

GST council's recommendations for improved tax compliance measures and other rate adjustments: Clarifications on contentious issues, measures aimed at trade facilitation

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The 55th GST Council meeting was held in Jaisalmer, Rajasthan on December 21st, 2024 under the chairmanship of the Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman. The GST Council has inter-alia made the following recommendations relating to changes in GST rates on Goods and Services and other measures for facilitation of trade.

I. Recommendations of the 55th GST Council

GST Council recommends reduction in GST rate on Fortified Rice Kernel (FRK), classifiable under 1904, to 5%.

GST council also recommends to fully exempt GST on gene therapy.

GST Council recommends exemption of GST on contributions by general insurance companies from third-party motor vehicle premiums for Motor Vehicle Accident Fund.

GST Council recommends no GST on transaction of vouchers as they are neither supply of goods nor supply of services. The provisions related to vouchers is also being simplified.

GST Council clarifies that no GST is payable on 'penal charges' levied and collected by banks and NBFCs from borrowers for non-compliance with loan terms.

GST Council recommends reduction of payment of pre-deposit for filing an appeal before the Appellate Authority in respect of an order passed which involves only penalty amount.

Jaisalmer, Rajasthan, 21st December 2024

The 55th GST Council met under the Chairpersonship of Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman in Jaisalmer, Rajasthan, today.

The meeting was also attended by Union Minister of State for Finance Shri Pankaj Chaudhary, Chief Ministers of Goa, Haryana, Jammu and Kashmir, Meghalaya and Odisha; Deputy Chief Ministers of Arunachal Pradesh, Bihar, Madhya Pradesh, and Telangana; besides Finance Ministers of States & UTs (with legislature) and senior officers of the Ministry of Finance & States/ UTs.

The GST Council *inter-alia* made the following recommendations relating to changes in GST tax rates, provide relief to individuals, measures for facilitation of trade and measures for streamlining compliances in GST.

A. Changes in GST rates of goods

Goods

- 1) To reduce the GST rate on Fortified Rice Kernel (FRK), classifiable under 1904, to 5%.
- 2) To exempt GST on gene therapy.
- 3) To extend IGST exemption to systems, sub-systems, equipment, parts, sub-parts, tools, test equipment, software meant assembly/manufacture of LRSAM system under Notification 19/2019- Customs.
- 4) To reduce the rate of Compensation Cess to 0.1% on supplies to merchant exporters at par with GST rate on such supplies.
- 5) To exempt from IGST imports of all equipment and consumable samples by Inspection Team of the International Atomic Energy Agency (IAEA) subject to specified conditions.
- 6) To extend the concessional 5% GST rate on food inputs of food preparations under HSN 19 or 21 that are supplied for food preparations intended for free distribution to economically weaker sections under a government program subject to the existing conditions.

Services

- 1) To bring supply of the sponsorship services provided by the body corporates under Forward Charge Mechanism.

- 2) To exempt GST on the contributions made by general insurance companies from the third-party motor vehicle premiums collected by them to the Motor Vehicle Accident Fund, constituted under section 164B of the Motor Vehicles Act, 1988. This fund is constituted for providing compensation/ cashless treatment to the victims of road accidents including hit and run cases.
- 3) To omit the definition of declared tariff and suitably amend the definition of specified premises (from the services rate and exemption notifications) to link it with actual value of supply of any unit of accommodation provided by the hotel and to make the rate of GST applicable on restaurant services in such hotels, for a given financial year, dependent upon the 'value of supply' of units of accommodation made in the preceding financial year, i.e. 18% with ITC if the 'value of supply' exceeded Rs. 7,500 for any unit of accommodation in the preceding financial year, and 5% without ITC otherwise. Further, to give an option to pay tax on restaurant service in hotels at the rate of 18% with ITC, if the hotel so chooses, by giving a declaration to that effect on or before the beginning of the financial year or on obtaining registration. The above changes to be made effective from 01.04.2025 to avoid any transition difficulties.
- 4) To exclude taxpayers registered under composition levy scheme from the entry at Sr. No. 5AB introduced vide Notification No. 09/2024-CTR dated 08.10.2024 vide which renting of any commercial/ immovable property (other than residential dwelling) by unregistered person to registered person was brought under reverse charge mechanism. Further, to regularize the period from the date when the notification No. 09/2024-CTR dated 08.10.2024, became effective i.e. from 10.10.2024 till the date of issuance of the proposed notification on "as is where is" basis.

Other changes relating to goods and services

- 1) To increase the GST rate from 12% to 18 % on sale of all old and used vehicles, including EVs other than those specified at 18% -Sale of old and used petrol vehicles of engine capacity of 1200 cc or more & of length of 4000 mm or more; diesel vehicles of engine capacity of 1500 cc or more & of length of 4000 mm and SUVs.[Note: *GST is applicable only on the Value that represents Margin of the Supplier, that is, the difference between the Purchase price and Selling price (depreciated value if depreciation is claimed) and not on the value of the vehicle. Also, it is not applicable in case of unregistered persons.*]

- 2) To clarify that Autoclaved Aerated Concrete (ACC) blocks containing more than 50% fly ash content will fall under HS 6815 and attract 12% GST.
- 3) To clarify that pepper whether fresh green or dried pepper and raisins when supplied by an agriculturist is not liable to GST.
- 4) To amend the definition of 'pre-packaged and labelled' to cover all commodities that are intended for retail sale and containing not more than 25 kg or 25 litre, which are 'pre-packed' as defined under the Legal Metrology Act, or a label affixed thereto is required to bear the declarations under the provisions of the Act and rules.
- 5) To clarify that ready to eat popcorn which is mixed with salt and spices are classifiable under HS 2106 90 99 and attracts 5% GST if supplied as other than pre-packaged and labelled and 12% GST if supplied as pre-packaged and labelled. However, when popcorn is mixed with sugar thereby changing its character to sugar confectionary (eg caramel popcorn), it would be classifiable under HS 1704 90 90 and attract 18% GST. It has been decided to regularise the issues for the past on "as is where is" basis.(Note: *There is no new imposition of any tax in this regard and is merely a clarification as certain field units were demanding different tax rates on the same. Therefore, it is a clarification being recommended by the GST Council to settle the disputes arising out of interpretation.*)
- 6) To clarify that the Explanation in Sl. No. 52B in notification No. 1/2017-Compensation Cess (Rate) dated 28.6.2017 regarding ground clearance is applicable with effect from 26.07.2023.
- 7) To clarify that RBI regulated Payment Aggregators are eligible for the exemption under entry at Sl. No. 34 of notification No. 12/2017-CT(R) dated 28.06.2017 since they fall within the ambit of 'acquiring bank' as defined in the said entry. To also clarify that this exemption does not cover payment gateway (PG) and other fintech services which do not involve settlement of funds.
- 8) To clarify that no GST is payable on the 'penal charges' levied and collected by banks and NBFCs from borrowers for non-compliance with loan terms.

B. Measures for facilitation of trade

1) Amendment in schedule III of CGST Act, 2017

- To insert clause (aa) in paragraph 8 of Schedule III of the CGST Act, 2017 w.e.f. 01.07.2017, to explicitly provide that supply of goods warehoused in a Special Economic Zone (SEZ) or Free Trade Warehousing Zone (FTWZ) to any person before clearance of such goods for exports or to the Domestic Tariff Area, shall be treated neither as supply of goods nor as supply of services.
- This brings transactions relating to supply of goods warehoused in SEZ/FTWZ at par with the existing provision in GST for transactions in Customs bonded warehouse.

2) Issues pertaining to taxability of vouchers

In a significant move to address long-standing concerns regarding the taxability of vouchers under GST, the GST Council made the following recommendations:

- (i) To omit sections 12(4) and 13(4) from CGST Act, 2017 and rule 32(6) from CGST Rules, 2017 to resolve ambiguities in the treatment of vouchers.
- (ii) To issue clarification on the following issues:
 - a) Transactions in vouchers shall be treated neither as a supply of goods nor as a supply of services.
 - b) Distribution of vouchers on principal-to-principal basis shall not be subject to GST. However, where vouchers are distributed on principal-to-agent basis, the commission/fee or any other amount charged by the agent for such distribution is taxable under GST.
 - c) Additional services such as advertisement, co-branding, marketing and promotion, customization and technology support, customer support etc. related to vouchers would be leviable to GST on the amount paid for these services.
 - d) Unredeemed vouchers (breakage) would not be considered as supply under GST and no GST is payable on income booked in the accounts in respect of breakage.

3) Issuance of clarifications through the circulars to remove ambiguity and legal disputes in certain issues.

- To issue circulars to provide clarity in the following issues due to varied interpretations by the field formations:

(i) Clarification regarding requirement of reversal of Input Tax Credit by electronic commerce operators in respect of supplies made under section 9(5) of CGST Act, 2017:

The GST Council recommended that no proportional reversal of ITC under section 17 (1) or section 17 (2) of CGST Act, 2017 is required to be made by the ECO in respect of supplies for which they are required to pay tax under section 9(5) of CGST Act, 2017.

(ii) Clarification on availability of Input Tax Credit as per section 16(2)(b) of CGST Act, 2017 in respect of goods which have been delivered by the supplier at his (supplier's) place of business :

The GST Council recommended to clarify that in an Ex-Works contract, where goods are delivered by the supplier to the recipient or a transporter at the supplier's place of business, and the property in goods transfers to the recipient at that point, the goods are considered to be "received" by the recipient under section 16(2)(b) of CGST Act, 2017 and the recipient may claim Input Tax Credit (ITC) on such goods, subject to the conditions outlined in Sections 16 and 17 of the CGST Act, 2017.

(iii) Clarification regarding applicability of late fee for delay in furnishing of FORM GSTR-9C and providing waiver of late fee on delayed furnishing of FORM GSTR-9C for the period from 2017-18 to 2022-23:

a) The GST Council recommended to clarify through a circular that the late fee under Section 47(2) of the CGST Act, 2017 is leviable for the delay in filing the complete annual return under Section 44 of the CGST Act, 2017, which includes both FORM GSTR-9 (Annual Return) and FORM GSTR-9C (Reconciliation Statement), where applicable.

b) For the annual returns pertaining to the period 2017-18 to 2022-23, the GST Council also recommended to issue notification under section 128 of CGST Act, 2017 for waiver of the amount of late fee for delayed filing of FORM GSTR-9C, which is in excess of the amount of late fee payable till the date of filing of FORM GSTR-9 for the said financial years, provided the said

FORM GSTR-9C is filed on or before 31st March 2025.

C. Measures for streamlining compliances in GST

1) Insertion of new provision for track and trace mechanism

- To insert an enabling provision in CGST Act, 2017 through Section 148A so as to empower the Government to enforce the Track and Trace Mechanism for specified evasion prone commodities.
- The system shall be based on a Unique Identification Marking which shall be affixed on the said goods or the packages thereof. This will provide a legal framework for developing such a system and will help in implementation of mechanism for tracing specified commodities throughout the supply chain.

2) Clarification regarding recording of correct details of name of the State of the un-registered recipient as well as correct declaration of place of supply in respect of supply of 'Online Services'

- To clarify that in respect of supply of 'Online Services' such as supply of online money gaming, OIDAR services, etc. to unregistered recipients, the supplier is required to mandatorily record the name of the State of the unregistered recipient on the tax invoice and such name of State of recipient shall be deemed to be the address on record of the recipient for the purpose of section 12(2)(b) of IGST Act, 2017 read with proviso to rule 46(f) of CGST Rules, 2017

D. Other measures pertaining to law & procedure

1) Amendment in section 17(5)(d) of CGST Act, 2017

- To align the provisions of section 17(5)(d) of CGST Act, 2017 with the intent of the said section, the Council has recommended amending section 17(5)(d) of CGST Act, 2017, to replace the phrase "plant or machinery" with "plant and machinery", retrospectively, with effect from 01.07.2017, so that the said phrase may be interpreted as per the Explanation at the end of section 17 of CGST Act, 2017.

2) Amendment in section 107 and section 112 of CGST Act, 2017 to provide for payment of pre-deposit for filing an appeal in respect of an order passed which involves only penalty amount.

- To amend the proviso to section 107(6) of CGST Act, 2017 providing for payment of pre-deposit at 10% instead of 25 %for filing appeals before Appellate Authority in cases involving only demand of penalty without involving the demand of tax.
- To insert a new proviso to section 112(8) of CGST Act, 2017 providing for payment of pre-deposit at10%for filing appeals before Appellate Tribunal in cases involving only demand of penalty without involving the demand of tax.

3) Amendment in section 2(69) of CGST Act, 2017 to insert an Explanation regarding definitions of Local Fund and Municipal Fund:

- To amend clause (c) of section 2(69) of CGST Act, 2017 and to insert an Explanation under the same to provide for definitions of the terms ‘Local Fund’ and ‘Municipal Fund’ used in the said clause.

4) Amendment in provisions pertaining to Input Services Distributor (ISD) mechanism under CGST Act, 2017 and CGST Rules, 2017

- To amend Section 2(61) and Section 20(1) of the CGST Act, 2017 to explicitly include inter-state RCM transactions under the ISD mechanism by including reference to supplies subject to tax under section 5(3) and 5(4) of IGST Act, 2017 in the said provisions.
- Consequentially, to amend section 20(2) of CGST Act, 2017 and rule 39(1A) of the CGST Rules, 2017.
- These, amendments in CGST Act, 2017 are to be made effective from 01.04.2025.

5) Provision for grant of temporary identification number by tax officers to persons, not liable to be registered otherwise

- To insert new rule 16A in CGST Rules, 2017 to provide for a separate provision for generation of temporary identification number for persons, who are not liable to be registered under CGST Act, 2017 but are required to make any payment as per rule 87(4) of CGST Rules, 2017.
- To amend Rule 87 (4) of CGST Rules, 2017 incorporating a reference to the new Rule and consequential modification of FORM GST REG-12.

6) Amendment in the field ‘category of registered person’ for taxpayers who opted for composition levy through FORM CMP-02

- To amend sub-rule (1) of rule 19 of CGST Rules, 2017 to include reference to FORM GST CMP- 02 in the said rule to allow the taxpayers to modify their “category of registered person” in Table 5 of FORM GST CMP-02 through FORM GST REG-14.

7) Amendment in CGST Act, 2017 and CGST Rules, 2017 in respect of functionality of Invoice Management System (IMS)

- The GST Council recommended inter-alia-
 - (i) To amend section 38 of CGST Act, 2017 and rule 60 of CGST Rules, 2017 to provide a legal framework in respect of generation of FORM GSTR-2B based on the action taken by the taxpayers on the Invoice Management System (IMS).
 - (ii) To amend section 34(2) of CGST Act, 2017, to specifically provide for requirement of reversal of input tax credit as is attributable to a credit note, by the recipient, to enable the reduction of output tax liability of the supplier.
 - (iii) To insert a new rule 67B in CGST Rules, 2017, to prescribe the manner in which the output tax liability of the supplier shall be adjusted against the credit note issued by him.
 - (iv) To amend section 39 (1) of CGST Act, 2017 and rule 61 of CGST Rules, 2017 to provide that FORM GSTR-3B of a tax period shall be allowed to be filed only after FORM GSTR-2B of the said tax period is made available on the portal.

E. Other measures:

- The GST Council approved the recommendation of the committee of officers suggesting measures for the various issues raised by the States in **respect of issues pertaining to IGST settlement** and asked the committee to conclude the desired changes by March, 2025.
- The **GST Council took note of the procedural rules proposed for the internal functioning of the GSTAT**, which would be notified after examination by the Law Committee. This would help in operationalization of the GSTAT.

- The Council also decided to extend the time frame for the Group of Ministers on the restructuring of the GST Compensation till 30th June, 2025.
- On the request of State of Andhra Pradesh the Council recommended that a Group of Ministers be constituted to examine the legal and structural issues, and recommend a uniform policy on imposition of levy in case of a natural disaster/calamity in the State.

The issue of whether charges collected by municipalities for granting FSI including additional FSI, chargeable to GST on reverse charge basis was brought up in the Council. The matter was deferred for further examination on the behest of the Central Government on the ground that this amount relates to Municipalities or local authority.

Note: The recommendations of the GST Council have been presented in this release containing major item of decisions in simple language for information of the stakeholders. The same would be given effect through the relevant circulars/ notifications/ law amendments which alone shall have the force of law.

2. GST revenue collection from October to December 2024

According to the detailed advisory provided on the GST portal, the gross monthly GST collection for October 2024 is Rs.1,87,346 crores, compared to Rs.1,73,240 crores the previous month. It represents an 8.9% year-on-year growth rate, up from 6.5% the previous month and the second largest collection in the year. The monthly GST collections for November 2024 indicate an 8.5% year-on-year growth. As per the report in the GST Network, the gross monthly GST collection stands at Rs. 1,76,857 crores in the month of December 2024. This shows only 7.3 per cent year-on-year growth in the month of December 2024.

When compared to the GST collection in October 2023, in which the total GST collection stood at Rs 1.72 lakh crore. Now in October 2024, it shows a yearly jump of 8.9 percent. Similar trend has been shown in the case of GST collection in the month of November 2024 in which the previous year collection was Rs 1,67,929 Crore in November of 2023. The gross goods and services tax (GST) collections for December 2024 stood at Rs.1,76,857 crore, marking a 7.3% year-on-year growth compared to Rs1,66,882 crore in December 2023.

In case of state GST Collection for the month of October, the previous months' trends already continue in which the state of Maharashtra is in the leading position. States like Karnataka,

Gujarat, Tamil Nadu, Haryana, and Uttar Pradesh are occupying the next positions in GST Collection in October 2024. States like Ladakh, Kerala, and Puducherry are showing around 30% growth in the GST collection when compared with the previous year month. Similar trends are also evident in the case of November 2024. Maharashtra is in the leading position and Lakshadweep, Sikkim, and Puducherry, which showed a 20-30% growth rate compared to November 2023. Gujarat, Chandigarh, Haryana, Tripura, Meghalaya, and West Bengal are also having a 15-17% growth when compared to the previous year. In the case of December 2024, the same position is maintained by the state of Maharashtra which is followed by Karnataka, Gujarat, Tamil Nadu, and Uttar Pradesh.

Table 1: GST Collection in October to December 2024 (Rs. in Crores) in India

Month	CGST	SGST	IGST	CESS(excluding Imported goods)
October 24	31,300	38,717	85,969	12,055
November 24	31,815	39,809	78,436	12,950
December 24	29,930	36,845	75,588	12,003

Chart 1: Comparison of GST Revenue in October-December 2024 (Rs. in Crores) in India

CGST, SGST, IGST and CESS

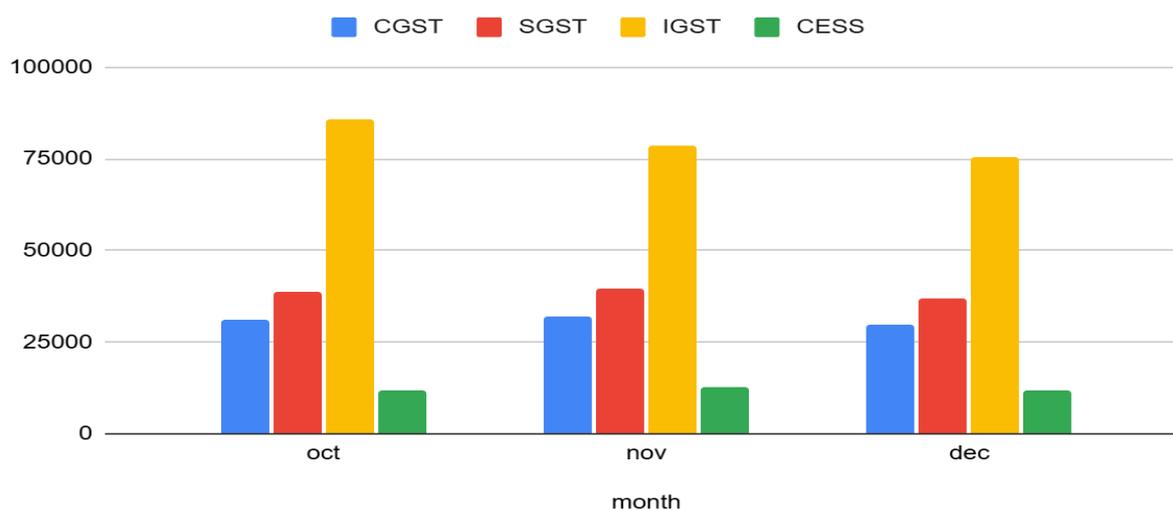
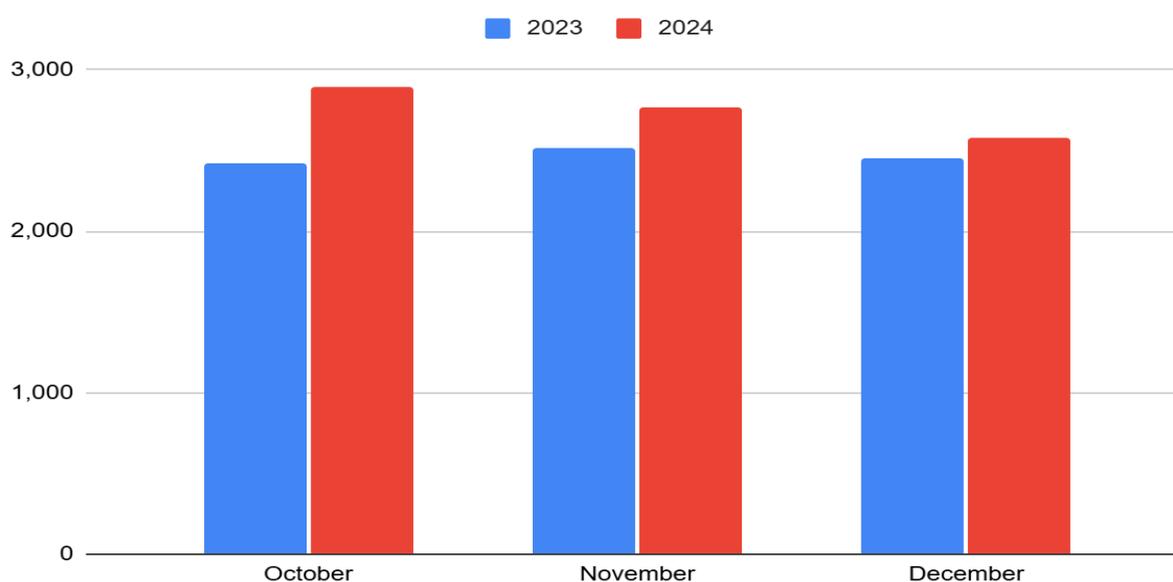


Table - 2 GST collection in Kerala during October-December 2024 (Rs. in Crores) in comparison with previous year months

Months	2023	2024	Growth Rate
October	2,418	2,896	19.77
November	2,515	2,763	9.86
December	2,458	2,575	4.76
Total	7,391	8,234	11.41

Chart 2: GST Revenue of Kerala During October-December 2024 (Rs. in Crores) in comparison with previous year months



3. Other Important Updates

- Union Minister of State for Finance Shri Pankaj Chaudhary inaugurated the state-of-the-art Goods and Services Tax (GST) office building in Nangal Raya, Delhi. Representing a significant milestone in the government's commitment to improve tax administration and enhance public service, this new facility will serve as the official complex for various CGST Delhi formations.
- On 1st December 2024, The Government officially released the GST collection report for November 2024 on the GST Portal.
- DRC-03A is newly introduced on the GST portal for taxpayers to adjust the amount paid through FORM GST DRC-03 against the order of demand.

4. Notifications and Circulars in the month of October to December 2024

In case of reverse charge supplies, self-invoice is required to be issued within 30 days from the date of receipt of goods/services.

Rule 47A is inserted in the CGST Rules to provide that in case of reverse charge supplies, self-invoice is required to be issued within 30 days from the date of receipt of goods/services. Rules 89(4A), 89(4B) and 96(10) have been omitted. The said rules restricted refunds in relation to exports where benefit/exemption was availed on inward supplies under specified notifications. Procedure and conditions for closure of proceedings under section 128A in respect of demands issued under Section 73, the following rule shall be inserted with effect from the 1st day of November, 2024. Any person who is eligible for waiver of interest, or penalty, or both, in respect of orders mentioned in clauses (b) and (c) of sub-section (1) of section 128A, may file an application electronically in FORM GST SPL 02 on the common portal within a period of three months from the date notified under sub-section (1) of section 128A. An application must be filed on Form GST DRC-03, which must also include details of the tax payment made towards the tax demanded. The application must be filed within three months from the specified date. Where the notice or order relates both to the period covered under the amnesty scheme (FY 2017-18 to FY 2019-20) and other period(s), the application can be filed only after making payment of the full amount of tax demanded in the relevant notice or order. The balance of interest and penalties for the other period(s) must be paid within three months from the date of issue of the final order. If the amount is not paid within the prescribed period, the waiver granted under the scheme will become void. Where the proper officer is satisfied that the applicant is eligible under the amnesty scheme, an order accepting the application and concluding the proceedings will be issued. If the taxpayer is not eligible for the scheme, a notice giving reasons for the rejection will be issued. The taxpayer may file a reply to the notice issued by the proper officer. The final order must be issued by the proper officer within three months from the date of filing the application. However, where a notice is issued to the taxpayer, the final order must be issued within three months from the date of receipt of the taxpayer's reply, or within four months from the date of issuance of the notice where the taxpayer does not reply. If the order is not passed within the prescribed time limit, the application will be deemed to be approved and the proceedings deemed to be concluded.

Source: Notification No 20/2024 Central Tax dated 08-10- 2024

Process for waiving penalty and interest on tax demands under section 73

The Central Board of Indirect Taxes and Customs (CBIC) is specifying the procedure and prerequisites for the exemption of interest, penalty, or both, concerning tax demands u/s 73 of the Central Goods and Services Tax (CGST) Act. For the Fiscal years 2017-18, 2018-19, and 2019-20 the same exemption has been applied to the registered assesseees. For the mentioned financial years, the taxpayers can now claim the exemptions on interest or penalty or both towards the tax demands raised u/s 73 of the CGST Act. The due date to make the needed tax payments is March 31, 2025, for the registered individuals who have been issued a notice, statement, or order u/s 128A. For the assesseees whose matter engages a notice furnished u/s 74 and needs redetermination of tax via the proper officer, the duration of exemption shall extend to 6 months from the date of the redetermination order furnished u/s 73.

Source: Notification No. 21/2024–Central Tax dated 08-10-2024

Special procedure for rectification of orders concerning the wrong availment of Input Tax Credit (ITC)

This is applicable to the taxpayers, who have been issued an order under Sections 73, 74, 107, or 108 of the CGST Act confirming the demand for wrongly availed ITC due to a contravention of Section 16(4). They can only apply for rectification if the ITC is now available for claim under Sections 16(5) or 16(6) or no appeal has been filed against the order. The taxpayer needs to submit the following details electronically, including the GSTIN, Legal Name, and Trade Name of the taxpayer. The tax officer who issued the original order will review the application. They must make a decision within three months from the date of receipt of the rectification application. If the application is approved, issue a rectified order.

Source: Notification No. 22/2024–Central Tax dated 08-10-2024

Waiver of late fee for late filing of nil FORM GSTR-7

From 1 November 2024, late fee on delayed filing of NIL GSTR-7 (TDS return) is waived. Also, for the period June 2021 onwards, the quantum of late fee is revised. Further this notification reduced the reducing late fees to ₹25 per day for delays since June 2021, capped at Rs.1,000 per month. The waiver extends to Nil TDS returns, encouraging compliance and easing financial burdens on taxpayers.

Source: Notification No. 23/2024–Central Tax dated 08-10-2024

Amended Notification No. 5/2017-Central Tax dated 19.06.2017

In exercise of the powers conferred by sub-section (2) of section 23 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue) No. 5/2017- Central Tax, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (i) vide number G.S.R. 607(E), dated the 19th June, 2017. In the said notification, after the opening paragraph, the following proviso shall be inserted, namely:- “Provided that nothing contained in this notification shall apply to any person engaged in the supply of metal scrap, falling under Chapters 72 to 81 in the first schedule to the Customs Tariff Act, 1975 (51 of 1975)”. This notification shall come into force with effect from the 10th day of October, 2024.

Source: Notification No. 24/2024–Central Tax dated 09-10-2024

Notification for the Exclusion of suppliers of metal scrap

CBIC brings about a major change with regard to metal scrap suppliers. Suppliers who furnish metal scrap covered under Chapters 72 to 81 of the Customs Tariff Act, 1975, are exempt from the previous notification's conditions under this new notification. The action follows the GST Council's recommendations and is part of the larger GST framework revisions. The goal is to simplify the taxes of the metal scrap industry in accordance with recent rulings by the GST Council, which also established provisions for the industry's Reverse Charge Mechanism (RCM) and Tax Deducted at Source (TDS).

Source: Notification No. 25/2024–Central Tax dated 09-10-2024

Extension of due date for filing of return in FORM GSTR-3B for the month of October, 2024 for the persons registered in the state of Maharashtra and Jharkhand

The CBIC, on the recommendations of the Council, extends the due date for furnishing the return in FORM GSTR-3B for the month of October, 2024 till the twenty-first day of November, 2024, for the registered persons whose principal place of business is in the state of Maharashtra and Jharkhand and are required to furnish return under sub-section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the Central Goods and Services Tax Rules, 2017.

Source: Notification No. 26/2024–Central Tax dated 18-11-2024

Updated the Jurisdiction and powers of the Principal Commissioners of Central Tax across India

Revised the Table V of the earlier Notification No. 02 of 2017 of Central Tax dated 19th June 2017. The updated Table provides information regarding the Jurisdiction and powers of the Principal Commissioners of Central Tax across India. This clearly mentions their authority to issue orders or decisions on notices issued by the officers of Directorate General of Goods and Services Tax Intelligence under Sections 67, 73, 74, 76, 122, 125, 127, 129 and 130 of Central Goods and Services Tax Act 2017. These changes will be applicable to places including Ahmedabad South, Bengaluru East, Bhopal, Bhubaneswar, Chandigarh, Chennai South and others.

Source: Notification No. 27/2024–Central Tax dated 25-11-2024

Appointment of common adjudicating authority for Show cause notices issued by DGGI

CBIC appoints the Common Adjudicating Authority to adjudicate show cause notices issued by DGGI to the notice mentioned in the said notification under sections 73, 74, 122, 125 and 127 of Central Goods and Services Tax Act 2017. Joint Commissioner or Additional Commissioner, Central Goods and Services Tax and Central Excise Thane Commissionerate [holding the charge of Adjudication of DGGI cases] will be in charge of such authority as per the notification.

Source: Notification No. 28/2024–Central Tax dated 27-11-2024

Extend the due date for furnishing FORM GSTR-3B for the month of October, 2024 for registered persons whose principal place of business is in the State of Manipur

By exercising the powers conferred under Section 39(6) of the Central Goods and Services Tax Act, 2017, the Commissioner, on the recommendations of the Council, extends the due date for furnishing the return in FORM GSTR-3B for the month of October, 2024 till the thirtieth day of November, 2024, for the registered persons whose principal place of business is in the State of Manipur and are required to furnish return under sub-section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the Central Goods and Services Tax Rules, 2017. This will come into effect from the 20th day of November, 2024.

Source: Notification No. 29/2024–Central Tax dated 27-11-2024

Extend the due date for furnishing FORM GSTR-3B for the month of October, 2024 for registered persons whose principal place of business is in the district of Murshidabad in the state of West Bengal

The Commissioner, on the recommendations of the Council, extends the due date for furnishing the return in FORM GSTR-3B for the month of October, 2024 till the eleventh day of December, 2024, for the registered persons whose principal place of business is in the district of Murshidabad in the state of West Bengal and are required to furnish return under sub-section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the Central Goods and Services Tax Rules, 2017. This will come into effect from the 20th day of November, 2024.

Source: Notification No. 30/2024–Central Tax dated 10-12-2024

Further appointment of common adjudicating authority for Show cause notices issued by officers of DGGI

Through the notification on 13th December 2024, the CBIC appoints further more Common Adjudicating Authority to adjudicate show cause notices issued by DGGI to the notice mentioned in the said notification under sections 73, 74, 122, 125 and 127 of Central Goods and Services Tax Act 2017. Joint Commissioner or Additional Commissioner, Central Goods and Services Tax and Central Excise Thane Commissionerate [holding the charge of Adjudication of DGGI cases] will be in charge of such authority as per the notification.

Source: Notification No. 31/2024–Central Tax dated 13-12-2024

Clarifications regarding applicability of GST on certain services

These clarifications are based on the recommendations made during the 54th GST Council meeting held on September 9, 2024. Affiliation services provided by universities to colleges are not exempt under Notification No. 12/2017-CT(R) dated June 28, 2017, and will attract an 18% GST rate. Affiliation services provided to schools by educational boards or councils are taxable. However, affiliation services provided to government schools (i.e., those controlled by the Central Government, State Government, or a local authority) are exempt from GST from October 10, 2024, as per Notification No. 08/2024-Central Tax (Rate). GST paid on affiliation services from July 1, 2017, to June 17, 2021, has been regularized on an “as is where is” basis. This period covers the time before Circular No. 151/07/2021 clarified the taxability of these services. DGCA-approved flying training courses conducted by FTOs

fall under the exemption provided to educational institutions under Sl. No. 66 of Notification No. 12/2017-Central Tax (Rate), and are thus exempt from GST. The 5% GST rate on passenger transport by helicopter on a seat-share basis is effective from October 10, 2024. For the period from July 1, 2017, to October 9, 2024, any GST paid is regularized on an “as is where is” basis. The incidental services that GTAs offer as part of the transportation of products must be considered a composite supply. Unless these services are charged separately and are not included in transportation, they will not be subject to a separate GST rate. With effect from October 10, 2024, services imported by a foreign airline from a connected party or another firm outside of India are exempt from GST if they are made without consideration. Regularization of GST paid between July 1, 2017, and October 9, 2024, is done "as is where is." Preferential Location Charges (PLC) forms part of the composite supply of construction services and attracts the same GST rate as the construction service itself. Support Services by Electricity Transmission and Distribution Utilities are exempt from GST, effective from October 10, 2024. GST paid from July 1, 2017, to October 9, 2024, is regularized on an “as is where is” basis. GST at 18% applies to transactions involving theatrical rights between film distributors and exhibitors. GST paid between July 1, 2017, and September 30, 2021, is regularized on an “as is where is” basis.

Source: Circular No.234/28/2024-GST dated the 11th October 2024

Clarification regarding GST rates & classification (goods) based on the recommendations of the GST Council in its 54th meeting

This Circular is giving clarification on GST rate on three aspects such as Extruded/Expanded Savory Food Products, Roof Mounted Package Unit(RMPU) Air Conditioning Machine For Railways and Car and Motorcycle seats. This circular makes it clear that: (i) the GST rate of 12% will be applied prospectively starting on 10.10.2024 to extruded or expanded products, savory or salted (apart from un-fried or uncooked snack pellets, by whatever name, manufactured through the process of extrusion) falling under HSN 1905 90 30; the GST rate of 18% will be applied for previous periods; (ii) Railway air conditioning machines classified as Roof Mounted Package Units (RMPU) fall under Heading 8415; (iii) two-wheeler seats fall under Heading 8714 and are subject to a 28% GST rate, while four-wheeler seats fall under Heading 9401 and are subject to a 28% GST rate as of 10.10.2024. For previous periods, seats for four-wheelers would be subject to an 18% GST rate.

Source: Circular No.235/28/2024-GST dated the 11th October 2024

Clarification regarding the scope of “as is / as is, where is basis” mentioned in the GST Circulars issued on the basis of recommendation of the GST Council in its meetings

The Central Government has clarified the meaning of the terms "as is" and "as is where is basis" that have been used in a number of circulars to regularize previous practices in cases where the industry had legitimate concerns because of competing entries with different GST rates or differing interpretations. It has been made clear that when there are two competing rates and some suppliers have paid GST at the lower of the two rates, or at nil when one of the competing rates was nil under a notification, and other suppliers have paid at a higher rate, the lower rate payment will be considered fully paid tax for the regularized period, and there won't be any reimbursement if the higher rate tax was paid. However, if a particular supplier had not paid any GST on the transaction and the interpretational dispute was between two non-zero rates, the regularization benefit would not be given.

Source: Circular No.236/28/2024-GST dated the 11th October 2024

Corrigendum to Circular No. 237/31/2024-GST dated 15th October, 2024

Corrigendum to Circular No. 237/31/2024-GST dated 15th October, 2024 issued vide F. No. CBIC-20001/6/2024-GST clarifies that the said restriction on refund under section 150 of the Finance (No. 2) Act, 2024 will not apply to the refund of an amount paid as pre-deposit by the taxpayer as per sub-section (6) of section 107 or sub-section (8) of section 112 of the CGST Act, at the time of filing of an appeal, where such appeals are decided in favor of the said taxpayer.

Source: Corrigendum to Circular No. 237/31/2024-GST dated the 25th October, 2024

Clarifying the issues regarding implementation of provisions of sub-section (5) and sub-section (6) in section 16 of CGST Act,2017

In the exercise of the power granted by section 168 (1) of the CGST Act, the Board hereby explains the following matters to provide consistency in the application of the legislation across the field formations: Where no demand notice/statement has been issued under section 73 or section 74 of the CGST Act; the proper office shall take cognizance of the sub-section (5) or sub-section (6) of section 16 of CGST Act, inserted retrospectively with effect from 01.07.2017 and take further appropriate action. Where demand notice/statement under section 73 or section 74 of CGST Act has been issued but no order

under section 73 or section 74 of CGST Act has been issued by the Adjudicating Authority, the Adjudicating Authority shall take cognizance of sub-section (5) or sub-section (6) of section 16 of the CGST Act, inserted retrospectively with effect from 01.07.2017, and pass appropriate order under section 73 or section 74 of the CGST Act. Where order under section 73 or section 74 of the CGST Act has been issued and appeal has been filed under section 107 of the CGST Act with the Appellate Authority but no order under section 107 of the CGST Act has been issued by the Appellate Authority, the Appellate Authority shall take cognizance of sub-section (5) or sub-section (6) of section 16 of the CGST Act, inserted retrospectively with effect from 01.07.2017, and pass appropriate order under section 107 of the CGST Act. Where order under section 73 or section 74 of the CGST Act has been issued and Revisional Authority has initiated proceedings under section 108 of the CGST Act, but no order under section 108 of the CGST Act has been issued by the Revisional Authority, the Revisional Authority shall take cognizance of sub-section (5) or sub-section (6) of section 16 of the CGST Act, inserted retrospectively with effect from 01.07.2017, and pass appropriate order under section 108 of the CGST Act. Where order under section 73 or section 74 of the CGST Act has been issued but no appeal against the said order has been filed with the Appellate Authority, or where the order under section 107 or section 108 of the CGST Act has been issued by the Appellate Authority or the Revisional Authority but no appeal against the said order has been filed with the Appellate Tribunal; the concerned taxpayer may apply for rectification of such order under the special procedure under section 148 of the CGST Act notified vide Notification No. 22/2024 –Central tax dated 08.10.2024, within a period of six months from the date of issuance of the said notification. The taxpayers can file an application for rectification electronically, after login to www.gst.gov.in, using their credentials.

Source: Circular No.237/28/2024-GST dated the 15th October, 2024

Clarification of various doubts related to Section 128A of the CGST Act, 2017

Based on the recommendations of the GST Council made in its 53rd meeting, Section 128A has been inserted in the Central Goods and Services Tax Act, 2017, to provide for waiver of interest or penalty or both, relating to demands under section 73 of the CGST Act pertaining to Financial Years 2017-18, 2018-19 and 2019-20, subject to certain conditions. Further, Rule 164 has been inserted in Central Goods and Services Tax Rules, 2017 for laying down the

procedure and conditions for closure of proceedings under section 128A of CGST Act. The provisions of Section 128A are applicable in cases where notices/ statements have been issued under Section 73, for the FYs 2017-18, 2018-19 and 2019-20, in the following situations: (a) Where a notice issued under sub-section (1) of section 73 or a statement issued under sub-section (3) of section 73, but where no order under sub-section (9) of section 73 has been issued; (b) Where an order has been issued under sub-section (9) of section 73, in respect of the notice/ statement issued under section 73, but where no order has been issued by the Appellate Authority/ Revisional Authority under sub-section (11) of section 107 or sub-section (1) of section 108; (c) Where an order has been issued by the Appellate Authority/ Revisional Authority under sub-section (11) of section 107 or sub-section (1) of section 108, in the cases where notice/ statement was issued under section 73 and where to order under sub-section (1) of section 113 has been passed by the Appellate Tribunal. With respect to a notice or statement referred to in clause (a) of sub-section (1) of Section 128A, i.e., a notice or statement that is yet to be adjudicated, the payment towards the tax demanded in the said notice shall be made by the taxpayer through FORM GST DRC-03. Such payment shall be made on or before the date notified under section 128A (1), i.e., on or before 31.03.2025. It is also clarified that while calculating the amount deductible on account of not being payable in accordance with sub-section (5) or sub-section (6) of Section 16, from the amount payable in terms of the notice or statement or order under section 73, as the case may be, taxpayer is required to ensure that such amount is deducted only where ITC has been denied solely on account of contravention of Section 16(4) of the CGST Act and not on any other grounds. The proper officer for processing the application for waiver of interest or penalty or both under Section 128A, would be the proper officer to issue the order under section 73, in case the application is filed in FORM GST SPL-01, and would be the proper officer for recovery under Section 79, in case the application is filed in FORM GST SPL-02. The proper officer shall issue an order in FORM GST SPL-05, accepting the said application, if he is satisfied that the applicant is eligible for waiver of interest or penalty or both under Section 128A. However, if the proper officer, based on the application and the reply in FORM GST SPL-04 received from the taxpayer, is of the view that the applicant is not eligible for waiver of interest or penalty or both under Section 128A, he shall issue an order in FORM GST SPL-07, rejecting the said application. No appeal shall lie under section 107, against an order issued in FORM GST SPL-05 concluding the proceedings under section 128A. The order issued in FORM GST SPL-07, rejecting the application for waiver, shall be, however, appealable in accordance with sub-section (1) of

section 107 within the time limit specified therein, by filing an application in FORM GST APL-01. In such cases, normally, no pre-deposit may be required to be paid by the taxpayer for filing the said appeal, as the said amount may already have been paid as a part of payment of tax dues involved in the demand notice/ statement / order before filing an application in FORM GST SPL-01 or FORM GST SPL-02.

Source: Circular No.238/28/2024-GST dated the 15th October, 2024

Amendment to Circular No. 31/05/2018-GST, dated 9th February, 2018 on 'Proper officer under sections 73 and 74

This Circular amended the Circular No. 31/05/2018-GST dated 9th February, 2018 (as amended by Circular No. 169/01/2022-GST dated 12th March, 2022) which is applicable to situations in respect of show cause notices issued by officers of DGGI, in which there may be cases where, (i) a show cause notice is issued to multiple notices, either having the same or different PANs; or (ii) multiple show cause notices are issued on the same issue to multiple notices having the same PAN. The Additional/Joint Commissioners of Central Tax of specified Commissionerates have been empowered with All India jurisdiction through amendment in the Notification No. 02/2027 dated 19th June, 2017 vide Notification No. 02/2022-Central Tax dated 11th March, 2022, as further amended vide Notification No. 27/2024-Central Tax dated 25th November, 2024. Such show cause notices may be adjudicated, irrespective of the amount involved in the show cause notice(s), by one of the Additional/Joint Commissioners of Central Tax empowered with All India jurisdiction vide the above mentioned notifications. Further the Circular mentions about the Central Tax Commissionerate whose Additional Commissioner or Joint Commissioner shall adjudicate Show Cause Notices issued by officers of Directorate General of GST Intelligence in its Table. It is further clarified that in cases where a show cause notice has been issued to multiple notices, either having same or different PANs, and the said show cause notice is required to be adjudicated by a common adjudicating authority as per the highest amount of demand of tax in accordance with the criteria mentioned in para 7.1 above, then if any show cause notice(s) is issued subsequently on the same issue to some other notice(s) having PAN(s) different from the PANs of the notices included in the earlier show cause notice, the said later show cause notices is to be adjudicated, (i) by the jurisdictional adjudicating authority of the notice, if there is only one notice (GSTIN) involved in the said later show cause notice; or (ii) by the common adjudicating authority in accordance with the

criteria mentioned in para 7.1 above as applicable independently based on the highest amount of tax demand in the said later show cause notice, if there are multiple notices (GSTINs) involved in the said later show cause notice having principal place of business under the jurisdiction of multiple Central Tax Commission rates.’’

Source: Circular No.239/28/2024-GST dated the 4th December, 2024

Clarification in respect of input tax credit availed by electronic commerce operators where services specified under Section 9(5) of Central Goods and Services Tax Act, 2017 are supplied through their platform

This Circular gives clarity on the Input Tax Credit and tax payment responsibilities of ECOs under section 9(5). According to Circular No. 167/23/2021, which was issued on December 17, 2021, ECOs are exempt from reversing input tax credits (ITC) for supplies on which they pay section 9(5) tax due to restaurant services. Additionally, it has been made clear that the input tax credit cannot be used for payment of the entire tax liability under section 9(5); instead, the entire amount owed must be paid in cash. Through this notification it is now clear that this principle also applies to other services notified under section 9(5), apart from restaurant services. The ITC availed by ECOs cannot be used to pay tax liability under section 9(5). The entire tax liability under section 9(5) must be discharged using the electronic cash ledger. However, ITC can be used to pay taxes on the ECO's own services.

Source: Circular No. 240/37/2024-GST dated the 31st December, 2024

Clarification on availability of input tax credit as per clause (b) of sub-section (2) of section 16 of the Central Goods and Services Tax Act, 2017 in respect of goods which have been delivered by the supplier at his place of business under Ex-Works Contract

Conditions for claiming ITC under Section 16(2)(b)- the registered person can claim ITC only if he receives the goods or service. This is specified under Section 16(2)(b) of the Act. The Explanation to this clause deems goods to be received when the goods are delivered to the recipient or a person directed by the recipient, either by transfer of title documents or otherwise. The CGST Act does not mandate physical receipt of goods at a specific location for ITC eligibility. This is unlike earlier excise laws where physical receipt at the factory was required.

When it can be deemed to receive goods under the EXW Contracts: When goods are handed over to the transporter at the supplier's (OEM's) factory gate, ownership passes to the dealer (receiver) under an EXW contract. The supplier may arrange transportation and insurance on the dealer's behalf. The dealer is liable for claims resulting from loss in transportation. It is now clear that products are deemed received for ITC purposes when they are handed over to the transporter at the supplier's factory gate, as specified in the contract.

Eligibility in case of Business use: ITC is only applicable for products used or intended to be used for the conduct or furtherance of business, according to Section 16(1) of the CGST Act of 2017. If goods are diverted for non-business reasons and then lost, stolen, destroyed, or disposed of as gifts/free samples, ITC on those commodities is denied.

Source: Circular No. 241/37/2024-GST dated the 31st December, 2024

Clarification on Place of supply of Online Services supplied by the suppliers of services to unregistered recipients

This clarification underlines the obligatory requirement for online service suppliers to indicate the correct place of supply and state name of unregistered recipients on invoices in order to ensure GST compliance. It highlights that all online/digital service providers, including OIDAR service providers and electronic commerce operators, must follow the rules for recording and reporting recipient information. Noncompliance may result in penalties, and suppliers are encouraged to implement processes to ensure accurate invoicing and reporting.

The name of the State of the unregistered recipient must be recorded on the tax invoice, irrespective of the value of the supply. Recording the recipient's State name on the invoice is treated as the address on record. Under Section 12(2)(b)(i) of the IGST Act, the place of supply for these services is deemed to be the location of the recipient. Suppliers must implement mechanisms to collect and record the recipient's State name before making supplies. The recorded State name serves as the deemed address of the recipient for GST compliance. Failure to include mandatory particulars, such as the recipient's State name, on tax invoices can result in penal action under Section 122(3)(e) of the CGST Act. The supplier must report the recipient's State as the place of supply in FORM GSTR-1/1A for outward supplies.

Source: Circular No. 242/37/2024-GST dated the 31st December, 2024

Clarification on various issues pertaining to GST treatment of vouchers

A Notification issued to clarify how vouchers are treated and resolve long-standing questions about their taxability under GST and consider it under three heads of issues.

Under which category the voucher falls:

With the use of vouchers, a supplier is obligated to accept them as payment in full or in part for goods or services. Under Section 2(75) of the CGST Act, vouchers are classified as "money" and are exempt from GST if the Reserve Bank of India (RBI) recognizes them as pre-paid instruments that are used to settle obligations. Vouchers that are not regarded as "money" can be deemed actionable claims, which are thus exempt from GST unless otherwise noted in Section 2(102A). Vouchers are not included in the definitions of products (Section 2(52)) and services (Section 2(102)) when they are categorized as money. These voucher transactions are not taxable under GST since they do not include the supply of goods or services. According to Section 2(1) of the CGST Act and Section 3 of the Transfer of Property Act, 1882, vouchers that are not categorized as money but instead serve as a promise for goods or services are deemed actionable claims. Schedule III classifies transactions in actionable claims (apart from some actionable claims, such as gambling or betting) as neither a supply of goods nor services. The supply of goods or services for which vouchers are redeemed may be subject to GST, even though the transactions in vouchers themselves are not taxable.

GST on Voucher Distribution by distributors/ sub-distributors/ agents etc.:

Distributors/sub-distributors purchase vouchers from the issuer at a discounted price and sell them to end customers, sub-distributors, or corporates. Distributor/dealer assumes ownership of the vouchers and operates independently. Pure trading of vouchers in this case is not taxable under GST. Distributors/sub-distributors/agents represent on behalf of the voucher issuer, without owning the vouchers. They assist with marketing, promotion, and other tasks related to the distribution of vouchers. Here, the revenue is obtained from the voucher issuer in the form of a commission or fee (or comparable compensation). The distributor, sub-distributor, or agent's commission or fee is considered by the voucher issuer as a service supply. GST has to be payable on this commission/fee amount as per the applicable GST rate for services in this matter. GST is also applicable to services such as advertising, co-branding, marketing, customization, and technology support provided to voucher issuers.

GST treatment of unredeemed vouchers (breakage):

In case of breakage, it cannot be redeemed, and as a result, the underlying products and/or services are not available. Since there is no explicit or implicit agreement between the issuer and the redeemer for payment in such circumstances, breakage amounts are not taken into account under GST. No GST is applicable on unredeemed vouchers as there is no underlying supply of goods or services.

Source: Circular No. 243/37/2024-GST dated the 31st December, 2024

5. Kerala SGST - Notifications and Circulars

For Implementing provisions of clause (iv) and (v) of rule 2 and rule 3 of the Kerala Goods and Services Tax (Third Amendment) Rules, 2023

In exercise of the powers conferred by clause (a) of sub-rule (2) of rule 1 of the Kerala Goods and Services Tax (Third Amendment) Rules, 2023 (hereinafter referred to as the said rules), the Government of Kerala fixed the 8th day of October, 2024, as the date on which the provisions of clause (iv) and (v) of rule 2 and rule 3 of the said rules shall come into force.

Source: S. R. O. No. 890/2024 Dated the 7th October, 2024

For Implementing provisions of rule 2 of the Kerala Goods and Services Tax (Second Amendment) Rules, 2024

In exercise of the powers conferred by sub-rule (2) of rule 1 read with rule 2 of the Kerala Goods and Services Tax (Second Amendment) Rules, 2024 (hereinafter referred to as the said rules), the Government of Kerala fixed the 8th day of October, 2024, as the date on which the provisions of rule 2 of the said rules shall come into force.

Source: S. R. O. No. 891/2024 dated the 7th October, 2024

Amendment in Notification G.O. (P) No. 72/2017/TAXES dated 30th June, 2017

As per the recommendations of the GST Council, the Government of Kerala amends in the notification issued under G.O. (P) No. 72/2017/TAXES dated 30th June, 2017 and published as S.R.O. No. 370/2017 in the Kerala Gazette Extraordinary No. 1360 dated 30th June, 2017.

In the said notification, in the Table, against serial number 8,-

i. after item (iva) and the entries relating thereto in columns (3), (4) and (5), the following item and entries relating thereto in columns (3), (4) and (5) shall be inserted, namely: -

(3)	(3)	(5)
“(ivb) Transportation of passengers, with or without accompanied baggage, by air, in a helicopter on seat share basis.	2.5	Provided that credit of input tax charged on goods used in supplying the service has not been taken. [Please refer to clause (iv) of paragraph 4 relating to Explanation].”.

ii. in column (3), in item (vii), after the brackets and figures “(iva),”, the brackets and figures “(ivb),” shall be inserted.

2. This notification shall come into force on the 10th day of October, 2024.

Source: S. R. O. No. 909/2024 dated the 9th October, 2024

Amendment in Notification No. 59/2017/TAXES dated 30th June, 2017

On the recommendations of the Council, The Government of Kerala makes amendments in the notification issued under G.O. (P) No.59/2017/TAXES dated 30th June, 2017.

In the said notification, after the first paragraph, the following proviso shall be inserted, namely: -

“ Provided that nothing contained in this notification shall apply to any person engaged in the supply of metal scrap, falling under Chapters 72 to 81 in the first schedule to the Customs Tariff Act, 1975 (51 of 1975).”.

2. This notification shall come into force on the 10th day of October, 2024.

Source: S. R. O. No. 913/2024 dated the 9th October, 2024

Amendment in Notification G.O. (P) No.62/2017/TAXES dated 30th June, 2017

On the recommendations of the Council, the Government of Kerala makes the amendments in the notification issued under G.O. (P) No.62/2017/TAXES dated 30th June, 2017.

In the said notification, -

(a) after Schedule I , in List 1, after serial number 232 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

“(233) Trastuzumab Deruxtecan

(234) Osimertinib

(235) Durvalumab”;

(b) in Schedule II, -

(i) after Sl. No 32B and the entries relating thereto, the following Sl. No and entries shall be inserted, namely: -

“32C	1905 90 30	Extruded or expanded products, savory or salted (other than un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion)”;
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(c) in Schedule III, -

(i) against Sl. No 16, in column (3), for the words “un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion”, the words “ un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion, extruded or expanded products, savory or salted” shall be substituted;

(ii) for Serial No 435A and the entries relating thereto, the following Serial No and entries shall be substituted, namely: -

“435A	9401 [other than 9401 10 00 or 9401 20 00]	Seats (other than those of heading 9402), whether or not convertible into beds and parts thereof other than seats of a kind used in aircraft or seats of a kind used for motor vehicles”;
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(d) in Schedule IV -

(i) after Sl. No 210 and the entries relating thereto, the following Sl. No and entries shall be inserted, namely: -

“210A	9401 20 00	Seats of a kind used for motor vehicles”
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Source: S. R. O. No. 907/2024 dated the 9th October, 2024

Amendment in Notification G.O. (P) No.65/2017/TAXES. dated 30th June, 2017

The following amendment made in the said Notification:

In the Table, after S. No. 7 and the entries relating thereto, the following Serial No. and entries relating thereto in columns (2), (3), (4) and (5) shall be inserted, namely : -

1	2	3	4	5
8.	72, 73, 74, 75, 76, 77, 78, 79, 80 or 81	Metal scrap	Any unregistered person	Any registered person”.

Source: S. R. O. No. 908/2024 dated the 9th October, 2024

Amendment in Notification No. 74/2017/TAXES dated 30th June, 2017

In the said notification, in the Table, after serial number 5AA and the entries relating thereto, the following serial number and entries relating thereto in columns (2), (3) and (4) shall be inserted, namely: -

1	2	3	4
“5AB	Service by way of renting of any property other than residential dwelling.	Any unregistered person	Any registered person.”

Source: S. R. O. No. 911/2024 dated the 9th October, 2024

Amendment in Notification G.O. (P) No. 156/2018/TAXES dated 28th September, 2018

In the said notification,

i. after the entry (c) and before the first proviso, the following entry shall be inserted, namely:-

“(d) Any registered person receiving supplies of metal scrap falling under Chapters 72 to 81 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), from other registered person”;

ii. for the existing third proviso, the following proviso shall be substituted, namely:-

“Provided also that nothing in this notification shall apply to the supply of goods or services or both, which takes place between one person to another person specified under clauses (a), (b), (c) and (d) of sub-section (1) of Section 51 of the said Act, except at (d) of this notification.”

Source: S. R. O. No. 912/2024 dated the 9th October, 2024

Notification under section 128A to notify date under sub-section (1) of section 128A of Kerala State Goods and Services Tax Act, 2017

Amended the Following Table such as:

Sl. No.	Class of registered person	Date up to which payment for the tax payable as per the notice or statement or the order referred to in clause (a) or clause (b) or clause (c) of section 128A of the said Act, as the case may be, can be made for waiver of interest, or penalty, or both, under the said section.
(1)	(2)	(3)
1.	Registered persons to whom a notice or statement or order, referred to in clause (a) or clause (b) or clause (c) of section 128A of the said Act, has been issued.	31.03.2025
2.	Registered persons to whom a notice has been issued under sub-section (1) of section 74, in respect of the period referred to in sub-section (1) of section 128A of the said Act, and an order is passed or required to be passed by the proper officer in pursuance of the direction of the Appellate Authority, or Appellate Tribunal, or a court, in accordance with the provisions of sub-section (2) of section 75, for	Date ending on completion of six months from the date of issuance of the order by the proper officer redetermining tax under section 73 of the said Act.

	determination of the tax payable by such person, deeming as if the notice were issued under sub-section (1) of section 73 of the said Act.	
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Source: S. R. O. No. 995/2024 dated the 30th October, 2024

Special procedure for rectification of demand order issued for contravention of section 16(4) of Kerala State Goods and Services Tax Act, 2017

As per the recommendations of the GST Council, the Government of Kerala issued special procedure for rectification of order, to be followed by the class of registered persons (hereinafter referred to as the said person), against whom any order under section 73 or section 74 or section 107 or section 108 of the said Act has been issued confirming demand for wrong availment of input tax credit, on account of contravention of provisions of sub-section (4) of section 16 of the said Act, but where such input tax credit is now available as per the provisions of sub-section (5) or sub-section (6) of section 16 of the said Act, and where appeal against the said order has not been filed. It has to be filed electronically within a period of 6 months from the date of issuance of this notification. A proforma in Annexure A of this notification has to be filed along with the application. The proper officer for carrying out rectification of the said order shall be the authority who had issued such order, and the said authority shall take a decision on the said application and issue the rectified order, as far as possible, within a period of three months from the date of the said application. The rectification is required to be made only in respect of demand of such input tax credit which has been alleged to be wrongly availed in contravention of provisions of sub-section (4) of section 16 of the said Act, but where such input tax credit is now available as per the provisions of sub-section (5) or sub-section (6) of the said section 16. If such rectification adversely affects the said person, the principles of natural justice shall be followed by the authority carrying out such rectification.

Source: S. R. O. No. 996/2024 dated the 30th October, 2024

Supersession Notification G.O. (P) No. 68/2021/TAXES dated 7th September, 2021

In exercise of the powers conferred by section 128 of the Kerala State Goods and Services Tax Act, 2017 (20 of 2017) (hereafter in this notification referred to as the said Act), and in supersession of the notification issued under G.O. (P) No. 68/2021/TAXES dated 7th

September, 2021 and published as S.R.O. No. 666/2021 in the Kerala Gazette Extraordinary No. 2612 dated 7th September, 2021, except as respects things done or omitted to be done before such supersession, the Government of Kerala, on the recommendations of the Council, hereby waives the amount of late fee payable under section 47 of the said Act by any registered person, required to deduct tax at source under the provisions of section 51 of the said Act, for failure to furnish the return in FORM GSTR-7 for the month of June, 2021 onwards, by the due date, which is in excess of an amount of twenty-five rupees for every day during which such failure continues:

Provided that the total amount of late fee payable under section 47 of the said Act by such registered person for failure to furnish the return in FORM GSTR-7 for the month of June, 2021 onwards, by the due date, shall stand waived which is in excess of an amount of one thousand rupees:

Provided further that the total amount of late fee payable under section 47 of the said Act by the registered person, who fails to furnish the return in FORM GSTR-7 for a month by the due date, where the total amount of state tax deducted at source in the said month is nil, shall stand waived.

Source: S. R. O. No. 997/2024 dated the 30th October, 2024

Corrigendum - Notification G.O.(P) No.140/2024/TD. dated 9th October, 2024

In the notification issued under G.O.(P) No.140/2024/TD. dated 9th October, 2024 and published as S.R.O. No. 912/2024 in the Kerala Gazette Extraordinary No.3209 dated 9th October, 2024, in the opening paragraph, for “12” read “20”.

Source: S. R. O. No. 1013/2024 dated the 5th November , 2024

Corrigendum - Notification G.O.(P) No.139/2024/TD. dated 9th October, 2024

In the notification issued under G.O.(P) No.139/2024/TD. dated 9th October, 2024 and published as S.R.O. No.911/2024 in the Kerala Gazette Extraordinary No.3208 dated 9th October, 2024, in the opening paragraph, for “12” read “20”.

Source: S. R. O. No. 1012/2024 dated the 5th November , 2024

Corrigendum - Notification G.O.(P) No.139/2024/TD. dated 9th October, 2024

In the notification issued under G.O.(P) No.139/2024/TD. dated 9th October, 2024 and published as S.R.O. No.911/2024 in the Kerala Gazette Extraordinary No.3208 dated 9th October, 2024, and in the explanatory note for “any property” read “any immovable property” wherever it occurs.

Source: S. R. O. No. 1124/2024 dated the 30th November, 2024

Amendment in Notification No. G.O.(P) No.135/2018/TAXES (S.R.O. No.583/2018) dated 18th August, 2018

In the notification issued under G.O.(P) No.135/2018/TAXES dated 18th August, 2018, in Serial No.2, for the words, letters, symbols and bracket "Shri. Abdul Latheef K, Joint Commissioner (Audit), Thrissur”, the words, letters, symbols and bracket "Shri. Mansur M I, Joint Commissioner (Audit), Kottayam", shall be substituted.

Source: S. R. O. No. 1190/2024 dated the 24th December, 2024

Sources:

<https://cbic-gst.gov.in/>

<https://gstcouncil.gov.in/>

<https://www.taxmanagementindia.com>

<https://www.thehindubusinessline.com>

www.gstindiaonline.com

<https://keralataxes.gov.in/>