2016

# Registration , Amendment and Cancellation under GST Law

CA. Sanjeev Singhal
Sanjeev Kavish and Associates, Chartered Accountants
11/5/2016

# Registration , Amendment and Cancellation under the GST Law

**It is important to understand provision of GST law that when the registration is required like at what value of turnover , kind of person covered for registration, what are the situation where registration is required without the threshold limit means after the happening of particular transaction or transaction by particular person. How the amendment in the registration could be effected and cancellation of the same.**

## Provision related to registration [ Section -19 and Schedule-III]

1. Every person who is registered under the earlier law shall be issued provisional Number and after submission of requisite documents , GSTIN shall be issued as prescribed. Procedure for person those are already registered under earlier law and do not fall under the threshold limit as prescribed in Schedule-III, provisions of the same have not be laid down yet under the MGL.
2. Every person who is liable to be register as per the limit prescribed in Schedule-III , apply for fresh registration as may be prescribed. Currently it is Rs. 20 Lacs.
3. Person having multiple business vertical in the State, may apply for each vertical but not necessary.
4. Person who does not fall under Schedule –III may apply for registration voluntarily.
5. Person having Permanent Account Number in Income Tax Act,1961 shall be eligible for registration .
6. Non resident taxable person can take registration under the law on the basis of other documents as may be prescribed.
7. Any specialized agency like United Nation Organization and Multilateral Financial Institution, organization notified under the United Nations ( Privilege and Immunity ) Act ,1947, Consulate or embassy of Foreign countries or any other person or class of person as notified shall obtain Unique Identification Number instead of regular number as may be prescribed including refund of taxes for the good and services received by them.
8. Certificate of registration shall be issued in prescribed form with effective date.
9. Registration or UIN shall be deemed to be granted with in such period as be prescribed unless rejected within the prescribed period.
10. Central or State Govt. may prescribed the category of person who may be exempted from registration.
11. Under the following circumstances , person shall be required to be registered irrespective of the threshold limit mentioned in the Schedule-III.

    - Person making interstate taxable supply
    - Casual taxable person
    - Person who are required to pay tax under reverse charge
    - Person who supply of goods or services on behalf of others RTP [ Registered Taxable Person] as agent or otherwise

- Input Service Distributor
- Person who supplies goods or services through electronic commerce operator .
- Every electronic commerce operator
- An Aggregator who supplies services under his brand name or his trade name
- Non resident taxable person
- Person who are required to deduct tax under Section -37.

## Special provision for Casual Taxable Person and Non Resident Taxable Person

1. Certificate issue to above both category shall be valid for 90 days. But on request this period may be further extended for 90 days.
2. Such taxable person at the time of seeking registration u/s 19 , make advance deposit of tax equivalent to the estimated liability of such person for the period of registration.
3. Amount deposited in 2 above shall be credited to his electronic cash ledger and shall be utilized in the manner specified in Section- 35.

## Amendment of Registration

1. Every RTP shall inform the proper officer of any changes for information furnished at the time of registration or later on within the prescribed time.
2. Proper Officer may approve or reject the information as submitted within the prescribed time.
3. Proper officer will not reject the application unless reasonable opportunity of being heard has been provided.

## Cancellation of Registration

1. The PO at his own or application filed by RTP , cancel the registration as may be prescribed under the following situation:

    - Business is discontinued, transfer of business, death of proprietor, amalgamated with other legal entity, demerged or otherwise disposed off.
    - Change in the constitution of business
    - Taxable person no longer required to be registered other than voluntarily registered person

2. The PO may cancel the registration under the following situations:

    - RTP contravened the provision of law
    - Person paying tax u/s 8 [ composite scheme] has not filed return for three consecutive tax period.
    - Any taxable person other than mentioned above is not filing return for continuous period of six months.
    - person taken voluntary registration and has not commenced business in six months from the date of registration.

3. Where registration is obtained by means of fraud, willful misstatement or suppression of fact, the PO may cancel the registration with retrospective effect subject to the provision of Section 29.
4. The liability to pay tax of RTP in situation of such cancellation shall not be effected
5. Every RTP whose registration is cancelled, pay liability by way of debit in electronic cash ledger, equivalent to the credit of input tax in respect of input held in stock of raw material, semi finished or finished goods on the day immediately proceeding to such cancellation or the output tax payable which ever is higher , as may be prescribed.

   In case of capital goods, taxable person shall pay an amount equal to the input taken on such goods reduced by the percentage point as prescribed or the tax transaction value of such goods which ever is higher.

## Revocation of Cancellation

1. In case of cancellation of registration by PO at his own motion, RTP may apply for revocation of cancellation within 30 days from the date of service of cancellation order.
2. The PO after looking at the application , either revoke the order or reject the application.
3. The PO can not reject the application without giving the reasonable opportunity of being heard.

Q-1 What is the effective date of registration

Ans: where the application has been submitted within 30 days on which the person becomes liable to registration, effective date of registration shall be date of his liability for registration. In case of Voluntary registration, effective date shall be date of order of registration.

Q-2 What is aggregate turnover?

Ans: As per S.2[6] of MGL aggregate turnover include the aggregate value of

- All taxable and non taxable supplies
- Exempt supplies
- Export of goods and services of person having the same PAN

The above shall be taken on all India basis. Aggregate turnover does not include value of supplies under reverse charge basis and value of inward supplies.

Q-3 if person is doing business in different States, with same PAN, weather he can operate with single registration like centralized registration.

Ans; No , there is no concept of centralized registration in GST. In each State where the business is operating , person has to take registration in each State as per Sec.19[1].

Q-4 Weather the registration granted to one person is permanent?

Ans; yes, unless surrendered or cancelled.

Q-5 what is responsibility of taxable person while supplying to UN bodies?

Ans; Taxable person shall write UIN on invoice and supply as registered taxable person.[ B2B] and the invoice will be uploaded by supplier.

Q-6 is it necessary for Govt. organization to get registration?
Ans; UIN will be given by each State to Govt. Organization / PSU. Not making any outward supply of GST goods but making interstate purchases. Thus not liable to obtain GST registration .

Q-7 who is casual person?
Ans; Casual person has been defined under section 2[21] of MGL. It means person occasionally undertake transaction in taxable territory where he has no fix place of business.

Q-8 who is Non resident Taxable Person?
Ans; A taxable person residing outside India and coming to India to occasionally undertake transaction in the country but has no fixed place of business in India is non resident taxable person in terms of Sec. 2[69] of the MGL.

Q-9 Weather Cancellation under CGST is cancellation under SGST?
Ans; Yes. Section 21[6].

Q-10 Weather the Job worker will have to be compulsorily register?
Ans; No. Section 43 of MGL does not prescribe any condition.

Q-11 Weather the goods can be supplied directly from the place of job worker?
Ans; yes but only in case where job worker is registered or the principal declare the place of business of the job worker as his additional place of business.

Q-12 is there any system to facilitate small dealer having no IT infrastructure.
Ans; yes . Tax Return Preparer [TRP] and Facilitation Centre [FC]

Q-13 Can the registration certificate be downloaded from the GSTN portal?
Ans; in case registration is granted , it can be downloaded from GST portal.

About the Author:

Author is practicing chartered accountant in Gurgaon and having specialisation in Service Tax and Haryana VAT. He can be reached at ca.sanjeevkumar@hotmail.com.