NON-RESIDENT TAXABLE PERSON UNDER GST

Any person who want to do temporary business in India shall get registration as a "Casual taxable person" (Indian, but he has no fixed place of business in the said state/territory) or "non-resident taxable person" (if he has no fixed place of business or residence in India) under section 24 of CGST Act, 2017. Here we are talking about a non- resident applicant, let's go through the provisions applicable on them-

Registration Pre-Requisites- As per GST Rules, the application for GST Registration made by a non-taxable person should be signed by an authorized signatory who shall be a person resident in India having valid PAN. Hence to begin with GST registration in India, NRI applicant must engage the Indian authorised signatory first.

Meaning of Non-Resident Taxable Person under GST- As per Sec- 2(77) of CGST Act, "non-resident taxable person" means any person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India;

Mandatory Registration under GST- As per Sec-24 of CGST Act, a non-resident taxable person making taxable supply has to get compulsory registration under this Act.

Time Period to apply for GST Registration- As per proviso of Sec-25(1) of CGST Act, a casual taxable person or a non-resident taxable person shall apply for registration at least five days prior to the commencement of business

Validity of Registration- As per Sec-27(1) of CGST Act, the certificate of registration issued to a casual taxable person or a non-resident taxable person shall be valid for the period specified in the application for registration or ninety days from the effective date of registration, whichever is earlier and such person shall make taxable supplies only after the issuance of the certificate of registration:

Extension of the Registration Period- As per proviso to Sec-27(1) of CGST Act, the proper officer may, on sufficient cause being shown by the said taxable person, extend the said period of ninety days by a further period not exceeding ninety days.

Further, as per Rule-15 of CGST Rules, "where a registered casual taxable person or a non-resident taxable person intends to extend the period of registration indicated in his application of registration, such application shall be submitted electronically through the common portal, either directly or through a Facilitation Centre notified by the Commissioner, by such person before the end of the validity of registration granted to him."

Advance deposit of tax liability on Estimate basis- As per Sec-27(2) of CGST Act, a casual taxable person or a non-resident taxable person shall, at the time of submission of application for registration under sub-section (1) of section 25, make an advance deposit of tax in an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought:

Provided that where any extension of time is sought under sub-section (1), such taxable person shall deposit an additional amount of tax equivalent to the estimated tax liability of such person for the period for which the extension is sought.

List of Details Required for Registration-

1. Basic details of the Non-Resident Taxable Person-
   a. Legal Name of the Non-Resident Taxable Person
   b. Permanent Account Number (PAN) of the Non-Resident Taxable Person, if any.
   c. Self-attested copy of Passport, if PAN is not available.
   d. Tax identification number or unique number on the basis of which the entity is identified by the Government of that country
   e. Scanned copy of the passport of the Non -resident taxable person with VISA details. In case of a business entity incorporated or established outside India, the application for registration shall be submitted along with its tax identification number or unique number on the basis of which the entity is identified by the Government of that country or its Permanent Account Number, if available
2. Basic details of the Authorised Signatory-
   a. PAN of the Authorised Signatory.
   b. Contact details i.e. Mobile Number and Email-id (To be used by GST department for all the future correspondences.)
   c. Designation
   d. Aadhar Details
   e. Residential Address
   f. Photo
   g. Copy of Resolution passed by BoD/ Managing Committee and Acceptance letter
3. Period for which registration is required
4. Estimated Turnover/Tax liability details for the above period.
5. Address of the Non-Resident Taxable person in the country of origin
6. Address of the Principal Place of business in India
   a. For Owned Premise- Electricity Bill or Property Tax Receipt
   b. For Rented- A copy of valid lease deed or rent agreement with any document in support of the ownership of premise as mentioned above.
   c. For others- A consent letter with any document in support of ownership.
7. Details of Bank Account in India-
   a. First page of Bank passbook or Bank statement containing details like-name of the Proprietor or Business entity, Bank Account No., MICR, IFSC and Branch details including code

Invoicing Requirements- There are no specific invoicing provisions for Non-Resident Taxable Person. Thus, the regular invoicing rules as per Rule -46 of CGST Rules.

Input Tax Credit- As per Sec-17(5) (f), "A non-resident taxable person cannot claim the input tax credit of goods or services or both received by a non-resident taxable person except on goods imported by him."

Furnishing of Returns (GSTR-5)- As per Sec-39 (5) of CGST Act, every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, within twenty days after the end of a calendar month or within seven days after the last day of the period of registration specified under sub-section (1) of section 27, whichever is earlier.

<u>No Refund unless all the returns are submitted-</u> As per Sec-54(13) of CGST Act, notwithstanding anything to the contrary contained in this section, the amount of advance tax deposited by a casual taxable person or a non-resident taxable person under sub-section (2) of section 27, shall not be refunded unless such person has, in respect of the entire period for which the certificate of registration granted to him had remained in force, furnished all the returns required under section 39.

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