TAXCONNECT
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TAX CONNECT

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The Bengal Chamber of Commerce & Industry

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INCOME TAX

CUSTOMS

TAX CONNECT
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EDITORIAL

Friends,

The GST Network (GSTN), the entity responsible for the information technology backbone of the goods and services tax (GST), opened its system on 24th July, 2017 for invoice uploading.

The GSTN portal has started uploading of specified particulars of outward supply invoices of businesses generated after GST rollout. The uploaded invoice data particulars can be saved at the portal and the portal will auto populate the invoice data of the respective buyers in GSTR 2A.

If the taxpayer has limited number of invoices, he can directly enter the details at the GST portal. However, if number of invoices are in hundreds or thousands, a tool can be downloaded from the portal and installed on the taxpayer's computer to prepare the return in GSTR-1 format in an offline mode.

The portal has started accepting uploads of outward supply invoices into GSTR-1 from July 24, 2017. This invoice upload facility is available 24×7.

Still not many taxpayers attempted uploading invoices on 24th June, 2017. They are still in the wait and watch mode till the portal becomes smoothly functional.

However, as per our opinion assesses not wait for a last-time rush until September, when the July return will be due.

As per CEO of GSTN, It is not mandatory to start the uploading but "it's live". This was earlier permitted but only for a select few such as Suvidha providers, tax consultants and some officials.

Invoices could be uploaded through Suvidha providers or by assessees themselves. For this purpose, GSTN had launched an Excel template on June 30, beside offline tools.Taxpayers might find it difficult to locate the page where invoices have to be uploaded. **Only JSON files are supported**. Businesses maintaining Excel sheets for invoices need to convert these to JSON format.

<u>Time limit for filing intimation for Composition Scheme extended.</u>

After years long buzz, the Goods and Services Tax (GST) was rolled out in a special midnight session on June 30, 2017. Since then, concerns have been raised with regard to the GST implementation. In a big relief to small taxpayers, Centre has eased the GST compliance burden. With a view to ease the compliance burden of provisionally migrated small taxpayers opting to pay tax under the Composition scheme the Central Board of Excise and Customs (CBEC) on Saturday (June 22, 2017) **extended the time limit for filing intimation for Composition levy (filing of intimation FORM GST CMP-01) to August 16, 2017.**

EDITORIAL

Tax shall not be deducted on such 'GST on Services' component

The Central Board of Direct Taxes (CBDT) vide ***Circular No. 23/2017 dated July 19, 2017*** clarified that wherever in terms of the agreement or contract between the payer and the payee, the component of 'GST on Services' included in the amount payable to a resident is indicated separately, tax shall be deducted on the amount paid or payable without including such 'GST on Services' component. In other words, **tax shall not be deducted on such 'GST on Services' component**.

Further, GST for these purposes will include IGST, CGST, SGST and UTGST.

Moreover, any reference to 'Service tax' in an existing agreement or contract which was entered prior to July 01, 2017 will be treated as 'GST on Services' with respect to the period from July 01, 2017 onward till the expiry of such agreement or contract.

Time limit for filing of application for cancellation of registration extended

The Central Government vide issuing a Press Release dated July 22, 2017 has extended the period of applying for Cancellation of Registration up to September 30, 2017 for the taxpayers who were provisionally migrated into GST by virtue of being registered under the earlier laws, but who are no longer required to be registered under GST.

Requirement of GSTIN for importers and exporters at the time of import and export of the goods.

There is ambiguity regarding requirement of GSTIN for importers and exporters at the time of import and export of the goods. This is resulting in unnecessary delay in the clearance of the goods.

GST registration is **NOT** mandatory for Export Import Business.

Exports are classified as Zero rated supply under GST Law.

Persons engaged only in the supply of goods (import and export) that is not liable to tax or is exempt from tax under the CGST or IGST Acts are not required to get registration.

Further, Government may on the recommendation of the Council specify the class of person who need not get GSTIN. In such cases PAN (which is allowed as IEC by DGFT) of the importer and exporter would satisfy conditions for shipment.

Importers, Exporters and Customs Brokers may be guided to quote authorized PAN in the bills of entry or shipping bills for such clearances. Jurisdictional Commissioners of Customs may ensure that there is no stoppage of import and export consignments wherever GSTIN is not required.

But to avail ITC or Refund of GST on exports then one must have GSTN code, one can apply for free via gst.gov.in

We do hope that this bulletin adds value to your professional sphere.

Just to reiterate that we remain available over a telecom or e-mail.

Truly Yours

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SYNOPSIS

TAX CALENDAR

Due date	COMPLIANCES FROM 30th July, 2017 to 05th August, 2017	Name of State
31st July	Filing of VAT Return/CST Return/Entry Tax Return (VAT Act)	West Bengal
31st July	Filing of Income Tax Return for A.Y.-2017-2018 by person whose GTI exceeds the taxable limit/Individual & HUF having total income exceeding Rs.5 lakh or claiming any refund in the return/Individual & HUF, being a resident other than ordinarily resident, having foreign tax relief/Persons whose accounts are not liable for audit	INDIA

GST: CGST

NOTIFICATIONS/CIRCULARS

GOODS AND SERVICES TAX SETTLEMENT OF FUNDS RULES, 2017

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India vide **Notification No.- F. No. 31013/16/2017-ST-I-DoR - G.S.R. 964(E) .-dated 27.07.2017,** the Central Government notified the Goods and services Tax Settlement of funds Rules, 2017.

In the Goods and services Tax Settlement of funds Rules, 2017 following topics are specified:

- Short Title and Commencement
- Definitions
- Electronic transmission of the Reports
- Report of Cross-Utilisation and Apportionment of Integrated Tax between Centre (Integrated Tax) and State (State Tax) or Central (Integrated Tax) and Centre (Union Territory Tax).
- Report of Cross-Utilisation and Apportionment of Integrated Tax between Centre (Integrated Tax) and Centre (Central Tax).
- Report relating to apportionment of Integrated Tax recovered against demand, compounding amount paid and amount deposited for filing appeal between Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax).
- Report relating to apportionment of Integrated Tax amount, where place of supply could not be determined or taxable person making such supply is not identifiable, between Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax).
- Report relating to reduction of amount to be apportioned to Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax) due to Integrated Tax apportioned earlier but subsequently refunded.
- Report relating to recovery of various taxes from refunds
- Report relating to Consolidated Settlement Register for each State and Union Territory and for the Centre.
- Other provisions
  - Issue of provisional sanction order for each month
  - Resolution of any discrepancy in data provided by Goods and Services Tax Network

CENTRAL GOODS AND SERVICES TAX (FOURTH AMENDMENT) RULES, 2017

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India vide **Notification No.-17/2017–Central Tax -dated 27.07.2017,** the Central Government notified the Central Goods and Services Tax (Fourth Amendment) Rules, 2017.

ANALYSIS

GST- ONE NATION, ONE TAX AND ONE MARKET'

Goods and Services Tax (GST) is intended to bring transparency and accountability in business transactions along with the ease of doing business and rationalization in tax rates and will not pave the way for financialization of the country.

The foremost benefit of GST is to remove hurdles in inter-State transactions resulting in the setting up of a common market.

This make 'one nation, one tax and one market' true in the country. Further, in case of inter-State supply, only integrated tax is to be levied while in intra-State supplies, central tax and State tax or Union territory tax is to be levied. Thus, the plethora of taxes being levied by the Centre and the States in the erstwhile regime has been replaced by simpler and more efficient taxation system.

GST will promote business and development by making the taxation structure easy and by eliminating the numerous taxes. The GST laws have been framed in such a manner that a multitude of taxes have been replaced by one tax.

<u>The details of the taxes subsumed under GST are as under.</u>

(A) Taxes related to Centre:

- Central Excise duty
- Duties of Excise (Medicinal and Toilet Preparations)
- Additional Duties of Excise (Goods of Special Importance)
- Additional Duties of Excise (Textiles and Textile Products)
- Additional Duties of Customs (commonly known as CVD)
- Special Additional Duty of Customs (SAD)
- Service Tax
- Central Surcharges and Cesses so far as they relate to supply of goods or services.

(B) Taxes related to State

- State VAT
- Central Sales Tax
- Luxury Tax
- Octroi and Entry Tax (all forms)
- Entertainment and Amusement Tax (except when levied by the local bodies)
- Taxes on advertisements
- Purchase Tax
- Taxes on lotteries, betting and gambling
- State Surcharges and Cesses so far as they relate to supply of goods or services.

GST will improve productivity and easiness of business as the entire nation has been converted into a single market by removal of hurdles to inter-State trade. Further, uniform tax rates along with reduction in the cascading effect of taxation and increased input tax credit utilization in GST would immensely benefit the nation. There is automation of all major business processes viz., registration, payment of tax, return filing, etc.

SGST/UTGST

NOTIFICATIONS/CIRCULARS

EXTENSION OF TIME LIMIT FOR FILING INTIMATION FOR COMPOSITION LEVY UPTO 16TH AUGUST 2017.

OUR COMMENTS: **The** Commercial Tax Department, Government of Punducherry has notified the following vide **Order No. 01/2017-Puducherry GST, Dated 25-7-2017** regarding Extension Of time limit for filing intimation for composition levy under sub-rule (1) of rule 3 of the Puducherry Goods and Services Tax Rules, 2017 upto 16th August, 2017.

OUR COMMENTS: **The** Office of the Commissioner, Commercial Tax, Government of Madhya Pradesh has notified the following vide **Order No. 02/2017-Indore, Dated 21-7-2017** regarding Extension Of time limit for filing intimation for composition levy under sub-rule (1) of rule 3 of the Puducherry Goods and Services Tax Rules, 2017 upto 16th August, 2017.

MODES OF VERIFICATION OF ANY DOCUMENT UNDER MP-GST W.E.F 01-07-2017.

OUR COMMENTS: **The** Commercial Tax office, Government of Madhya Pradesh has notified the following vide **Order No. No. F-A-3-53/2017/1/V (73), Dated 21-7-2017** regarding modes of verification, for the purpose of the Madhya Pradesh Goods and Services Tax Rule, 2017:

(i) Aadhar based Electronic Code (EVC);

(ii) Electronic verification code generated through net banking login on the common portal (EVC);

(iii) Electronic verification code generated on the common portal (EVC).

Provided that where the mode of authentication of any document is through any of the aforesaid modes, such shall be done within two days of furnishing the documents.

E-WAY BILL SYSTEM IS DEVELOPED AND APPROVED BY THE COUNCIL

OUR COMMENTS: **The** Revenue Department, Government of Andhra Pradesh has notified the following vide **G.O.Ms.No.309, Revenue (Commercial Taxes-II), Dated 24-7-2017** regarding document known as e-Waybill that is to be issued by the taxable person or any other person will come into force with immediate effect and will be in operation till 30-09-2017.

APPOINTING THE COMMISSIONER OR COMMERCIAL TAXES, TELANGANA STATE AS COMMISSIONER OF STATE TAX W.E.F. 22-06-2017

OUR COMMENTS: **The** Revenue (CT-I) Department, Government of Telangana has notified the following vide **G.O. Ms. No. 172,, Dated 21-7-2017** regarding appointing of the Commissioner of Commercial Taxes, Telangana State as Commissioner of State Tax to exercise the respective Statutory functions under the Telangana Goods and Services Tax Act, 2017.

INCOME TAXES

NOTIFICATIONS/CIRCULARS

CENTRAL GOVERNMENT SPECIFIES JOINT SECRETARY, MINISTRY OF CORPORATE AFFAIRS

OUR COMMENTS: The CBDT (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No.74/ 2017, dated 26.07.2017** hereby specifies Joint Secretary, Ministry of Corporate Affairs, Government of India, for purposes ofU/s 138(1) of IT Act 1961 - Central Government specifies Joint Secretary, Ministry of Corporate Affairs.

AMENDMENT HAS BEEN MADE UNDER RECONSTRUCTION OR SPLITTING UP HAS BEEN MADE TO TRANSFER ANY ASSETS OF THE DEMERGED COMPANY TO THE RESULTING COMPANY AGREEMENT AND SHARE PURCHASE AGREEMENT

OUR COMMENTS: The CBDT (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No.73/ 2017, dated 26.07.2017** hereby makes Amendment in Notification No. 93/2016 dated 14/10/2016 in which Reconstruction or splitting up has been made to transfer any assets of the demerged company to the resulting company Agreement and Share Purchase Agreement has been specified.

CBDT AUTHORISES THE DIRECTOR GENERAL OF INCOME-TAX (INVESTIGATION)

OUR COMMENTS: The CBDT (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No.72/ 2017, dated 25.07.2017** hereby makes Amendment in Notification No. S.O. 1590(E), dated the 16th May, 2017 in which Central Board of Direct Taxes hereby authorises the Director General of Income-tax or the Principal Director or Director of Income-tax to issue orders in writing for the exercise of the concurrent powers and performs the functions of an Assessing Officer to an Assistant Director of Income-tax or Deputy Director of Income-tax who are subordinate to them, in respect of cases or class of cases falling within the territorial areas specified for the purpose of the Income-tax Act, 1961.

CUSTOMS

NOTIFICATIONS/CIRCULARS

TARIFF NOTIFICATION IN RESPECT OF FIXATION OF TARIFF VALUE OF EDIBLE OILS, BRASS SCRAP, POPPY SEEDS, ARECA NUT, GOLD AND SILVER

OUR COMMENTS: The CBEC (Dept. of Revenue), Ministry of Finance, Government of India, vide **Notification No.71/2017-Customs (N.T.) Dated: 14-07-2017,** has notified the following:

Amendment in the Tariff **Notification No.36/2001, Dated: 03.08.2001** in respect of Fixation of Tariff Value of Edible Oils, Brass Scrap, Poppy Seeds, Areca Nut, Gold and Silver.

EXCHANGE RATE OF FOREIGN CURRENCY RELATING TO IMPORTED AND EXPORT GOODS W.E.F.21ST JULY, 2017

OUR COMMENTS: The CBEC (Dept. of Revenue), Ministry of Finance, Government of India, vide **Notification No.72/2017-Customs (N.T.) Dated: 20-07-2017,** has notified the following:

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		For Imported Goods	For Export Goods
1.	Australian Dollar	52.00	50.15
2.	Bahrain Dinar	176.50	164.90
3.	Canadian Dollar	51.85	50.20
4.	Chinese Yuan	9.65	9.35
5.	Danish Kroner	10.15	9.75
6.	EURO	75.45	72.85
7.	Hong Kong Dollar	8.35	8.15
8.	Kuwait Dinar	220.05	204.80
9.	New Zealand Dollar	48.05	46.35
10.	Norwegian Kroner	8.15	7.85
11.	Pound Sterling	85.20	82.40
12.	Qatari Riyal	18.10	16.85
13.	Saudi Arabian Riyal	17.75	16.60
14.	Singapore Dollar	47.75	46.25
15.	South African Rand	5.15	4.80
16.	Swedish Kroner	7.90	7.60
17.	Swiss Franc	68.45	66.15
18.	UAE Dirham	18.10	16.95
19.	US Dollar	65.20	63.50

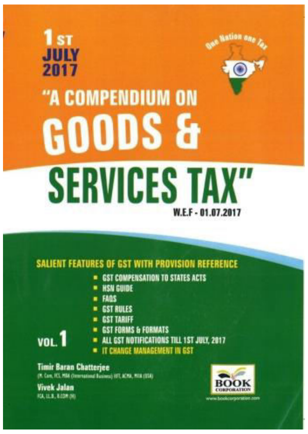
SCHEDULE-II

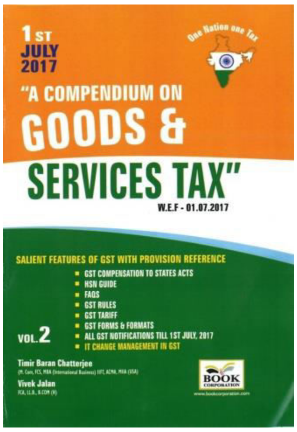
Sl. No.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
		For Imported Goods	For Export Goods
1.	Japanese Yen	58.40	56.40
2.	Kenya Shilling	64.15	59.95

AVAILABLE IN STANDS

A COMPENDIUM ON GOODS & SERVICES TAX

(Including ALL Notifications till 09th July, 2017)





ABOUT THE BOOK: PART A of the Book provides a Chapter wise and Topic wise Analysis of the Law. Along with this it provides Section and Rules where in the reader may find the Legal Provisions. It will help the reader to first understand the provision and then to exactly locate the provision. It provides an insight into the following:

1. Section-wise Compilation of IT Changes under GST
2. The GST Rates as finalised by The GST Council along with the HSN Code Referencer.
3. FAQs on GST
4. CGST, IGST, UTGST and The GST Compensation to States Acts
5. The Rules related to GST available in public Domain as on 17th June 2017.
6. The Forms and formats related to GST available in public Domain as on 17th June 2017.

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