INDEX

Latest Amendments

(Amendments upto 30.10.2015 only applicable for May '16 Exams)

Latest Amendments at a Glance

S.No	Issue	Description
1.	**EC & SHEC not applicable**	**w.e.f. 01.03.2015** All goods falling under the First Schedule to CETA, 1985 shall be **exempt** from the levy of Education Cess and Secondary & Higher Education Cess. **[Notfn. 14/2015 & 15/2015–CE, dated 01.03.2015]**
2.	**ED Rate**	BED Rate is as specified in Schedule I [**w.e.f 01.03.2015** Rate is **12.50%**]
3.	**Place of Removal**	1. In case of **Direct Export** by Manufacturer, Place of Removal = Port / ICD / CFS, where Shipping Bill is filed by the Manufacturer Exporter and Goods are handed over to the Shipping Line. 2. In case of **Export through Merchant Exporter**, Place of Removal = Place where the Property in the Goods passes from the Manufacturer to the Merchant Exporter. Generally, it would be the Factory Gate. **[C.No.999/6/2015–CX, dt 28.02.2015]**
4.	**Value if Price < Mfrg Cost**	Value of goods is deemed as Transaction Value, in case of – **[Notfn. 20/2014–CE (NT) dated 11.07.2014]** 1. Price is less than Manufacturing Cost and Profit, and 2. No Additional Consideration is flowing directly or indirectly from the Buyer to such Assessee. **Note:** Ruling in FIAT Case nullified by this amendment.
5.	**Centralised Registration**	Manufacturers of Aluminium Roofing Panels, which are consumed at the site of manufacture for execution of the Project, can opt for Centralised Registration, subject to conditions. **[Notfn.17/2015–CE (NT), dt 08.06.2015]**
6.	**Procedure for Excise Registration**	RC shall be issued within **2 days** from the date of receipt of Application, complete in all respects. Verification of Documents and Premises to be carried out **after** the grant of Registration. Other conditions, e.g. Physical Verification, Documents to be submitted, etc. are applicable. **[Notfn.7/2015 – CE (NT) dt 01.03.2015]**
7.	**Electronic Maintenance /Authenti–cation**	**W.e.f. 01.03.2015** Records u/r 10 may be preserved in electronic form. In such case, every page of the Record so preserved shall be authenticated by means of a Digital Signature. CBEC may notify the conditions, safeguards and procedure to be followed by an Assessee preserving digitally signed records. **[Notfn.8/2015 – CE (NT) dt 01.03.2015]**
8.	**Registered Importer included for compliance**	1. **w.e.f. 01.03.2015 Registered Importer** is also liable to maintain records under CER/ CCR, provide List of Records, and submit the same for audit purposes, under Rule 22 of CER. 2. Registered Importer is also liable for misuse of CENVAT Credit, evasion and default in payment of ED, under Rules 12AAA of CCR, and Rule 12CCC of CER.
9.	**Invoice Rules**	Invoicing Rules is also applicable for Importer issuing Invoice on which CENVAT Credit can be taken.
10.	**Digital Signature of Invoice**	An Invoice may be authenticated by means of a Digital Signature. However, if the Duplicate copy of the Invoice meant for Transporter is digitally signed, a hard copy of such duplicate copy self attested by the Manufacturer would be used for transport of the Goods. **[Notfn.8/2015 – CE (NT) dt 01.03.2015]**

<table>
<tr><td rowspan="5">11.</td><td rowspan="5">Additional Contents of Invoice</td><td>Situation</td><td>Additional Details in the Invoice</td></tr>
<tr><td>In case of Proprietary Concern</td><td>Name of the Individual / HUF</td></tr>
<tr><td>Goods are directly sent to a Job Worker on the direction of a Manufacturer / Service Provider</td><td>Details of Manufacturer / Service Provider as the Buyer,
Details of the Job Worker as the Consignee.</td></tr>
<tr><td>Goods are directly sent to any person on the direction of the Registered Dealer.</td><td>Details of the Registered Dealer as the Buyer,
Details of the Person as the Consignee.</td></tr>
<tr><td>If Imported Goods are directly sent to Buyers' premises</td><td>Invoice issued by the Buyer shall mention that goods are directly sent from the place or port of import to the Buyers' premises.</td></tr>
<tr><td rowspan="2">12.</td><td rowspan="2">Late Fee for filing Returns</td><td>Applicability:
Belated filing of –</td><td>Late Fee for each Return / Statement</td></tr>
<tr><td>1. Returns: ER–1 / ER–2 / ER–3 / ER–8
2. Annual Financial Information Statement: ER–4
3. Annual Installed Capacity Statement: ER–7</td><td>` 100 per day, subject to maximum ` 20,000.
[Notfn.8/2015 – CE (NT) dt 01.03.2015]]</td></tr>
<tr><td rowspan="2">13.</td><td rowspan="2">Bond / LoU for removal at Concessional Rate of Duty</td><td>Conditions [Notfn. 9/2015 –CE (NT) dt 01.03.2015]</td><td>Submission of Bond / LoU</td></tr>
<tr><td>1. No SCN has been issued u/s 11A(4) / (5) of CEA, or
2. No action proposed under any Notification issued u/r 12CCC of CER / 12AAA of CCR.</td><td>If the conditions are –
• satisfied – then submit LoU (Letter of Undertaking)
• not satisfied – then submit Bond</td></tr>
<tr><td>14.</td><td>"Export" for Rebate / Exemption</td><td colspan="2">For the purposes of claiming exemption / rebate, Export means taking Goods out of India to a place outside India, and includes shipment of goods as provision / Stores for use on–board a Ship proceeding to a Foreign Port, or supplied to a Foreign Going Aircraft. [Rule 18, Notfn.No.8/2015 dt 01.03.2015]
So, Clearances from DTA to SEZ is eligible for Rebate under CER / Refund of CENVAT Credit under CCR. [C.No.1001/8/2015 dt 24.08.2015]</td></tr>
<tr><td>15.</td><td>Jurisdiction of PDGCEI</td><td colspan="2">The Principal Director General of Central Excise Intelligence shall have jurisdiction over the Principal Commissioner / Commissioner of Central Excise / Service Tax, for the purpose of assigning the show cause notices for adjudication. [Notfn. No.2/2015 dt. 10.02.15]</td></tr>
<tr><td>16.</td><td>Guidelines for issue of Summons for ED / ST</td><td colspan="2">1. Power to issue summons are generally exercised by Superintendents, though higher officers also issue summons.
2. Summons by Superintendents should be issued after obtaining prior written permission from AC / DC or above Officers. The reasons for issuance of summons must be recorded in writing.
3. Where for operational reasons it is not possible to obtain such prior written permission, oral / telephonic permission from such Officer must be obtained, and the same should be reduced to writing and intimated to the Officer according such permission, at the earliest</td></tr>
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<tr><td></td><td></td><td>opportunity.
4. In all cases, where summons are issued, the Officer issuing summons should submit a report or should record a brief of the proceedings in the case file and submit the same to the Officer who had authorised the issue of summons.
5. Summons to the Senior Officials such as CEO, CFO, General Managers of large Companies and PSUs can be issued only when there are indications in the investigation.
[Instruction F. No. 207/07/2014-CX-6 dated 20.01.2015]</td></tr>
<tr><td>17.</td><td>ST Rate</td><td>w.e.f. 01.06.2015: ST 14% of Taxable Value of Service. [EC & SHEC not applicable from this date.] [Notfn. No.14/2015 dt. 19.05.15]</td></tr>
<tr><td>18.</td><td>Swachh Bharat Cess</td><td>Sec. 119 of FA 2015 has empowered Central Govt to impose a Swachh Bharat Cess on all or any of the Taxable Services, at a Maximum Rate of 2%. It shall be levied w.e.f. 15.11.2015 at 0.5%. [Notfn. No.21/2015 & 22/2015 dt. 06.11.2015] – Not applicable for M 16 Exam</td></tr>
<tr><td>19.</td><td>Consideration for ST purposes includes –</td><td>1. any reimbursable expenditure or cost incurred by the Service Provider and charged, in the course of providing or agreeing to provide a Taxable Service, except in circumstances, and subject to such conditions, as may be prescribed.
2. any amount retained by the Lottery Distributor or Selling Agent from Gross Sale Amount of Lottery Ticket in addition to the Fee or Commission, if any, or, as the case may be, the Discount Received, that is to say, the difference in the Face Value of Lottery Ticket and the price at which the Distributor or Selling Agent gets such Ticket.
[Notfn. No.7/2015 dt. 01.03.2015]</td></tr>
<tr><td>20.</td><td>Chit Services liable for Service Tax</td><td>w.e.f. 14.05.2015 Service includes any activity carried out, for a consideration, in relation to, or for facilitation of, a transaction in Money or Actionable Claim, including the activity carried out by a –
1. Lottery Distributor / Selling Agent in relation to promotion, marketing, organising, selling of Lottery or facilitating in organising Lottery of any kind, in any other manner,
2. Foreman of Chit Fund for conducting or organising a Chit in any manner.
Note:
(a) Lottery Distributor / Selling Agent means a person appointed or authorised by a State for the purpose of promoting, marketing, selling or facilitating in organising Lottery of any kind, in any manner, organized by such State as per the Lotteries (Regulation) Act, 1998.
(b) Foreman of Chit Fund shall have the same meaning as per Sec.2(j) of the Chit Funds Act, 1982.</td></tr>
<tr><td>21.</td><td>Support Services</td><td>Support Services provided by Government to Business Entities is taxable under Reverse Charge. The term Support Services to be changed to “Any Services”. (w.e.f. date yet to be notified)</td></tr>
<tr><td>22.</td><td>Government defined</td><td><table><tr><th>Government means</th><th>Government excludes</th></tr><tr><td>1. Central/State Government,
2. Union Territory,
3. The Departments of above.</td><td>Any Entity, whether created by a Statute or otherwise, the accounts of which are not required to be kept in accordance with Article 150 of the Constitution or the Rules made thereunder.</td></tr></table></td></tr>
<tr><td>23.</td><td>Example of Services to RBI taxable</td><td>Any Service provided to the RBI is liable for ST. [Example: Agency Services by any Bank to the RBI, for which Fee / Commission / other Consideration is received by the Agent Bank is still liable for ST.] [Sec.66F(1) Illustration]</td></tr>
<tr><td>24.</td><td>Yoga included</td><td>Charitable Activities eligible for ST Exemption include advancement of religion or spirituality or yoga.</td></tr>
<tr><td>25.</td><td>Alcoholic Liquor manufacture liable for ST</td><td>1. Any process amounting to manufacture of goods (w.e.f. 01.06.2015 excluding Alcoholic Liquor for Human Consumption) are exempt from ST under the Negative List.
2. W.e.f. 01.06.2015, manufacture of Alcoholic Liquor for Human Consumption shall attract ST. (whether intermediate process or the entire process itself)
[Notification No. 6/2015–ST, dated 01.03.2015]</td></tr>
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<tr><td>26.</td><td>Amusement Park omitted from Negative List</td><td>W.e.f. 01.06.2015 The Service “Admission to Entertainment Event or access to Amusement Facility” is omitted from the Negative List. Thus, it becomes fully taxable. However, the following events continue to be exempt [Notification No. 6/2015–ST, dated 01.03.2015] –
1. Exhibition of Cinematographic Film, Circus, Dance, Or Theatrical Performances including Drama or Ballet.
2 Recognized Sporting Events. [Note: "Recognised Sporting Event" means any Sporting Event, organised by a Recognised Sports Body where the participating team or individual represent any District, State, Zone or Country, or those Sporting Events where Sponsorship of the same is exempt under Notfn.25/2012–ST.]
3 Concerts, Pageants, Award Functions, Musical Performances or Non–Recognized Sporting Events where the consideration for such admission is upto ₹ 500 per person.</td></tr>
<tr><td>27.</td><td>Ambulance Serv. exempt</td><td>W.e.f. 01.04.2015 Ambulance Services provided by any Service Provider is exempt from ST. [Notification No. 6/2015–ST, dated 01.03.2015]</td></tr>
<tr><td>28.</td><td>Certain Construction / Maint.Services to Govt /Local Authority, Govt Authority liable forST</td><td>Exemption available for Construction / Maintenance Services provided to the Government /Local Authority / Govt. Authority in respect of the following items withdrawn w.e.f. 01.04.2015
1. A Civil Structure or any other Original Works meant predominantly for use other than for commerce, industry, or any other business or profession,
2. A Structure meant predominantly for use as – (i) an Educational, (ii) a Clinical, or (iii) an Art or Cultural establishment,
3. A Residential Complex predominantly meant for self–use or the use of their employees or for MPs / MLAs / Other Persons holding post due to the Constitution / Chairperson / Member / Director of a Body established by the Central Government / State Government. [Notification No. 6/2015–ST, dated 01.03.2015]</td></tr>
<tr><td>29.</td><td>Constrn Port / Airport liable</td><td>w.e.f 01.04.2015 Exemption for Construction / Installation of Original Works provided in relation to Airport / Port has been withdrawn [[Notification No. 6/2015–ST, dated 01.03.2015],</td></tr>
<tr><td>30.</td><td>Abatement Rates for Transpor–tation of Passengers</td><td><table>
<tr><th>Nature of Service</th><th>Abatement</th><th>Taxable</th></tr>
<tr><td>Transport of Passengers with or without accompanied belongings by Rail</td><td>70%</td><td>30%</td></tr>
<tr><td>Transport of Passengers by Air, with or without accompanied belongings –
(a) in Economy Class
(b) in other than Economy Class</td><td>60%
40%</td><td>40%
60%</td></tr>
<tr><td>Renting of any Motor Cab (Note 3)</td><td>60%</td><td>40%</td></tr>
<tr><td>Transportation of Passengers with or without accompanied belongings by –
(a) a Contract Carriage other than Motorcab, or (b) a Radio Taxi</td><td>60%</td><td>40%</td></tr>
</table></td></tr>
<tr><td>31.</td><td>Land Customs Station incl.</td><td>Exemption available for Transport of Export Goods by road from the place of removal to ICD, CFS, Port, Airport, w.e.f 01.04.2015 Land Customs Stations. (Notfn. 4/2015–ST dt 01.03.2015)</td></tr>
<tr><td>32.</td><td>Transportn Exemption withdrawn</td><td>w.e.f 01.04.2015 Exemption for Transportation of Tea, Coffee, Jaggery, Sugar, Milk Products, and Edible Oil excluding Alcoholic Beverages, by a GTA, or by Rail or a Vessel is withdrawn. [Notification No. 6/2015–ST, dated 01.03.2015]</td></tr>
<tr><td>33.</td><td>Abatement for Transpor–tation of Goods</td><td><table>
<tr><th>Nature of Service</th><th>Abatement</th><th>Taxable</th></tr>
<tr><td>Transport of Goods by Vessel</td><td>70%</td><td>30%</td></tr>
<tr><td>Transport of Goods by Railways</td><td>70%</td><td>30%</td></tr>
<tr><td>Transport of Goods by Goods Transport Agency</td><td>70%</td><td>30%</td></tr>
</table></td></tr>
<tr><td>34.</td><td>Abatement for Ancillary to GTA Services</td><td>If ancillary services are provided in the course of transportation of goods by road and the charges for such services are included in the Invoice issued by the GTA, and not by any other person, such Services would form part of GTA Service and, therefore, the abatement of 70%, presently applicable to GTA Service, would be available on it. (Circular No.186/5/2015–ST, dt. 05.10.2015)</td></tr>
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35.	**Chit Fund No abatement**	Abatement for Services by Chit Funds is removed. **[Notification No.8/2015–ST, dtd 01.03.2015]**
36.	**Intermediary – New Taxable Services**	**w.e.f. 01.04.2015** the Following Services are taxable **[Notification No. 6/2015–ST, dated 01.03.2015]** – 1. Mutual Fund Agent to a Mutual Fund or Asset Management Company, 2. Distributor to a Mutual Fund or Asset Management Company, 3. Selling or Marketing Agent of Lottery Tickets to a Distributor or a Selling Agent.
37.	**Exemption for Intermediary at Rural Area – Banking and Insurance related**	**Notfn.No.20/2015 – ST dated 21.10.2015:** Exemption is available as under – 1. Business Facilitator or a Business Correspondent to a Banking Company with respect to a **Basic Savings Bank Deposit** Account covered by **Pradhan Mantri Jan Dhan Yojana** in the Banking Company's **Rural Area Branch**, by way of account opening, cash deposits, cash withdrawals, obtaining e–life certificate, Aadhar seeding, 2. Services by any person as an **Intermediary** to a Business Facilitator or a Business Correspondent with respect to the above services, 3. Business Facilitator or a Business Correspondent to an **Insurance Company** in a **rural area.** **Note:** Basic Savings Bank Deposit Account means an account opened under relevant RBI Guidelines.
38.	**Betting, Gambling, Lottery – Exclusions**	**w.e.f. 01.06.2015**, Betting, Gambling or Lottery does not include – 1. Activity relating to use of money or conversion of currency, for which separate consideration is charged, 2. Activity / Services relating to Lottery Distributor / Selling Agent, 3. Activity / Services of Foreman of a Chit Fund
39.	**Folk Artist, etc. Monetary Limit**	**w.e.f 01.04.2015,** Services by Artist in Folk or Classical Art forms of music, dance, theatre, is taxable if Consideration > ` 1 Lakh. [Note: Earlier, no monetary limit.] **[Notification No. 6/2015–ST, dated 01.03.2015]**
40.	**Life Insurance Schemes exempt from ST**	1. Pradhan Mantri Suraksha Bima Yojana, **w.e.f. 30.04.2015** 2. Pradhan Mantri Jeevan Jyoti Bima Yojana, **w.e.f. 30.04.2015** 3. Pradhan Mantri Jan Dhan Yojana, **w.e.f. 30.04.2015** 4. Varishtha Pension Bima Yojana **w.e.f. 01.04.2015** **[Notification No. 12/2015–ST, dated 30.04.2015]**
41.	**Specified Pilgrimage Services exempt**	Services provided by following **Specified Organisations** in respect of a religious pilgrimage facilitated by the Ministry of External Affairs, under bilateral arrangement, is exempt from ST. 1. Kumaon Mandal Vikas Nigam Limited, a Government of Uttarakhand Undertaking or 2. Haj Committee of India and State Haj Committees constituted under the Haj Committee Act, 2002, for making arrangements for the pilgrimage of Muslims of India for Haj.
42.	**Specified Services exempt**	1. Services by operator of Common Effluent Treatment Plant by way of Treatment of Effluent. 2. Services by way of pre–conditioning, pre–cooling, ripening, waxing, Retail Packing, labelling of fruits & vegetables which do not change or alter the essential characteristics of the Fruits or Vegetables. 3. Services by way of Admission to a Museum, National Park, Wildlife Sanctuary, Tiger Reserve or Zoo. 4. Service provided by way of exhibition of Movie by an Exhibitor to the Distributor or an Association of Persons consisting of the Exhibitor as one of its Members. 5. Services by way of collection of Contribution under Atal Pension Yojana (APY) **Note:** First 4 items w.e.f. 01.04.2015 [Notfn.6/2015–ST] 5th Item w.e.f. 30.04.2015 [Notfn.12/2015–ST]
43.	**Taxable Telephone Services w.e.f. 01.04.2015**	Services by way of making Telephone Calls from – 1. Departmentally Run Public Telephone, 2. Guaranteed Public Telephone operating only for Local Calls, 3. Free Telephone at airport and hospital where no bills are being issued

<table>
<tr><td rowspan="3">44.</td><td rowspan="3">Services against Duty Credit Scrips exempt w.e.f. 08.04.2015</td><td>Service Provider</td><td>Service Receiver</td></tr>
<tr><td>Any Person located in the Taxable Territory</td><td>An Exporter, located in the Taxable Territory and holding –
• Merchandise Exports from India Scheme (MEIS) Duty Credit Scrips, and
• Service Exports from India Scheme (SEIS) Duty Credit Scrips.</td></tr>
<tr><td colspan="2">[Notfn.10 & 11/2015–ST dt 08.04.2015]</td></tr>
<tr><td rowspan="7">45.</td><td rowspan="7">Person liable for ST for Reverse Charge, Aggregator, etc. w.e.f. 01.03.2015</td><td>Nature of Services</td><td>Person liable to pay ST</td></tr>
<tr><td>1. Services under Complete Reverse Charge</td><td>Any person liable for paying ST other than the Service Provider</td></tr>
<tr><td>2. Services under Partial Reverse Charge</td><td>Service Provider and any person liable for paying ST other than the Service Provider</td></tr>
<tr><td>3. Services involving Aggregator in any manner & such Aggregator –</td><td></td></tr>
<tr><td>• is located in India</td><td>Aggregator</td></tr>
<tr><td>• does not have physical presence in the Taxable Territory, but has a Representative.</td><td>Person representing the Aggregator</td></tr>
<tr><td>• has no physical presence or any Representative in the Taxable Territory</td><td>Person appointed by him for paying ST</td></tr>
<tr><td rowspan="5">46.</td><td rowspan="5">Inclusions under Complete Reverse Charge Services w.e.f. 01.04.2015</td><td>Service</td><td>Person liable to pay ST</td></tr>
<tr><td>1. Supply of Manpower for any purpose / Security Services by an Individual / HUF / Partnership Firm (Regd. or not) / AOP</td><td>Business Entity registered as a Body Corporate, located in the Taxable Territory</td></tr>
<tr><td>2. Service provided by Mutual Fund Agent / Distributor to Mutual Fund / Asset Mgmt Company</td><td>Mutual Fund / Asset Management Company</td></tr>
<tr><td>3. Service provided by Selling / Marketing Agent of Lottery Tickets to Lottery Distributor / Selling Agent</td><td>Lottery Distributor / Selling Agent</td></tr>
<tr><td>4. Service provided by a Person involving an Aggregator.</td><td>Person liable to pay ST is as specified in previous item above.</td></tr>
<tr><td>47.</td><td>Abatement Rate for GTA</td><td colspan="2">Service Receiver is liable to pay ST on 30% of the Gross Amount charged. (i.e. 70% abatement)</td></tr>
<tr><td>48.</td><td>Person liable for ST Registration</td><td colspan="2">w.e.f. 01.03.2015 Any person other than the Service Provider, in case of Reverse Charge Mechanism, where he is liable for Service Tax – should register under ST within 30 days from the date on which ST is levied or Business is commenced, whichever is later.</td></tr>
<tr><td>49.</td><td>Procedure for ST Registration</td><td colspan="2">1. w.e.f. 01.03.2015 RC shall be granted within 2 days from the date of receipt of Application, complete in all respects. Submission of Physical Documents for Registration is dispensed with. [Notfn. 5/2015–ST dt 01.03.2015]
2. Verification of Documents and Premises to be carried out after the grant of Registration. Physical Verification of Premises, if there arises any need for the same, will have to be authorized by an Officer not below the rank of AC / DC.</td></tr>
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<tr><td>50.</td><td>Authentication & Preservation of ST related Documents, w.e.f. 01.03.2015</td><td colspan="4">1. Digital Signature: Any Invoice, Bill or Challan issued u/r 4A or Consignment Note issued u/r 4B may be authenticated by means of a Digital Signature. CBEC may notify the conditions, safeguards and procedure to be followed for issuing digitally signed Invoices. [Notfn. 5/2015–ST dt 01.03.2015]

2. Preservation of Records [Rule 5(3)]:
(a) Minimum Period: 5 Years immediately after FY to which such Records pertain.
(b) E–Form: Records u/r 5 may be preserved in Electronic Form and every Page of the Record so preserved would be authenticated by means of a Digital Signature. CBEC may specify the conditions, safeguards and procedure for preserving digitally signed records. [Rule 5(5)]</td></tr>
<tr><td>51.</td><td>CENVAT Time Limit</td><td colspan="4">W.e.f. 01.03.2015 CENVAT Credit shall be availed within 1 year from date of Invoice. [Notfn. 6/2015 CE(NT)] [Note: Earlier limit was 6 months, now increased to 1 year.]</td></tr>
<tr><td>52.</td><td>Time Limit exclusions</td><td colspan="4">Time Limit of 1 year for CENVAT Credit availment shall not apply when re–credit is taken of the amount reversed under CCR, e.g. (a) Late Payment of ST Invoice, (b) Inputs / CG written off in Books, later used, (c) Late Receipt of Inputs from Job Worker, etc. [C.No.990/14/2014 dt 19.11.2015] – Not applicable for May 16 Exam</td></tr>
<tr><td>53.</td><td>CENVAT Availment</td><td colspan="4">W.e.f. 01.04.2015 For Input Service (Partial / Full Reverse Charge Basis), CENVAT Credit can be availed at the Date of Payment of ST.</td></tr>
<tr><td rowspan="5">54.</td><td rowspan="5">EC and SHEC Credit can be utilized for BED / ST Payment</td><td>EC / SHEC paid on</td><td>Date of Receipt</td><td>Availability</td><td>Can be used payment of</td></tr>
<tr><td>Inputs / Capital Goods / Input Services</td><td>Before 01.03.2015</td><td>100% of Credit</td><td>Respective Duty EC, SHEC only.</td></tr>
<tr><td>Inputs / Capital Goods / Input Services</td><td>on / after 01.03.2015</td><td>100% of Credit</td><td>Basic Excise Duty</td></tr>
<tr><td>Capital Goods</td><td>FY 2014–2015</td><td>Balance 50% of Credit</td><td>Basic Excise Duty</td></tr>
<tr><td colspan="4">Note: Notfn. 12/2015–CE(NT) dt. 30.04.2015] provides the above facility w.e.f 01.03.2015, for Excise Duty. Notfn.No. 22/2015–CE(NT) dt. 29.10.2015 extends the same benefit of using EC and SHEC towards Payment of Service Tax, the relevant date being 01.06.2015 (instead of ED Relevant Date 01.03.2015)</td></tr>
<tr><td>55.</td><td>CENVAT Credit for Goods bought directly from Dealers – Direct Delivery / In Transit Sale</td><td colspan="4">1. Where a Dealer negotiates sale of an entire consignment from a Manufacturer / Registered Importer and orders direct transport of goods to the Consignee, credit can be availed by the Consignee on the basis of Invoice issued by the Manufacturer or Registered Importer. In such cases, no CENVATable Invoice shall be issued by the Dealer.
2. Where a Registered Dealer negotiates sale of goods from the Total Stock ordered on a Manufacturer or an Importer to multiple buyers, and orders direct transportation of goods to the Consignees and the Manufacturer or the Importer is willing to issue individual Invoices for each sale in favour of the Consignees for such individual sale, the same procedure shall apply.
3. Similar procedure would also apply for sale by a Registered Importer to an end–user from the Port / Warehouse. For such movement, the fact of such direct transport to the Buyer's Premises should be recorded in the Invoice.
4. If the goods are directly sent to any person on the direction of the Registered Dealer, the Invoice shall also contain the details of the Registered Dealer as the Buyer and the person as the Consignee, and that person shall take CENVAT credit on the basis of the Registered Dealer's Invoice.
5. If the goods imported under the cover of a Bill of Entry are sent directly to Buyer's Premises, the Invoice issued by the Importer shall mention that goods are sent directly from the place or port of import to the Buyer's Premises. [C. No. 1003/08/2015–CX dt. 05.05.15]</td></tr>
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56.	**Direct Delivery of Goods to Job Worker**	**W.e.f. 01.04.2015** Credit shall be allowed even if any Capital Goods are directly sent to Job Worker without their being first brought to the premises of Manufacturer / Service Provider. In such case, time limit shall be counted from the date of Receipt by the Job Worker.
57.	**Transfer from one Job Worker to another, etc. [Notfn.6/2015] for Rule 4(5)(a)**	The Manufacturer / Output Service Provider can avail CENVAT Credit on Inputs, even if such inputs are removed as such or after partially processed, to the Job Worker premises or from one Job Worker to another Job Worker. **Condition:** 1. Such Manufacturer / Output Service Provider should prove that these goods are received back from the Job Worker within 180 days of original removal. For this purpose, sufficient records / documents / memos shall be produced by the Manufacturer / Output Service Provider. 2. If the Inputs are directly sent to the Job Worker premises, then 180 days shall be counted from the date of receipt of such inputs into the Job Worker premises. 3. The above facility of CENVAT credit availment is available even in respect of Capital Goods, if the Capital Goods are received back within 2 years from the date of original removal to Job Worker.
58.	**Adhoc Rate increased [Notfn.14 /2015]**	In case of Manufacturer/ Service Provider, producing / providing excisable goods / taxable services, as well as and exempted goods / services, he can avail full CENVAT Credit but pay **7%** on the value of Exempted Goods and Exempted Services. [**Note:** Earlier Rate was 6%] **w.e.f. 01.06.2015**
59.	**Exempted Goods inclusion in definition**	1. "Exempted Goods / Final Products" shall include Non–Excisable Goods cleared for a consideration from the Factory. (**Impact:** This is specifically for the purpose of calculation of reversal of credit in relation to exempted goods / exempted services). 2. Value of Non–Excisable Goods = Invoice Value. If Invoice Value is not available, such value shall be determined using reasonable means consistent with the principles of valuation under CEA and Rules. **[Rule 6(1) – Notfn. No.6/2015 – CE (NT) dt. 01.03.15]**
60.	**Effect of wrong CENVAT Credit Availment, etc. [Rule 14 CCR– Notfn. 14/2015]**	1. **CENVAT Credit wrongly availed but not utilized:** It shall be recovered from the Manufacturer / Service Provider by issue of Show Cause Notice. 2. **CENVAT Credit wrongly availed and also utilized wrongly / erroneously refunded:** It shall be recovered from the Manufacturer / Service Provider **along with interest** by issue of Show Cause Notice. 3. For the above purpose, all credits are assumed to be availed on the last day of the month. Further, utilization of credits shall be assumed as follows: (a) Utilisation is assumed to be first out of the Opening Balance (b) Then, utilization is assumed to be out of the Eligible Credits availed during the period (c) Finally, the utilization is assumed to be out of the Ineligible Credits.
61.	**Application to AAR – Resident Firms included**	w.e.f. 01.03.2015, **Resident Firms** can also apply to AAR. Firm shall have the meaning assigned to it in Sec.4 of the Indian Partnership Act, 1932 and includes – 1. LLP u/s 2(1)(n) of the LLP Act, 2008, 2. LLP which has no Company as its Partner, 3. Sole Proprietorship i.e. Individual who engages himself in an activity defined u/s 23A(a) of CEA, 4. One Person Company u/s 2(62) of the Companies Act, 2013.
62.	**Issue of SCN not required in certain cases**	1. **W.e.f. 14.05.2015 No issue of SCN** if the short / non–payment is self–assessed and declared as Duty payable by the Assessee in the periodic Returns filed by him. In such case, recovery shall be made in the prescribed manner. 2. Pending Cases where no SCN has been issued prior to 14.05.2015 will be governed by the amended Sec.11A. Only SCN issued after the enactment of the Finance Bill, 2015 will be governed by the amended Sec. 11A of CEA.
63.	**Time Limit for SCN issue**	If **only Interest is to be recovered**, Time Limit for issue of SCN shall be determined from Due Date of payment of duty to which such interest relates.

64.	**Waiver of SCN**	In a case involving the extended period of limitation, if an Assessee pays the ED/ST, Interest and Penalty equal to 15% of the Tax/Duty and makes a request **in writing** that a written SCN may not be issued to them, then in such cases, the SCN can be oral and the representation if he desires can also be oral. In other words, an Assessee can request for an informed waiver of a written SCN. **(F.No.137/46/2015–Service Tax)**
65.	**Pymt of Duty before SCN**	**W.e.f. 14.05.2015** Provisions relating to Voluntary Payment of Duty / ST is applicable, in cases where the Proper Officer is of the opinion that the payment has been made.
66.	**Recovery Proceedings**	**w.e.f. 14.05.2015** Recovery Proceedings are also applicable for Non–Payment / Short–Payment of Duty declared in the periodic Returns, [i.e. Duty self–assessed by the Assessee, Interest and Penalty thereon]. **[Notfn.8/2015]**
67.	**Drawback**	1. **W.e.f. 22.11.2014** Special Brand Rate [Rule 7] Drawback can be claimed only no claim for Drawback u/r 3 / 4 has been made. [i.e. no double benefit.] 2. **w.e.f. 13.02.2015** Drawback shall be allowed in respect of Rice falling under Heading 1006.
68.	**Penalty Provisions**	1. Penalty Provisions under Excise, Customs and ST Law have undergone **significant changes**, both for Fraudulent Cases, and Non–Fraudulent Cases. **w.e.f. 14.05.2015** Penalty **cannot** be waived under any circumstances, i.e. even if the Assessee proves that there was reasonable cause for failure. 2. **u/s 112/114 CUA,** w.r.t Dutiable Goods (other than Prohibited Goods), **Reduced Penalty of 25%** of the Penalty Amount is applicable if the Duty and Interest determined by the Proper Officer u/s 28(8) & 28AA is paid within 30 days from the date of communication of such order.
69.	**Issues of Recurring Nature – Appeals by Department**	1. Even if the issue is of recurring nature, the appeals would be preferred only when the amount involved in the issue exceeds the monetary limit. 2. The term "Case" for the purposes of monetary limit, shall be understood as per the National Litigation Policy. For example, if the Tribunal disposes multiple appeals by a composite order, then further appeal can be filed only against those appeals whose amounts are greater than the monetary limit. **[Instruction dt 26.12.2014]**
70.	**Settlement Commission**	As per Customs and Central Excise Settlement Commission (Recruitment and Conditions of Service of Chairman, Vice Chairman and Members) Rules, Members of CBEC are **not** eligible to be Member of the Settlement Commisssion.