2016

Registration , Amendment and Cancellation under CGST Act, 2017

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11/5/2016

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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 occurring of particular transaction or transaction by particular person. How the amendment in the registration could be effected and cancellation of the same.

For applying of limit of Rs. 20 lacs or 10 lacs as per Section-22 of the CGST Act,2017 , one need to understand the definition of "Aggregate Turnover" provided in Section -2[6] of Act.

"Aggregate Turnover" means aggregate value of all taxable supplies(excluding the value of inward supplies on which tax is payable by person under reverse charge basis) , exempt supplies, export of goods or services or both and interstate supplies of a person having the same Permanent Account number , to be computed on all India basis but exclude central tax , state tax, union territory tax, integrated tax and cess."

Provision related to registration [Section -22]

Every supplier shall be liable to be registered under this Act in the State or union territory other than special category states, if aggregate turnover of goods or services or both exceed Rs. 20 lacs. In case of Special category State the limit is Rs. 10 lacs. Every person who holds any license under the existing law shall be liable to register under this Act.

Special Category States as per Article 279 A (4g) of the constitution are Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand;

Persons not liable for registration [Section -23]

The following person not liable for registration

- Person dealing in supply of exempted goods and services under this Act or IGST Act.
- Agriculturist to the extent of produce out of cultivation of land.

Person Liable for registration without any thresh hold limit [Section-24]

Compulsory Registration under the Act irrespective of thresh hold limit ;

- 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
.
- Every electronic commerce operator
- Non resident taxable person
- Person who are required to deduct tax under Section -51.
- Person who are required to collect tax under Sec.52.
- Person supply of service through electronic commerce operator under Sec. 9[5] .
- Every person supplying online information and database excess or retrieval services from place outside India to person in India

Procedure for Registration [Section -25]

1. Every person who is liable to be register under section 22 & 24, apply for fresh registration in very such State in which he is so liable within 30 days from the date on which he becomes liable to registration. **[Apply on Form- GST REG-01]**
   In case of casual taxable person or non resident taxable person , application for registration shall be made at least 5 days prior to commencement of business.
2. Person having multiple business vertical in the State, may apply for each vertical but not necessary. **[Form- GST REG-01 for each Business vertical]**
3. Person who does not fall under section 22 or 24, may apply for registration voluntarily.
4. Person having Permanent Account Number in Income Tax Act,1961 shall be eligible for registration as aforesaid. Person who is required to deduct tax u/s 51 will required to have TAN for the registration.
5. Non resident taxable person can take registration under the law on **Form-GST REG-09 at least five days before start of business.**
6. 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.
7. Certificate of registration shall be issued in **Form- GST REG-06** with effective date.
8. Registration or UIN shall be deemed to be granted with in such period as be prescribed unless rejected within the prescribed period. UIN shall be applied on **Form –GST REG 12**
9. Person having establishment in two states shall be treated as distinct person for the purpose of the Act.
10. Person required to deduct tax u/s 51 and 52 of the act, may apply on **Form-GST REG-07 .**
11. Every person supplying online information and database excess or retrieval services from place outside India to person in India – **Form – GST REG-09A**

Special provision for Casual Taxable Person and Non Resident Taxable Person [Section -27]

1. Certificate issued to above both category shall be valid for days mentioned in the application or 90 days from the effective date of registration. which ever is

earlier. But on request this period may be further extended for 90 days. Extension of registration shall be Filed in **Form-GST REG-10**

2. Such taxable person at the time of seeking registration u/s 22 , make advance deposit of tax equivalent to the estimated liability of such person for the period of registration or extended 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- 49.

Amendment of Registration [Sec.28]

1. Every RP shall inform the proper officer of any changes for information furnished at the time of registration or later on within the prescribed time. **Form-GST REG 13**
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 [Section -29]

1. The PO [Proper Officer] at his own or application filed by RP , 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:

    - RP contravened the provision of law
    - Person paying tax u/s 10 [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.
4. The liability to pay tax of RP in situation of such cancellation shall not be effected
5. Every RP 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 [Sec. 30]

1. In case of cancellation of registration by PO at his own motion, RP may apply for revocation of cancellation within 30 days from the date of service of cancellation order. Apply on **Form-GST REG 20.**
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.

Migration of person registered under the Existing Law

- Every person registered under the existing law and apply for migration and received the provisional registration and shall be granted certificate of registration on **Form- GST REG-25. And this will be made available on common portal.**
- Every person who has been granted provisional certificate as above may apply on **Form – GST REG 24** along with documents specified in the application on common portal . After the verification, PO will issue certificate of registration on **Form-GST REG 06.**
- Every person registered under existing law and not supposed to get under this act may file **Form-GST REG 28** for cancellation of registration **.**

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 Revised MGL aggregate turnover include the aggregate value of

- All taxable supplies
- Exempt supplies
- Export of goods and services of person
- Interstate supplies

All supplies 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 .

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 taxable person has been defined under section 2[20] of CGST Act,2017. It means person occasionally undertake transaction involving supplies of goods or services in the course or furtherance of business weather as principal, agent or in other capacity, in the state or union territory where he has no fix place of business.

Q-8 Who is Non resident Taxable Person?

Ans; means any person who occasionally undertake transactions involving supply of goods or services or both whether as principal or agent or in any other capacity but has no fixed place of business or residence in India [Sec. 2[77] of the CGST Act,2017].

Q-9 is there any system to facilitate small dealer having no IT infrastructure.

Ans; yes . Tax Return Preparer [TRP] and Facilitation Centre [FC]

Q-10 Can the registration certificate be downloaded from the GST portal?

Ans; in case registration is granted , it can be downloaded from GST portal.

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