may be cancelled if such person fails to furnish, within the time specified under sub-section (2) i.e. six months, the information prescribed under sub-section (3).

(v) The certificate of registration issued to a person under sub-section (1) shall be deemed to have not been issued if the said registration is cancelled in pursuance of an application filed by such person that he was not liable to registration under section 19.

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8 Special provisions relating to casual taxable person and non-resident taxable person

(i) The certificate of registration issued to a casual taxable person or a non-resident taxable person shall be valid for a period of 90 days from the effective date of registration.

Note : The proper officer may, at the request of the said taxable person, extend the aforesaid period of 90 days by a further period not exceeding 90 days.

(ii) A casual taxable person or a non-resident taxable person shall, at the time of submission of application for registration, make an advance deposit of tax in an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought.

Note : Where any extension of time is sought by a casual taxable person or a non-resident taxable person, such taxable person shall deposit an additional amount of tax equivalent to the estimated tax liability of such person for the period for which the extension is sought.

(iii) The amount deposited shall be credited to the electronic cash ledger of such person and may be used for making any payment towards tax, interest, penalty, fees or any other amount payable under the provisions of the Act or the rules made thereunder in such manner and subject to such conditions and within such time as may be prescribed.

9 Special provisions relating to opting for Composition u/s 8

A taxable person who wish to opt for composition under section 8 needs to opt for the composition scheme at the time of registration or at the beginning of the year and he will be continued to be under the scheme unless he contravens the conditions or opt out of the scheme.

10 Structure of GSTIN

Each taxpayer will be allotted a State wise PAN-based 15-digit Goods and Services Taxpayer Identification Number (GSTIN) and the composition of the same will be -

1	First 2 Digits	Denotes State Codes as defined under the Indian Census 2011 where each state has been allotted a unique two digit code e.g. '27' for Maharashtra State.
2	Next 10 Digits	Denotes the PAN allotted under Income Tax Act, 1961
3	13th Digit	Denotes serial number of registration, a legal entity, having the same PAN, has within one State. It would be a alpha-numeric (1-9 and then A-Z) and thus 35 business verticals of the same legal entity can be registered within a State.
4	14th Digit	It will be kept BLANK for future use.
5	15th Digit	Denotes check-digit.

11 Amendment of registration

(i) Every registered taxable person shall inform the proper officer of any changes in the information furnished at the time of registration, or that furnished subsequently, in the manner and within such period as may be prescribed.

(ii) The proper officer may, on the basis of information furnished or as ascertained by him, approve or reject amendments in the registration particulars, except prescribed particulars which will not required approval of proper officer, in the manner and within such period as may be prescribed. However, the proper officer shall not reject the request for amendment in the registration particulars without giving a notice to show cause and without giving the person a reasonable opportunity of being heard.

(iii) Any rejection or, as the case may be, approval of amendments under the CGST Act/SGST Act shall be deemed to be a rejection or approval of amendments under the SGST Act/CGST Act.

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12 Cancellation of registration

Where any registration has been obtained by means of fraud, wilful misstatement or suppression of facts, the proper officer may cancel the registration with retrospective effect, subject to the provisions of section 29.

The proper officer may, in the manner as may be prescribed, cancel the registration of taxable person from such date, including any anterior date, as he may deem fit, where, -

(i) registered taxable person has contravened such provisions of the Act or rules made thereunder as may be prescribed;

(ii) a person paying tax under composition has not furnished returns for three consecutive tax periods; or

(iii) any taxable person, other than a person paying tax under composition, has not furnished returns for a continuous period of six months; or

(iv) person who has taken voluntary registration has not commenced business within 6 months from date of registration.

The proper officer may, either on his own motion or on an application filed, in the prescribed manner, by the registered taxable 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, in the circumstances where

(i) the business has been discontinued or there is any change in the consitution of the business;

(ii) the business has been transferred fully for any reason including death of the proprietor;

(iii) the business has been amalgamated with other legal entity or demerged or otherwise disposed of;

(iv) the taxable person, other than person voluntarily registered, is no longer liable to be registered under Schedule III.

The proper officer shall not cancel the registration without giving a notice to show cause and without giving the person a reasonable opportunity of being heard.

The cancellation of registration under the CGST Act/SGST Act shall be deemed to be a cancellation of registration under the SGST Act/CGST Act.

13 Revocation of cancellation of registration

(i) Subject to such conditions and in such circumstances as may be prescribed, any registered taxable 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 30 days from date of service of cancellation order.

(ii) The proper officer may, in the manner and within such period as may be prescribed in this behalf, by way of an order, either revoke cancellation of the registration or reject the application for revocation for good and sufficient reasons. However, The proper officer shall not reject the application for revocation of cancellation of registration without giving a notice to show cause and without giving the person a reasonable opportunity of being heard.

(iii) Revocation of cancellation of registration under the CGST Act / SGST Act shall be deemed to be a revocation of cancellation of registration under the SGST Act / CGST Act.

Thank You