Shree's

TAX Bulletin

GST – Latest Amendments

November – 2017 | Volume 1

Shree Tax Chambers ™ | Bengaluru | India

Integrity | Speed | Expertise

Dear Professional Colleagues,

Greetings from Shree Tax Chambers..!!

We are pleased to present our first Official Monthly Tax Bulletin..!!

Like all journeys, we have started ours with very little steps by bringing this 'Trial Edition' with all the latest developments under new Indirect Tax Regimehappened during October month. Hope, like our event based updates thismonthly Bulletinalsouseful like a mini ready reckoner and gets your valuable blessings, guidance & supports.

The Octoberwas a hecticmonth as far as concerned Indian Tax Laws.The all power-ful GST Council, the apex decision making body under GST, took certain key decisions to make GST Regime, further "Good & Simpler Tax..!!

To give effect to the key decisions, the Central Government hadissued numerous55 Notifications, 06 Circulars &06Orders under various GST Statutes.

Total Number of Notifications, Circulars & Orders Issued in October, 2017

Sl. No.	Statutes	Notifications	Circulars	Orders
1.	Central Tax	17	06	05
	Central Tax (Rate)	10		
2.	Integrated Tax	03	00	00
	Integrated Tax (Rate)	11		
3.	Union Territory Tax	02	00	01
	Union Territory Tax (Rate)	10		
4.	Compensation Cess	00	00	00
	Compensation Cess (Rate)	02		
		55	06	06

All the above Notifications, etc., have direct impact on our day to day compliance and our compilation may become yours ready reckoner..!!

The woods are lovely, dark and deep. But I have promises to keep, And miles to go before I sleep, Andmiles to go before I sleep….. Robert Frost

Let us have a look at gistall the said Notifications, Circulars& Orders.

ಕನ್ನಡ ರಾಜೋತ್ಸವದ ಹಾರ್ದಿಕಶುಭಾಶಯಗಳು..!!

Happy Kannada Rajyotsava..!!

With Warm Regards

Prabhakar K S
A Budding Tax Law Professional

Shree Tax Chambers
Bengaluru | India

2nd November 2017

GST Council's 22nd Meeting - Key Decisions

The all power-ful GST Council, in its 22nd meeting, held on 6th October, 2017 tweaked key GST rules to reduce compliance burden on small businesses, exporters and reduced tax rates on 27 products.

1. Composition Scheme

It is a scheme which is mainly formulated for small businesses. Under this scheme, the small businesses enjoy certain benefits such as concessional rate of tax and less compliance burden.

a. Increase in Threshold Limit for Composition Scheme:
The GST Council has allowed traders, manufacturers and restaurants with turnover of up to Rs. 1 Crore, instead of the Rs. 75 Lakhs cap earlier to opt for Composition scheme.

b. A registered person (whether migrated or new registrant), who could not opt for composition scheme, shall be given the option to avail composition till 31st March, 2018.

c. Persons providing any exempted service will now be eligible for the composition scheme.

d. Extension of return filing date for composition dealer for Quarter – II :15th November 2017, earlier 18th October 2017

e. The five-member group of ministers (GoM) would meet representatives of small & medium enterprises, soon, to finalise certain key measures with emphasize on inclusion of Inter-State Supply, Job-workers, eligibility for Input Tax Credit, etc., under the composition scheme.

2. Relief for Small and Medium Enterprises (SMEs)

a. No Compulsory Registration for Inter- State Supplies

The GST Council has decided to exempt those service providers whose annual aggregate turnover is less than Rs. 20 lacs (Rs.10 lacs in special category states except J & K) from obtaining registration even if they aremaking inter-State taxable supplies of services. .

b. Reduced Burden of Compliance

To reduce compliance burden on SMEs with annual aggregate turnover up to Rs. 1.5 crores, the GST Council has decided that such taxpayers shall be required to file quarterly returns in FORM GSTR-1,2& 3 and pay taxes only on a quarterly basis, starting from the Third Quarter of this Financial Year i.e. October - December, 2017.

The registered buyers from such small taxpayers would be eligible to avail ITC on a monthly basis. The due dates for filing the quarterly returns for such taxpayers shall be announced in due course.

3. Relief Package For Export & Import

a. Merchant exporter (Trader) allowed procuring goods from a domestic supplier on payment of GST @ 0.1%.

b. Exporters holding Advanced Authorization / EPCG and EOU's are allowed to import/procure goods from domestic supplier without payment of GST;

c. However, said reliefs are in temporary in nature. It is proposed to introduce "E-Wallet "as permanent relief w.e.f 1st April 2018. Under "E-Wallet Relief" notional amount will be credited for exporter as an advance refund for payment of GST. Later, this advance shall be adjusted with balance refund due after export.

d. To compensate the loss incurred on sale of duty credit scrips such as MEIS & SEIS, the GST on sale/purchase, is reduced from 5% to 0%;

e. Specified banks and Public Sector Units (PSUs) are being allowed to import Gold without payment of IGST.

4. Suspension of Reverse Charge Mechanism

The reverse charge mechanism under sub-section (4) of section 9 of the CGST Act, 2017 and under sub-section (4) of section 5 of the IGST Act, 2017 has been be suspended till 31.03.2018.

5. GST on Advances on account of supply of goods

To reduce burden on small and medium enterprises, the GST Council has decided to exempt such businesses having annual aggregate turnover up to Rs. 1.5 crores shall from paying GST at the time of receipt of advances on account of supply of goods. However, the GST on such supplies shall be payable only when the supply of goods is made.

6. Postponement of Applicability of TDS / TCS Provisions

Due to unready of businesses, the GST Council has decided to postpone the registration and operationalization of TDS/TCS provisions till 31.03.2018

7. E-Way Bill System & Its Implementation

The e-way bill system will be introduced in a staggered manner w.e.f 01.01.2018 and shall be rolled out nationwide with effect from 01.04.2018.

8. Goods Transport Agency (GST) services to an unregistered person are exempted from Goods & Services Tax.

9. Alert :Next GST Council Meeting

GST Council's 23rd Meeting is scheduled to be convened on 10th November 2017 at 11.00 AM @ Guwahati, Assam.

Central Tax – Amendments

Notification No & Date	Purpose
37/2017-CT 04-10-2017	**Extension of facility of LUT to all exporters** All registered persons who intend to supply goods or services for export without payment of integrated tax shall be eligible for furnishing a Letter of Undertaking (LUT) in place of a bond. An Exception: Those who have been prosecuted for any offence under the GST laws in a case where theamount of tax evaded exceeds two hundred and fifty lakh rupees. Validity & Conditions The LUT shall be valid for the whole financial year in which it is tendered. The LUT shall be furnished on the letter head of the registered person. The Self-declaration to the effect that the conditions of LUT have been fulfilled. The supplies to Export Oriented Units are taxable like any other taxable supplies. Further, the exporter is at liberty to furnish the LUT or bond before the Central or State TaxAuthority till the administrative mechanism is implemented.
38/2017-CT 13-10-2017	**To add certain items to the list of "handicrafts goods".** The items include handmade shawls,stoles and scarves, chain stitch, crewel, namda, gabba, wicker willow products, Toran andarticles made of shoal.
39/2017-CT 13-10-2017	**To cross-empower State Tax officers for processing and grant of refund** Government has empowered certain officers appointed under respective SGST Actfor processing and grant of refunds.
40/2017-CT 13-10-2017	The CBEC has notified the **Method for making payment of tax on Issuance of Invoice** by registered persons having aggregate turnover less than Rs 1.5 crores under the new GST regime. 1. Such small taxpayers shall be required to file quarterly returns in FORM GSTR-1,2 & 3 and pay taxes only on a quarterly basis, starting from the third quarter of this financial year i.e. October-December, 2017. 2. The registered buyers from such small taxpayers would be eligible to avail ITC on a monthly basis. The due dates for filing the quarterly returns for such taxpayers shall be announced in due course. 3. Meanwhile, all taxpayers will be required to file FORM GSTR-3B on a monthly basis till December, 2017.
41/2017-CT 13-10-2017	**To extend the time limit for filing of FORM GSTR-4** The Central Government has extended the due date for filing return by composition dealers in FormGSTR-4 for the quarter July- September, 2017 to November 15, 2017.
42/2017-CT 13-10-2017	**To extend the time limit for filing of FORM GSTR-5A** The Central Government has extendedthe due date for filing return by the persons supplying onlineinformation and database access or retrieval service from a place outside India to a non-taxableonline recipient in Form GSTR-5A for the months of July to September, 2017 to November 20,2017.

43/2017-CT 13-10-2017	**To extend the time limit for filing of FORM GSTR-6** The Central Government has extended the time limit for furnishing the return by an Input Service Distributor (IDSs) inFORM GSTR-6 for the months of July, 2017, August, 2017 andSeptember, 2017 till the 15th day of November, 2017.
44/2017-CT 13-10-2017	**To extend the time limit for submission of FORM GST ITC-01** The Central Government has extended the time limit for filing a declaration for availing Input Tax Credit by eligible registered persons, for the months of July, 2017 to September, 2017, till the 31st day of October, 2017. However, the Central Government , again extended the due date till 30^{th} Day of November, 2017 vide Notification No. 52/2017-CT Dated 28-10-2017
45/2017-CT 13-10-2017	**To amend the Central Goods & Services Tax Rules, 2017** The Central Government has insisted those who registered under “Composition Scheme” to file an intimation in FORM GST CMP- 02 on the common portal either directly or through a Facilitation Centreon or before the 31st day of March, 2018, In addition, a Statement in FORM GST ITC-03 shall be furnished within a period of ninety days from the day on which such person commences to pay tax under section 10. The Notification further stated that where a registered person is supplying taxable as well as exempted goods or services or both to an unregistered person, a single “invoice-cum-bill of supply” may be issued for all such supplies.
46/2017-CT 13-10-2017	**To amend notification No. 8/2017-Central Tax** Increased threshold Limit to avail “Composition Scheme’ by small traders & businesses. Aggregate Turnover has been increased from Rs. 75 Lakhs to 1 Crore. In case of Special category of States, same has been increased to from Rs. 50 Lakhs to 75 Lakhs.
47/2017-CT 18-10-2017	**Tenth Amendment to the CGST rules, 2017** The Central Government has allowed Deemed Exporters to claim refund of input tax credit, where the recipient of such services does not avail the credit by providing an undertaking of recipient to that effect. After the expiry of three months or such further period as may be prescribed (In FORM GST RFD-01).
48/2017-CT 18-10-2017	**To notify certain supplies as deemed exports u/s. 147 of the CGST Act, 2017** 1. Supply of goods by a registered person against Advance Authorization 2. Supply of capital goods by a registered person against EPCGs Authorization 3. Supply of goods by a registered person to Export Oriented Unit (EoU) 4. Supply of gold by a bank or Public Sector Undertaking against Advance Authorization.
49/2017-CT 18-10-2017	**To notify the evidences required to be produced by the supplier of deemed export supplies for claiming refund** 1. Acknowledgment by the jurisdictional Tax officer of the Advance Authorization holder or Export Promotion Capital Goods Authorizationholder Or a copy of the tax invoice as the case may be.

	2. An undertaking by the recipient of deemed export supplies that no input tax credit on such supplies has been availed of by him 3. An undertaking by the recipient of deemed export supplies that he shall not claim the refund in respect of such supplies and the supplier may claim the refund.
50/2017-CT 24-10-2017	**To waive late fee payable for delayed filing of FORM GSTR-3B for Aug & Sep, 2017** The Central Government has waived off the late fee for delayed filing of FORM GSTR- 3B for the months of August and September, 2017.
51/2017-CT 28-10-2017	**Eleventh Amendment to CGST Rules, 2017** The date for furnishing the details of outward supplies in FORM GSTR-1 has been extended till 31st December 2017. The supplier shall furnish the information relating to exports as specified in Table 6A of FORM GSTR-1 after the return in FORM GSTR-3B has been furnished.
52/2017-CT 28-10-2017	**To extend the due date for submission of details in FORM GST-ITC-01** The Central Government, extends thetime limit for making a declaration, in FORM GST ITC-01, by the registered persons, whohave become eligible to avail the input tax credit under sub-section (1) of section 18 Central Goods &Services Act, 2017, till 3oth day of November, 2017.
53/2017-CT 28-10-2017	**To extend the due date for submission of details in FORM GST-ITC-04** The Central Board of Excise and Customs, extends the time limit for making the declaration in FORM GST ITC-04, in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another, during the quarter July to September,2017, till the 30thday of November, 2017.
54/2017-CT 30-10-2017	**To extend the due date for submission of Form GST CMP-03, REG-26, TRAN-1 and ITC-04** The Commissioner, on the recommendations of the Council, has extended the time limit for filing the following forms: 1. GST CMP-03 –To intimate details of stock held on the date preceding the date from which the option for composition levy is exercised till 30thNovember,2017 2. GST REG-26 –To submit an application by a person who holds a provisional certificate of registration till 31stDecember, 2017 3. GST TRAN-1 –To declare details of stock held on the appointed day under rule 120A and rule 117 of the CGST Rules till 30thNovember,2017 4. GST ITC-04 - To make declaration in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another, during the quarter July to September, 2017 till 30thNovember,2017 5. GST ITC-01 - Form to be filed by registered person after taking registration to the effect that he is eligible to avail the input tax credit till 30th November,2017 6. GST REG-29 - Form for submitting an application electronically for the cancellation of registration granted to every person registered under any of the existing laws till 31st December, 2017

Central Tax (Rate) – Amendments

Notification No & Date	Purpose
31/2017-CTR 13-10-2017	**To amend notification No. 11/2017-CT(R)** 1. Rate of tax on composite supply of works contract involvingearth work (more than 75%) provided to theCentral Government, State Government, Union territory, localauthority, a Governmental Authority or a Government Entityshall be taxed at 5%. 2. Rate of tax on composite supply of works contract andassociated services, in respect of offshore works contract relatingto oil and gas exploration and production (E&P) in the offshorearea beyond 12 nautical miles from the nearest point of theappropriate base line shall be taxed at 12% 3. Rate of tax on transport of passengers by any motor vehicledesigned to carry passengers where the cost of fuel is included inthe consideration charged from the service recipient shall be 5%provided that credit of input tax charged on goods and servicesused in supplying the service, other than the input tax credit ofinput service in the same line of business has not been taken.Otherwise tax rate shall be at 12%. 4. Rate of tax on transportation of natural gas through pipelineshall be taxed at 5% provided that credit of input tax charged on goodsand services used in supplying the service has not been taken. 5. Rate of tax on renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient shall be 5%. 6. Rate of tax on leasing services of motor vehicles purchased andleased prior to 1st July 2017 shall be 65 per cent of the rate ofcentral tax as applicable on supply of like goods involvingtransfer of title in goods. Similarly, Rate of tax on supply of motor vehicles coveredunder Chapter 87 purchased prior to 1st July, 2017 shall be 65%of central tax applicable otherwise on such goods. Such supplier should not have availed input tax credit ofcentral excise duty, VAT or any other taxes paid onsuch vehicles.Both such benefits shall not apply on or after 1st July, 2020 7. Services by way of job work in relation to printing of all goodsfalling under Chapter 48 or 49shall be taxed at 12%. 8. Services provided by a Goods Transport Agency (GTA) to anunregistered person, including an unregistered casual taxableperson, other than specified person shall be exempted. 9. Service by way of access to a road or a bridge on payment ofannuity shall be exempted
32/2017-CTR 13-10-2017	**To amend notification No. 12/2017-CT(R)** The services provided by GTA to an unregistered person shall be exempted from GST. Further, he services by way of access to a road or a bridge on payment of annuity are also exempted.
33/2017-CTR 13-10-2017	**To amend notification No. 13/2017-CT(R)** Supply of services by the members of Overseeing Committee toReserve Bank of India shall be under specific reverse charge.

34/2017-CTR 13-10-2017	**To amend notification No. 1/2017-Central Tax (Rate)** **List of items for which tax rate have been reduced to 5%** 1. Mangoes sliced, dried, 2. Khakhra, plain chapatti or roti, (a) Namkeens, bhujia, mixture, chabena and similar ediblepreparations bearing a registered brandname orBearing a brand name on which an actionable claimor enforceable right in a court of law is available. (b) Medicaments including those used in Ayurvedic, Unani,Siddha, Homeopathic or Bio-chemic systems, manufacturedexclusively in accordance with the formulae described in theauthoritative books. 3. Waste, parings or scrap, of plastics/rubber/Recovered waste orscrap of paper or paperboard. 4. Real zari thread (gold) and silver thread, combined with textilethread 5. Cullet or other waste or scrap of glass 6. E-waste 7. Biomass briquettes **List of items for which tax rate have been reduced to 12%** 1. Namkeens, bhujia, mixture, chabena and similar ediblepreparations in ready for consumption form [other than roastedgram], put up in unit container and bearing a registeredbrand name; orbearing a brand name on which anactionable claim or enforceable right in a court of law isavailable. 2. Sewing thread of man-made filaments, whether or not put up forretail sale. 3. Synthetic or artificial filament yarns 4. Sewing thread of man-made staple fibres 5. Yarn of man-made staple fibres **List of items for which tax rate have been reduced to 18%** 1. Poster colour 2. Modelling pastes, including those put up for children'samusement; Preparations known as dental wax or dentalimpression compounds, put up in sets, in packings for retailsale or in plates, horseshoe shapes, sticks or similar forms; otherpreparations for use in dentistry, with a basis of plaster. 3. All goods falling under 6802 other than:- (i) all goods of marbleand granite; (ii) Statues, statuettes, pedestals; high or lowreliefs, crosses, figures of animals, bowls, vases, cups, cachouboxes, writing sets, ashtrays, paper weights, artificial fruit andfoliage, etc.; other ornamental goods essentially of stone" 4. Fittings for loose-leaf binders or files, letter clips, letter corners,paper clips, indexing tags and similar office articles, of basemetal; staples in strips (for example, for offices, upholstery,packaging), of base metal 5. Parts suitable for use solely or principally with fixed SpeedDiesel Engines of power not exceeding 15HP 6. Parts suitable for use solely or principally with power drivenpumps primarily designed for handling water, namely,centrifugal pumps(horizontal and vertical), deep tube-well 7. turbine pumps, submersible pumps, axial flow and mixed flowvertical pumps 8. Plain shaft bearings.
35/2017-CTR 13-10-2017	**To amend notification No. 2/2017-Central Tax (Rate)** Duty Credit Scrips falling under 4907 shall be exempted from GST. Supply of goods by a Government entity to Central Government, StateGovernment, Union territory, local authority or any person specified byCentral Government, State Government, Union territory or local authority,against consideration received from Central Government, StateGovernment, Union territory or local authority in the form of grants shallbe exempted from tax.

36/2017-CTR 13-10-2017	**To amend notification No. 4/2017-Central Tax (Rate)** Supply of used vehicles, seized and confiscated goods, old and usedgoods, waste and scrap by Central Government, State Government, Unionterritory or a local authority to any registered person shall now be underspecific reverse charge.
37/2017-CTR 13-10-2017	**To prescribe Central Tax rate on the leasing of motor vehicles** Rate of tax on leasing services of motor vehicles purchased andleased prior to 1st July 2017 shall be 65 per cent of the rate ofcentral tax as applicable on supply of like goods involvingtransfer of title in goods. Similarly rate of tax on supply of motor vehicles coveredunder Chapter 87 purchased prior to 1st July, 2017 shall be 65%of central tax applicable otherwise on such goods as the case may be. Such supplier should not have availed input tax credit ofcentral excise duty, VAT or any other taxes paid onsuch vehicles.Both such benefits shall not apply on or after 1st July, 2020
38/2017-CTR 13-10-2017	**To exempt payment of tax W.e.f 13th October 2017** The Central Government hasamended Notification No. 8/2017 – Central Tax (Rate) dated 28th June, 2017 by omitting proviso under Paragraph 1 which deals with the exemption limit of Rs. 5000 per day available to the registered person on intra-State procurement of goods or services from any or all unregistered suppliers. Post amendment, exemption shall be available to all the registered persons till March 31, 2018 without any limit in case of supply procured from unregistered supplier. An inter-State supply received from unregistered supplier is also exempt under corresponding notification issued under IGST Act. In case of goods, where tax is payable on reverse charge basis, the time of supply shall be the earliest of the following : • ***Date of Receipt of Goods Or*** • ***Date of payment to unregistered supplier Or*** • ***Immediately following 30 days from the date of issue of invoice or any other document.*** In case of services, where tax is payable on reverse charge basis, the time of supply shall be the earliest of the following : • ***Date of payment to unregistered supplier Or*** • ***Immediately following 60 days from the date of issue of invoice or any other document.***
39/2017-CTR 18-10-2017	The Central Government has notified the central tax rate @2.5 % on intra-State supplies of goods in case of food preparations which put up in unit containers and intended for free distribution to economically weaker sections of the society under a programme duly approved by the Central Government or any State Government with effect from 18th October, 2017.
40/2017-CTR 23-10-2017	To prescribe Central Tax Rate of 0.05% on intra-State supply of taxable goods by a registered supplier to a registered recipient for export.

Central Tax - Circulars & Orders

Circulars &Order No & Date	Purpose
Circular No. 8/8/2017-GST 04.10.2017	**Clarification on issues related to furnishing of Bond/Letter of Undertaking forexports** 1. **Eligibility to export under LUT:** The facility of export under LUT has been now extended to all registered persons who intend to supply goods or services for export without payment of IGST except those who have been prosecuted for any offence under the CGST Act or the Integrated Goods and Services Tax Act, 2017 or any of the existing laws and the amount of tax evaded in such cases exceeds 250 lakh rupees. 2. **Validity of LUT:** The LUT shall be valid for the whole financial year in which it is tendered. However, in case the goods are not exported&the registered person fails to pay the requisite amount, the facility of export under LUT will be deemed to have been withdrawn. If the amount is paid subsequently, the facility of export under LUT shall be restored. As a result, exports, during the period from when the facility to export under LUT is withdrawn till the time the same is restored, shall be either on payment of the applicable integrated tax or under bond with bank guarantee. 3. **Form for bond/LUT:** Till the time FORM GST RFD-11 is available on the common portal, the registered person (exporters) may download the FORM GST RFD-11 from the website of the Central Board of Excise and Customs (www.cbec.gov.in) and furnish the duly filled form to the jurisdictional Deputy/Assistant Commissioner having jurisdiction over their principal place of business. Bond or LUT shall be executed by the working partner, the Managing Director or the Company Secretary or the proprietor or by a person duly authorised. 4. **Documents for LUT:** Self-declaration to the effect that the conditions of LUT have been fulfilled shall be accepted unless there is specific information otherwise. That is, self-declaration by the exporter to the effect that he has not been prosecuted should suffice for the purposes of Notification No. 37/2017- Central Tax dated 4th October, 2017. Verification, if any, may be done on post-facto basis. 5. **Time for acceptance of LUT/Bond:** The LUT/bond should be accepted within a period of three working days of its receipt along with the self-declaration as stated in para 2(d) above by the exporter. If the LUT / bond is not accepted within a period of three working days from the date of submission, it shall deemed to be accepted. 6. **Bank guarantee:** Since the facility of export under LUT has been extended to all registered persons, bond will be required to be furnished by those persons who have been prosecuted for cases involving an amount exceeding Rupees 250 lakhs. A bond, in all cases, shall be accompanied by a bank guarantee of 15% of the bond amount. 7. **Clarification regarding running bond:** The exporters shall furnish a running bond where the bond amount would cover the amount of self-assessed estimated tax liability on the export. The exporter shall ensure that the outstanding integrated tax liability on exports is within the bond amount. 8. **Purchases from manufacturer and Form CT-1:**There is no provision for issuance of CT-1 form which enables merchant exporters to purchase goods from a manufacturer without payment of tax under the GST regime. The transaction between a manufacturer and a merchant exporter is in the nature of supply and the same would be subject to GST. Further, transactions with EOUs, Zero rating, are not applicable to supplies to EOUs. Therefore, supplies to EOUs are taxable like any other taxable supplies.

Circular No 9/9/2017-GST – 18-10-2017	**Officer authorized for enrolling or rejecting application for Goods and Services Tax Practitioner** The Assistant Commissioner/Deputy Commissioner, having jurisdiction over the place declared as address in the application for enrolment as Goods and Service Tax Practitioner in FORM GST PCT-1,has been authorizedofficer to approve or reject the said application.
Circular No. 10/10/2017-GST - 18-10-2017	**Movement of Goods within the State or from the State of registration to another State for supply on Approval Basis.** The goods which are taken for supply on approval basis can be moved from the place of business of the registered supplier to another place within the same State or to a place outside the State on a delivery challan along with the e-way bill wherever applicable and the invoice may be issued at the time of delivery of goods. For this purpose, the person carrying the goods for such supply can carry the invoice book with him so that he can issue the invoice once the supply is fructified. It is further clarified that all such supplies, where the supplier carries goods from oneState to another and supplies them in a different State, will be inter-state supplies and attractintegrated tax in terms of Section 5 of the Integrated Goods and Services Tax Act, 2017. It is also clarified that this clarification would be applicable to all goods suppliedunder similar situations.
Circular No. 11/11/2017-GST – 20-10-2017	**Clarification on taxability of Printing Contracts** Supply of books, pamphlets, brochures, envelopes, annual reports, leaflets, cartons, boxes etc. printed with logo, design, name, address or other contents supplied by the recipient of such printed goods, are composite supplies and the question, whether such supplies constitute supply of goods or services would be determined on the basis of what constitutes the principal supply (Section 2(90) of the CGST Act) In the case of printing of books, pamphlets, brochures, annual reports, and the like, ***where only content is supplied by the publisher*** or the person who owns the usage rights to the intangible inputs while the physical inputs including paper used for printing belong to the printer, supply of printing [of the content supplied by the recipient of supply] is the principal supply and therefore such supplies would constitute supply of service falling under heading 9989 of the scheme of classification of services. In case of supply of printed envelopes, letter cards, printed boxes, tissues, napkins, wall paper etc. falling under Chapter 48 or 49, printed with design, logo etc. ***supplied by the recipient of goods but made using physical inputs*** including paper belonging to the printer, predominant supply is that of goods and the supply of printing of the content [supplied by the recipient of supply] is ancillary to the principal supply of goods and therefore such supplies would constitute supply of goods falling under respective headings of Chapter 48 or 49 of the Customs Tariff.
Circular No. 12/12/2017-GST – 26-10-2017	**Applicability of GST on the superior kerosene oil [SKO] retained for the manufacture of Linear Alkyl Benzene [LAB]** GST will be payable by the refinery only on the net quantity of superior kerosene oil (SKO) retained for the manufacture of Linear Alkyl Benzene (LAB). Though, refinery would be liable to pay GST on such returned quantity of SKO, when the same is supplied by it to any other person.
Circular No.13/13/2017-GST – 27-10-2017	**Clarification on Unstitched Salwar Suits** Fabrics are classifiable under chapters 50 to 55 of the First Schedule to the Customs Tariff Act, 1975 on the basis of their constituent materials and attract a uniform GST rate of 5% with no refund of the unutilized input tax credit ITC).

Order No. 01/2017-Central Tax - 13-10-2017	**No denial for availing composition benefit by Supplier of food - Exempt services** If person supplies goods/services food & beverages with services and also any exempt services, including services by way of extending deposits, loans or advances, is in form of interest or discount, the said person shall be eligible for the composition scheme under Section 10 of the CGST Act, 2017, subject to the fulfillment of all other conditions specified therein. **Value of exempt services are not includible for calculating aggregate turnover:** For computing aggregate turnover in order to determine eligibility for composition scheme, value of supply of such exempt services shall not be taken into account.
Order No. 05/2017-GST 28-10-2017	**Extension of time limit for intimation of details of stock in FORMGST CMP-03.** The period forintimation of details of stock held on the date preceding the date from which the option to paytax under section 10 of the Act is exercised in FORM GST CMP-03 is extended till 30th November, 2017.
Order No. 06/2017-GST 28-10-2017	**Extension of time limit for submitting application in FORM GST REG-26(To get permanent Registration Number under GST)** The period for submitting electronically the application in the FORM GST REG- 26till 31st December 2017.
Order No.07/2017-GST 28-10-2017	**Extension of time limit for submitting the declaration in FORM GST TRAN-1** The period for submitting thedeclaration in FORM GST TRAN-1 till 30th November, 2017. (Rule 117 of the Central Goods and Services Tax Rules, 2017)
Order No. 08/2017-GST 28-10-2017	**Extension of time limit for submitting the declaration in FORM GST TRAN-1** The period for submitting the declaration in FORM GST TRAN-1 till 30th November, 2017. (Rule 120A of the Central Goods and Services Tax Rules, 2017)

Integrated Tax – Amendments

Notification No & Date	Purpose
09/2017-Integrated Tax 13-10-2017	**To amend notification no. 8/2017-IT dated 14.09.2017 so as to add certain items to the list of "handicrafts goods"** The items included are handmade shawls, stoles and scarves, chain stitch, crewel, namda, gabba, wicker willow products, Toran and articles made of shoal.
10/2017-Integrated Tax 13-10-2017	**To exempt persons making inter-State supplies of taxable services from registration.** The Central Government has exempted the persons making inter-State supplies of taxable services and having an aggregate turnover not exceeding an amount of Rs. 20 lakhs in a financial year from obtaining registration. However, for the following States aggregate turnover limit should not exceed Rs. 10 lakhs for availing exemption from registration, namely: 1. Arunachal Pradesh 2. Assam 3. Manipur 4. Meghalaya 5. Mizoram 6. Nagaland 7. Sikkim 8. Tripura 9. Himachal Pradesh 10. Uttarakhand State of Jammu & Kashmir has opted for Rs. 20 Lacs threshold limit for exemption
11/2017-Integrated Tax 13-10-2017	**To cross-empower State Tax officers for processing and grant of refund** The Central Government specifies thatthe officers appointed under the respective State Goods and Services Tax Act, 2017 or theUnion Territory Goods and Service Tax Act, 2017, who are authorized to be the proper officers by the Commissioner, shall act as proper officers for the purpose ofsanction of refunds, in respect of a registered person located inthe territorial jurisdiction of the said officers who applies for the sanction of refund to the saidOfficers.

Integrated Tax (Rate) – Amendments

Notification No & Date	Purpose
32/2017-Integrated Tax (Rate) 13-10-2017	**To exempt payment of Integrated Tax till 31st March 2018** The Central Governmentexempts the inter-State supply of goods orservices or both received by a registered person from any supplier, who is notregistered, from the whole of the integrated tax leviable thereon & shall also apply to all registered persons tillthe 31st day of March, 2018.
33/2017-Integrated Tax (Rate) 13-10-2017	**To amend notification No. 9/2017-IT(R)** The services provided by GTA to an unregistered person shall be exempted from GST. Further, the services by way of access to a road or a bridge on payment of annuity are also exempted from GST.
34/2017-Integrated Tax (Rate) 13-10-2017	**To amend notification No. 10/2017-IT(R) regarding services provided by Overseeing Committee members to RBI under RCM** The Central Government has notified the supply of services by members of Overseeing committee to Reserve Bank of India on which GST would be payable under reverse charge mechanism.
35/2017-Integrated Tax (Rate) 13-10-2017	**To amend notification No. 1/2017-Integrated Tax (Rate)** The Central Government has made certain amendments in GST rate schedule. It has notified list ofnew goods and services liable to GST.
36/2017-Integrated Tax (Rate) 13-10-2017	**To amend notification No. 2/2017-Integrated Tax (Rate)** There would be no GST on supply of goods by Government entity to Central Govt., State Govt., Union Territory and local authority against consideration paid in form of grants and on supply of duty credit scrips.
37/2017-Integrated Tax (Rate) 13-10-2017	**To amend notification No. 4/2017-Integrated Tax (Rate)** The Central Government has notified certain goods supplied by Government which would attract reverse charge. The items include used vehicles, seized and confiscated goods, old and used goods, waste and scrap.
38/2017-Integrated Tax (Rate) 13-10-2017	**To prescribe Integrated Tax rate on the leasing of motor vehicles** Rate of tax on leasing services of motor vehicles purchased and leased prior to 1stJuly 2017 shall be 65 % of the rate of Integrated tax as applicable on supply of like goods involving transfer of title in goods. Similarly rate of tax on supply of motor vehicles purchased prior to 1st July, 2017 shall be 65% of Integrated tax applicable otherwise on such goods as the case may be. Such supplier should not have availed input tax credit of central excise duty, VAT or any other taxes paid on such vehicles. Both such benefits shall not apply on or after 1st July, 2020.
39/2017-Integrated Tax (Rate) 13-10-2017	**To amend notification No. 8/2017-Integrated Tax (Rate)** 1. Rate of tax on composite supply of works contract involving earth work (more than 75 %) provided to the Central Government, State Government, Union territory, local authority, a Governmental Authority or a Government Entity shall be taxed at 5%.

	2. Rate of tax on composite supply of works contract and associated services, in respect of offshore works contract relating to oil and gas exploration and production (E&P) in the offshore area beyond 12 nautical miles from the nearest point of the appropriate base line shall be taxed at 12% 3. Rate of tax on transport of passengers by any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient shall be 5% provided that credit of input tax charged on goods and services used in supplying the service, other than the input tax credit of input service in the same line of business has not been taken. Otherwise tax rate shall be at 12%. 4. Rate of tax on transportation of natural gas through pipeline shall be taxed at 5% provided that credit of input tax charged on goods and services used in supplying the service has not been taken. 5. Rate of tax on renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient shall be 5%. 6. Rate of tax on leasing services of motor vehicles purchased and leased prior to 1st July 2017 shall be 65 per cent of the rate of central tax as applicable on supply of like goods involving transfer of title in goods. Similarly, Rate of tax on supply of motor vehicles covered under Chapter 87 purchased prior to 1st July, 2017 shall be 65% of central tax applicable otherwise on such goods. Such supplier should not have availed input tax credit of central excise duty, VAT or any other taxes paid on such vehicles. Both such benefits shall not apply on or after 1st July, 2020 7. Services by way of job work in relation to printing of all goods falling under Chapter 48 or 49 shall be taxed at 12%. 8. Services provided by a Goods Transport Agency (GTA) to an unregistered person, including an unregistered casual taxable person, other than specified person shall be exempted. 9. Service by way of access to a road or a bridge on payment of annuity shall be exempted.
40/2017-Integrated Tax (Rate) 18-10-2017	**To notify tax rate on intra-State supplies of goods in case of food preparations** The Central Government has notified the central tax rate @ 5 % on intra-State supplies of goods in case of food preparations which put up in unit containers and intended for free distribution to economically weaker sections of the society under a programme duly approved by the Central Government or any State Government with effect from 18th October, 2017.
41/2017-Integrated Tax (Rate) 23-10-2017	The Central Government has prescribed 0.05% (Total ITR 0.1%) GST on intra-State supply of taxable goods bya registered supplier to a registered recipient for export. **Condition:** The supplier of such foodpreparations shall produces a certificate from the specified officer to the State Government to theeffect that such food preparations have been distributed free to the economically weakersections of the society under a programme duly approved by the Central Government or theState Government concerned, within a period of five months from the date of supply of suchgoods.
42/2017-Integrated Tax (Rate) 27-10-2017	**To amend notification No. 9/2017- ITR** The Central Government has exempted Integrated Tax on inter-state supply of services to Nepal and Bhutan against payment in Indian Rupees.

Union Territory Tax – Amendments

Notification No & Date	Purpose
16/2017-Union Territory Tax 13-10-2017	**To amend notification No. 2/2017-Union Territory Tax** The Central Government has amended the Threshold Limit forComposition Levy from Rs. 75 Lakhs to Rs. 1 Crore.
17/2017-Union Territory Tax 24-10-201	**To extend provisions of Central GST Act to Union Territory GST Act** The CentralGovernment, subject toprovisions of the CGST Act and the rules made thereunder, the notifications issued underthe Central Goods and Services Tax Act, 2017relating to the subjectsreferred in section 21 of the said Act are automatically extended to the said Act. The latest notification shall come into force with effective from the 22nd day of June, 2017

Union Territory Tax (Rate) – Amendments

Notification No & Date	Purpose
31/2017-Union Territory tax(rate) 13-10-2017	**To amend notification No. 11/2017-UTT(R)** 1. Rate of tax on composite supply of works contract involving earth work (more than 75 %) provided to the Central Government, State Government, Union territory, local authority, a Governmental Authority or a Government Entity shall be taxed at 5%. 2. Rate of tax on composite supply of works contract and associated services, in respect of offshore works contract relating to oil and gas exploration and production (E&P) in the offshore area beyond 12 nautical miles from the nearest point of the appropriate base line shall be taxed at 12% 3. Rate of tax on transport of passengers by any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient shall be 5% provided that credit of input tax charged on goods and services used in supplying the service, other than the input tax credit of input service in the same line of business has not been taken. Otherwise tax rate shall be at 12%. 4. Rate of tax on transportation of natural gas through pipeline shall be taxed at 5% provided that credit of input tax charged on goods and services used in supplying the service has not been taken. 5. Rate of tax on renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient shall be 5%. 6. Rate of tax on leasing services of motor vehicles purchased and leased prior to 1st July 2017 shall be 65 per cent of the rate of central tax as applicable on supply of like goods involving transfer of title in goods. Similarly, Rate of tax on supply of motor vehicles covered under Chapter 87 purchased prior to 1st July, 2017 shall be 65% of central tax applicable otherwise on such goods. Such supplier should not have availed input tax credit of central excise duty, VAT or any other taxes paid on such vehicles. Both such benefits shall not apply on or after 1st July, 2020 7. Services by way of job work in relation to printing of all goods falling under Chapter 48 or 49 shall be taxed at 12%. 8. Services provided by a Goods Transport Agency (GTA) to an unregistered person, including an unregistered casual taxable person, other than specified person shall be exempted. 9. Service by way of access to a road or a bridge on payment of annuity shall be exempted.
32/2017-Union Territory tax(rate) 13-10-2017	**To amend notification No. 12/2017-UTT(R)** The services provided by GTA to an unregistered person shall be exempted from GST. Further, the services by way of access to a road or a bridge on payment of annuity arealso exempted from GST.
33/2017-Union Territory tax(rate) 13-10-2017	The Central Government has notified the supply of services by members of Overseeing committee to Reserve Bank of India on which GST would be payable under reverse charge mechanism.

34/2017-Union Territory tax(rate) 13-10-2017	**To amend notification No. 1/2017-Union Territory Tax(Rate)** List of items for which tax rate have been reduced to 5% 1. Mangoes sliced, dried, 2. Khakhra, plain chapatti or roti, (c) Namkeens, bhujia, mixture, chabena and similar edible preparations bearing a registered brand name or Bearing a brand name on which an actionable claim or enforceable right in a court of law is available. (d) Medicaments including those used in Ayurvedic, Unani, Siddha, Homeopathic or Bio-chemic systems, manufactured exclusively in accordance with the formulae described in the authoritative books. 3. Waste, parings or scrap, of plastics / rubber / Recovered waste or scrap of paper or paperboard. 4. Real zari thread (gold) and silver thread, combined with textile thread 5. Cullet or other waste or scrap of glass 6. E-waste 7. Biomass briquettes List of items for which tax rate have been reduced to 12% 1. Namkeens, bhujia, mixture, chabena and similar edible preparations in ready for consumption form [other than roasted gram], put up in unit container and bearing a registered brand name; or bearing a brand name on which an actionable claim or enforceable right in a court of law is available. 2. Sewing thread of man-made filaments, whether or not put up for retail sale. 3. Synthetic or artificial filament yarns 4. Sewing thread of man-made staple fibres 5. Yarn of man-made staple fibres List of items for which tax rate have been reduced to 18% 1. Poster colour 2. Modelling pastes, including those put up for children's amusement; Preparations known as dental wax or dental impression compounds, put up in sets, in packings for retail sale or in plates, horseshoe shapes, sticks or similar forms; other preparations for use in dentistry, with a basis of plaster. 3. All goods falling under 6802 other than:- (i) all goods of marble and granite; (ii) Statues, statuettes, pedestals; high or low reliefs, crosses, figures of animals, bowls, vases, cups, cachou boxes, writing sets, ashtrays, paper weights, artificial fruit and foliage, etc.; other ornamental goods essentially of stone" 4. Fittings for loose-leaf binders or files, letter clips, letter corners, paper clips, indexing tags and similar office articles, of base metal; staples in strips (for example, for offices, upholstery, packaging), of base metal 5. Parts suitable for use solely or principally with fixed Speed Diesel Engines of power not exceeding 15HP 6. Parts suitable for use solely or principally with power driven pumps primarily designed for handling water, namely, centrifugal pumps(horizontal and vertical), deep tube-well 7. turbine pumps, submersible pumps, axial flow and mixed flow vertical pumps 8. Plain shaft bearings.
35/2017-Union Territory tax(rate) 13-10-2017	To amend notification No. 2/2017-Union Territory Tax(Rate). There would be no GST on supply of goods by Govt. entity to Central Govt., State Govt., Union Territory and local authority against consideration paid in form of grants and on supply of duty credit scrips.

36/2017-Union Territory tax(rate) 13-10-2017	**To amend notification No. 4/2017-Union Territory Tax (Rate)** The Central Government has notified the certain goods supplied by Government which would attract reverse charge. The items include used vehicles, seized and confiscated goods, old and used goods, waste and scrap.
37/2017-Union Territory tax(rate) 13-10-2017	**To prescribe Union Territory Tax rate on the leasing of motor vehicles.** Rate of tax on leasing services of motor vehicles purchased and leased prior to 1st July 2017 shall be 65 per cent of the rate of central tax as applicable on supply of like goods involving transfer of title in goods. Similarly rate of tax on supply of motor vehicles covered under Chapter 87 purchased prior to 1st July, 2017 shall be 65% of central tax applicable otherwise on such goods as the case may be. Such supplier should not have availed input tax credit of central excise duty, VAT or any other taxes paid on such vehicles. Both such benefits shall not apply on or after 1st July, 2020.
38/2017-Union Territory tax(rate) 13-10-2017	**To exempt payment of tax under section 7(4) of the UTGST Act, 2017 till 31.03.2017** The Central Government has amended Notification No. 8/2017 – Union Territory Tax (Rate) dated 28th June, 2017 which deals with the exemption limit of Rs. 5000 per day available to the registered person on intra-State procurement of goods or services from any or all unregistered suppliers. Post amendment, exemption shall be available to all the registered persons till March 31, 2018 without any limit in case of supply procured from unregistered supplier.
39/2017-Union Territory tax(rate) 18-10-2017	**To Reduce Tax Rate on Food Preparations** The Central Governmenthas reduced GST rate on Food preparations put up in unit containersand intended for free distribution to economically weaker sections of the society under aprogramme duly approved by the Central Government or any State Government to 5%.
40/2017-Union Territory tax(rate) 23-10-2017	**To prescribe UTR of 0.05% on intra-State supply of taxable goods by a registered supplier to a registered recipient for export** The Central Government has prescribed 0.05% GST on intra-State supply of taxable goods bya registered supplier to a registered recipient for export. But the supplier of such foodpreparations shall produces a certificate from the specified officer to the State Government to theeffect that such food preparations have been distributed free to the economically weakersections of the society under a programme duly approved by the Central Government or theState Government concerned, within a period of five months from the date of supply of suchgoods.

Union Territory Tax - Orders

Order No & Date	Purpose
Order No. 01/2017-Union Territory Tax	**No denial for availing composition benefit by Supplier of food - Exempt services** If a person supplies goods or services i.e. Supply of food & beverages and also supplies any exempted services, including services by way of extending deposits, loans or advances in so far as the consideration is in form of interest or discount, the said person shall be eligible for the composition scheme, subject to the fulfillment of all other conditions. Value of exempt services are not includible for calculating aggregate turnover: For computing aggregate turnover in order to determine eligibility for composition scheme, value of supply of such exempt services shall not be taken into account.

Composition Cess (Rate) – Amendments

Notification No & Date	Purpose
07/2017-Compensation Cess (Rate) 13-10-2017	**To prescribe compensation cess rate on the leasing of motor vehicles.** Rate of tax on leasing services of motor vehicles purchased and leased prior to 1st July 2017 shall be 65 per cent of Cess applicable on supply of like goods involving transfer of title in goods. Such supplier should not have availed input tax credit of central excise duty, VAT or any other taxes paid on such vehicles. Both such benefits shall not apply on or after 1st July, 2020.
06/2017-Compensation Cess (Rate) 13-10-2017	**To amend notification No. 2/2017-Compensation Cess (Rate)** Cess on supply of motor vehicles covered under Chapter 99 purchased prior to 1st July, 2017 shall be 65% of Cess applicable otherwise on such goods as the case may be. But shall such benefits not apply on or after 1st July, 2020.

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Founder

Mr. Prabhakar K S is founder of Shree Tax Chambers, a spiritually inclined & budding Tax Law Professional, having a decade of solid exposure in Indian Tax Laws, Company Laws & other allied corporate Laws. He is an ambitious Post graduate in Commerce, Post Graduate Diploma in Finance & Taxation and in the verge of acquiring Tax Laws related professional qualifications.

The Chamber

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