- **<u>Who can cancel registration ?</u>**
  1. Proper officer on his own motion
  2. Application by registered person
  3. Application by legal heir of registered person, in case of death of such person

- **<u>Grounds for cancel of registration</u>**
  1. Business has been discontinued.
  2. Business has been transferred fully due to death or amalgamation or demerger or otherwise dispose of.
  3. Any change in the constitution of business.
  4. Person no longer liable to be registered , except in case of person who registered himself voluntarily.

*(**Note:** Person registered voluntarily shall be allowed to cancel registration only after expiry of one year from the effective date of registration.)*

- **<u>Grounds where proper officer may cancel the registration</u>**

  Proper officer on his own discretion may cancel the registration after giving an opportunity of being heard in the following situation:
  1. If registered person has contravened any provisions of the Act or rules made there under.
  2. Person paying tax under composition scheme has not furnished return for three consecutive tax period.
  3. Person paying tax other than composition scheme has not furnished return for a continuous period of six month.
  4. Person who got voluntary registration but not commenced the business within 6month from the date of registration.

5. If registration was obtained by means of fraud, willful misstatement or suppression of fact.

What are the implication after cancellation?

1. Cancellation of registration will not affect the liability of a person to pay tax and other dues or to discharge any obligation under this Act or the rules made there under for any period prior to the date of cancellation.
2. After cancellation of registration credit of input tax in respect of inputs held in stock or inputs contained in semi-finished or finished goods held in stock and of capital goods or plant and machinery on the day immediately preceding the date of such cancellation or the output tax payable on such goods, whichever is higher shall be paid by way of debit in the electronic credit ledger or electronic cash ledger.

Impact of cancellation of registration under the SGST Act or UTGST Act

If registration is cancelled under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act, as the case may be, then it shall be deemed that registration under this Act also cancelled.

IMPACT

Procedure for cancellation of registration by registered person

1) Submit an application in **Form GST REG-16** through common portal by attaching relevant documents within 30days of occurrence of the event .
2) Above form shall include the following details
   a) Inputs held in stock or inputs contained in semi-finished or finished goods held in stock and of capital goods held in stock on the date from which the cancellation of registration is sought.
   b) Details of payment of liability if any.

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