Tax Talk

GST GST

The Monthly Goods & Services Tax Bulletin **Rs. 5/-**

Editorial...

GST has been a transformational reform which has affected the plinth and pinth of the economy. The roll-out of the goods and services tax (GST) has not been a much smoother affair, although the industry has started adapting to it despite initial hassles. The path travelled so far has not been easy given the various limitations that had crept in the procedural compliances owing to the technical malfunctioning.

Recently, owing to the technical glitches in the GST Portal, the taxpayers across the country had urged the Government to defer the collection of tax as they are not able to pay tax online. The Government redressed the grievances of the taxpayers and consequently extended the date of payment from 20th to 25th August. The summary return (Form GSTR – 3B) for the month of July was required to be filed by 25th August (extended date), however as per reports, only 29.3 lakh of 87 lakh registered taxpayers in India could file returns before the expiry of the last date. It was worse in the state of Karnataka where only 1.25 lakh of the 4.5 lakh registered taxpayers under GST could file their returns.

The Central Board of Excise & Customs (CBEC) in a press release dated 29th August, disclosed the quantum of revenue collected by the Government for the month of July. It was reported that the total GST paid under different heads for the month of July, 2017 was Rs. 92,283 crore. The total CGST revenue was Rs. 14,894 crore, SGST revenue was Rs.22,722 crore, IGST revenue was Rs.47,469 crore (of which IGST from imports was Rs.20,964 crore) and Cess was Rs.7,198 crore (of which Rs.599 crore was Compensation Cess from imports). It was further revealed that out of the total number of tax payers who were required to file returns, around 65% has been filed. Looking at the aforesaid data's, it seems that GST has added to the treasury of the Government on the expected lines.

The board clarified that if the advertisement agency works on principal to principal basis, it would be liable to pay GST @5% on the full amount charged by advertisement agency from the client. Further, if the advertisement agency sells space for advertisement as an agent of the newspaper on commission basis, it would be liable to pay GST@ 18%.

It is also understood that there is total disharmony between government's saying and system's working. Despite press releases and commitment for all sections of Government regarding late fee for filling of return in initial months. The system is not allowing assesses to file return without payment of late fees, that too separate fee for each of the Acts, which is unthoughtful. If this analogy is followed for prosecution proceedings, then one may have to serve the jail first for CGST and similarly for SGST after completing term in one Act.

The Government has issued several notifications to reduce the rate of tax in case of supply of various services. These changes have been complied on Page – 2 & 3 of this issue. The Government has further notified the rules pertaining to the E-way bills. The crux of the said rules has been complied on Page – 3 of this issue. The month of September seems to be a month of struggle, as the due dates for various forms required to be filed under the GST laws are lined up. We have compiled a list of important deadlines in the month of September on Page – 4 of this issue. On the Service Tax front, one needs to remember that the original return filed for the period April – June, 17 can be revised only within a period of 45 days from the date of their filling.

We hope this newsletter will add some value and prove to be beneficial to the readers. We highly solicit suggestions/opinions of the readers. Please feel free to convey your views at servicetaxgoyal@gmail.com. You may refer all earlier issues of Tax Talk at www.gstpeople.com.

CA Sushil Kr Goyal

Vol : 5 ● Issue No. 6 ● September 2017

Goods Transport Agency

Notification No. 20/2017 – Central Tax (Rate) dated 22-08-2017 has been issued amending Notification No. 11/2017 – Central Tax (Rate) dated 28-06-2017, which prescribed rate of GST on supply of Services. In the said amendment, an option has been given to the Goods Transport Agency (GTA) to pay GST @ 12% and avail full input tax credit on all goods and services used for supply of such service. However, the same is subject of condition namely that Goods Transport Agency (GTA) opting for such option will pay GST @ 12% on all the services of GTA supplied by it i.e. no reverse charge mechanism would apply in such cases.

[Notification No. 20 & 22/2017-CT (Rate) dated 22.08.2017]

Works Contract Supply

Reduced rate of GST @ 12% has been specified for the supply by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of,-

(a) a road, bridge, tunnel, or terminal for road transportation for use by general public;

(b) a civil structure or any other original works pertaining to a scheme under Jawaharlal Nehru National Urban Renewal Mission or Rajiv Awaas Yojana;

(c) a civil structure or any other original works pertaining to the "In-situ rehabilitation of existing slum dwellers using land as a resource through private participation" under the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana, only for existing slum dwellers; (d) a civil structure or any other original works pertaining to the "Beneficiary led individual house construction / enhancement" under the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana;

(e) a pollution control or effluent treatment plant, except located as a part of a factory;or

(f) a structure meant for funeral, burial or cremation of deceased.

[Notification No. 20/2017-CT (Rate) dated 22.08.2017]

Printing

- GST @ 12% has been specified on service provided by way of printing of newspapers, books (including Braille books), journals and periodicals, where only content is supplied.
- Any treatment or process carried out in relation to printing of newspapers, books (including Braille books), journals and periodicals would be taxed @ 5%.

[Notification No. 20/2017-CT (Rate) dated 22.08.2017]

Works Contract Supply to Government, Local Authority or Government Authority

Reduced rate of GST@12% has been specified for the supply by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of, -

(a) a historical monument, archaeological site or remains of national importance, archaeological excavation, or antiquity specified under the Ancient Monuments and Archaeological Sites and Remains Act, 1958;

(b) canal, dam or other irrigation works;

(c) pipeline, conduit or plant for

(i) water supply

(ii) water treatment, or

(iii) sewerage treatment or disposal.

[Notification No. 20/2017-CT (Rate) dated 22.08.2017]

Works Contract Supply (in relation to original works)

Reduced rate of GST @ 12% has been specified for the supply by way of construction, erection, commissioning, or installation of original works pertaining to,-

(a) railways, excluding monorail and metro;

(b) a single residential unit otherwise than as a part of a residential complex;

(c) low-cost houses up to a carpet area of 60 square metres per house in a housing project approved by competent authority empowered under the 'Scheme of Affordable Housing in Partnership' framed by the Ministry of Housing and Urban Poverty Alleviation, Government of India;

(d) low cost houses up to a carpet area of 60 square metres per house in a housing project approved by the competent authority under-

(1) the "Affordable Housing in Partnership" component of the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana;

(2) any housing scheme of a State Government;

(e) post-harvest storage infrastructure for agricultural produce including a cold storage for such purposes; or

(f) mechanised food grain handling system, machinery or equipment for units processing agricultural produce as food stuff excluding alcoholic beverages.

[Notification No. 20/2017-CT (Rate) dated 22.08.2017]

Limited Liability Partnership

A Limited Liability Partnership will also be considered as a partnership firm or a firm.

[Notification No. 22/2017-CT(Rate) dated 22.08.2017]

Transport of Passenger by Motorcab / Renting of Motorcab

An option has been provided to pay GST @ 12% and avail full input tax credit. Or else, pay GST @ 5% with no input tax credit provided that cost of fuel is included in the consideration charged.

[Notification No. 20/2017-CT (Rate) dated 22.08.2017]

Tax rate reduced on Tractor Parts

Tax rate has been reduced to 18% on specified parts of tractor.

[Notification No. 19/2017-CT(Rate) dated 18.08.2017]

House Keeping Services

Electronic Commerce Operator shall be liable to pay tax in case of services of house – keeping such as plumbing, carpenting etc, provided through them. However in cases where the house keeping service provider is liable for registration, they shall be liable for payment of tax.

[Notification No. 23/2017-CT(Rate) dated 22.08.2017]

Exemption to FIFA

- Services provided by and to Federation Internationale de Football Association (FIFA) and its subsidiaries directly or indirectly related to any of the events under FIFA U-17 World Cup 2017 to be hosted in India.

  It has been provided that the aforesaid exemption shall be available only when the Director (Sports), Ministry of Youth Affairs and Sports certifies that the services are directly or indirectly related to any of the events under FIFA U- 17 World Cup 2017.

[Notification No. 21/2017-CT(Rate) dated 22.08.2017]

Exemption to Fair Price Shop

- Service provided by Fair Price Shops to Central Government by way of sale of wheat, rice and coarse grains under Public Distribution System(PDS) against consideration in the form of commission or margin.
- Service provided by Fair Price Shops to State Governments or Union territories by way of sale of kerosene, sugar, edible oil, etc. under Public Distribution System (PDS) against consideration in the form of commission or margin.

[Notification No. 21/2017-CT(Rate) dated 22.08.2017]

FAQ on E-Way Bill

Q.1 Who are required to furnish information and generate e – way bill?

Ans: A registered person who causes movement of goods of consignment value exceeding fifty thousand rupees—

(i) in relation to a supply; or

(ii) for reasons other than supply; or

(iii) due to inward supply from an unregistered person,

shall, before commencement of such movement, furnish information relating to the said goods in Part A of FORM GST EWB-01, electronically, on the GST portal.

Q.2 What information is required to be furnished in Part – A of Form GST EWB – 01 before commencement of the movements of the goods?

Ans: The following information are required to be furnished in Part – A of the Form GST EWB – 01: -

1. GSTIN of Recipient
2. Place of Delivery
3. Invoice or Challan Number
4. Invoice or Challan Date
5. Value of Goods
6. HSN Code
7. Reason for Transportation
8. Transport Document Number

Q.3 What are the cases in which no e – way bill is required to be generated?

Ans: E – way bill is not required to be generated in the following cases: -

a) where the goods being transported are specified in Annexure [Rule 138(14)].

b) where the goods are being transported by a non-motorised conveyance.

c) where the goods are being transported from the port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs; and

d) in respect of movement of goods within such areas as are notified under clause (d) of sub-rule (14) of rule 138 of the Goods and Services Tax Rules of the concerned State.

Q.4 Whether e-way bill needs to be updated in case of transfer of goods from one vehicle to other?

Ans: Yes. Any transporter transferring goods from one conveyance to another in the course of transit shall, before such transfer and further movement of goods, update the details of conveyance in the e-way bill on the common portal in FORM GST EWB-01.

Q.5 Whether multiple e-way bills needs to be generated in case of multiple consignments being transported in one conveyance?

Ans: After e-way bill has been generated where multiple consignments are intended to be transported in one conveyance, the transporter may indicate the serial number of e-way bills generated in respect of each such consignment electronically on the common portal and a consolidated e-way bill in FORM GST EWB-02 maybe generated by him on the said common portal prior to the movement of goods.

[Notification No: 27/2017 - CT dated 30.08.2017]

Compliance Chart

GST RETURN				
Period	**Form No**	**Description**	**Who should File**	**Due Date**
July	GSTR - 1	Outward Supplies	Regular taxpayer	5th Sept.
	GSTR - 2	Inward Supplies	-do-	10th Sept.
	GSTR - 3	Monthly Return	-do-	15th Sept.
	GSTR - 5A	Monthly Return	Non-resident/OIDAR	15h Sept.
	GSTR - 6	Monthly Return	Input Service Distributor	8th Sept.
August	GSTR - 1	Outward Supplies	Regular taxpayer	20th Sept.
	GSTR - 2	Inward Supplies	-do-	25th Sept.
	GSTR - 3	Monthly Return	-do-	30th Sept.
	GSTR - 3B	Summary Return	-do-	20th Sept.
	GSTR - 5A	Monthly Return	Non-resident/OIDAR	20th Sept.
	GSTR - 6	Monthly Return	Input Service Distributor	23th Sept.
	GST TRAN - 1	Form for claiming Transional Credit	Regular taxpayer	20th Sept./ 28th Sept.*

*Credit in GST TRAN1 can be utilised in August's return only if filed before 20th September.

GST	
PAYMENT	**DUE DATE**
Due date for payment of tax for the month of August, 2017 for all assessee	20th Sept.

SERVICE TAX		
RETURN	**FORM**	**DUE DATE**
Return for the period April, 2017 – June, 2017 (with a late fees of Rs.1,000/-)	ST-3	14th Sept.
Note: For delay beyond 14th September, 2017 Rs.1,000 + Rs.100/- per day (Maximum Rs.20,000/-)		

BOOK POST

Published from :

Tax Talk

Stephen House
Room No. 64, 4th Floor
4, B.B.D. Bag (East) Kolkata - 700 001

Owner: M/s. Goyal Tax Services Pvt. Ltd., Printer & Publisher: Mrs. Reena Goyal Published from Stephen House, Room No. 64, 4 B. B. D. Bag (East), 4th Floor, Kolkata-700 001 And Printed from M/s. CDC Printers Pvt. Ltd., Tangra Industrial Estate-II (Bengal Pottery), 45, Radhanath Chowdhury Road, Kolkata - 700 015. Editor: **CA Sushil Kumar Goyal.**

Registration under RNI No. WBENG/2013/55099 Postal Registration No. KOL RMS/465/2015-17 Date of Publication : 1st September 2017