

Recommendations relating to the provisions in the GST Acts and the rules

Sl No.	Recommendations	Recommended Amendments
Amnesty		
01	<p>Relaxation in time limit to avail of input tax credit in terms of section 16(4):</p> <p>(i) The time limit to avail of input tax credit for FY 2017-18 to 2020-21 has been extended till 30.11.2021</p> <p>(ii) In case of revocation of cancellation, a registered taxpayer would be entitled to take input tax credit in respect of any invoice or debit note in a return for the period between the effective date of cancellation of registration and the date of revocation of cancellation of registration, filed within thirty days from the revocation of cancellation subject to the condition that the restriction of section 16(4) was not applicable on the date of order of cancellation. The facility would be available w.e.f. 01.07.2017.</p> <p>No refund shall be available in case the said amount has already been paid or reversed on account of contravention of S. 16(4).</p> <p>Further, registration of a taxpayer would be liable to be cancelled if the returns for the period between the effective date of cancellation of registration and the date of revocation of cancellation of registration are not filed within thirty days from the revocation of cancellation.</p>	S.16 (4) of the CGST Act; Insertion of a new clause (ga) to rule 21 of the CGST Rules.
02	Interest and penalty would be waived for all types of demand notices issued under Section 73 for FY 2017-18 to FY 2019-20 , if the taxpayer pays the full amount of tax demanded up to a date as may be notified	Insertion of a new section 128A of the CGST / SGST Act
Levy of Tax		
03	Un-denatured Extra Neutral Alcohol or Rectified Spirit which is used for manufacture of alcoholic liquor for human consumption to be kept outside the ambit of GST	Amendment of S.9 of the CGST Act
04	New provision to empower the Government to regularize non-levy or short levy of GST , where tax was being short	Insertion of new S.11A in the CGST Act

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	paid or not paid due to common trade practices.	
05	(i) The time of supply of services where tax is liable to be paid under RCM would be earlier of the date of payment or the date of issue of invoice by the recipient where the recipient is so liable.	Amendment of clause (b) of S.13(3) and insertion of a new clause (c) in S. 13(3) of the CGST Act
	(ii) Time limit within which the invoice is required to be issued by the recipient in case of RCM supplies would be provided in the rule;	Amendment of S.31(3)(f) of the CGST Act
	(iii) Time limit for issuance of invoice in terms of S. 31(3)(f) by a registered person, who is liable to pay tax under RCM would be 30 days from the receipt of the supply. No further requirement on a registered person to issue a consolidated invoice at the end of a month on which tax is payable under RCM for receipt of supplies from unregistered persons where the supply value exceeds Rs.5, 000/- in a day from any or all suppliers.	Insertion of a new rule 47A of the CGST Rules; Deletion of second proviso to rule 46 of the CGST Rules.
	Government Departments registered solely for the purpose of TDS deduction under Section 51 would be considered as unregistered person for the purpose of Section 31(3) (f).	Insertion of a new Explanation in S. 31of the CGST Act
Demand		
06	(i) Uniform time limit would be provided for issuance of show cause notices for adjudication (forty-two months from the due date for furnishing of annual return) and demand orders (twelve months from the date of issuance of the show cause notice) irrespective of whether the cases involve fraud, suppression, wilful misstatement etc., or not, for FY 2023-24 onwards; and (ii) Time limit for the taxpayers to avail of the benefit of ‘nil’ penalty (or 25% of the tax demand in cases involving fraud, suppression, wilful misstatement etc.) by way of paying the full amount of tax demand along with interest to extended to 60 days (instead of the existing time line of 30 days).	Amendments in Section 73 and Section 74; Insertion of a new Section 74A

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	(iii) Restriction on availing of ITC in respect of any tax paid in accordance with S. 74 to be removed for FY 2023-24 onwards	
Return		
07	Form GSTR 7 to be filed by TDS Deductors for a calendar month even if no deduction is made. No late fee would be payable by the TDS deductor in respect of delayed filing of nil return in FORM GSTR-7.	Amendment in S.39(3) of the CGST Act and Notification No. 22/2021-CT dated 01.06.2021
08	A new FORM GSTR-1A would be introduced to facilitate amendment of the details furnished in FORM GSTR-1 for a tax period and/ or to declare additional details, if any, before filing of the return in FORM GSTR-3B for the said tax period.	Insertion of new FORM GSTR-1A
09	Exemption from filing of annual return in FORM GSTR-9 for the FY 2023-24 to be continued for taxpayers with aggregate annual turnover up to two crore rupees.	Amendment in the related Notification and instructions in FORM GSTR-9
10	The due date for filing of return in FORM GSTR 4 for composition taxpayers would be extended to 30th June (instead of existing 30th April) following the end of financial year to which such return pertains from FY 2024-25.	Amendment in clause (ii) of rule 62
11	FORM GSTR-8 required to be filed by TCS collector to incorporate details of place of supply.	Amendment in FORM GSTR -8
12	The threshold for reporting of invoice-wise B2C inter-State supplies in Table 5 of FORM GSTR-1 would be reduced from Rs 2.5 Lakh to Rs 1 Lakh.	Amendment in FORM GSTR-1
Appeal		
13	Monetary limits for filing applications by the Department before GSTAT, High Courts and Supreme Court would be as follows: GSTAT: Rs. 20, 00, 000/-; High Court: Rs. 1, 00, 00, 000/-; Supreme Court: Rs. 2, 00, 00, 000/-	A Circular to be issued in this regard
14	The maximum amount of pre-deposit for filing appeal with the first appellate authority would be reduced to Rs. 20 crores CGST and Rs. 20 crores SGST instead of the	S. 107 and S. 112 of the CGST/SGST Act

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	<p>existing limit of Rs. 25 crores CGST and Rs. 25 crores SGST.</p> <p>Further, the amount of pre-deposit for filing appeal with the GST Appellate Tribunal has been reduced to 10 % of the amount of tax in dispute with a maximum of Rs. 20 crores CGST and Rs. 20 crores SGST instead of the existing limit of 20% of the amount of tax in dispute with a maximum amount of Rs. 50 crores CGST and Rs. 50 crores SGST</p>	
15	<p>New provision for adjustment of amount paid in respect of a demand through FORM GST DRC-03 against the liability created in the Electronic Liability Ledger by way of filing an application in Form GST DRC 03A.</p>	<p>Insertion of new sub-rule (2B) in rule 142 and Form GST DRC 03A.</p>
GST Appellate Tribunal [GSTAT]		
16	<p>(i) Time limit for filing appeals before the GSTAT would be within three months from the date on which the order sought to be appealed or the date, as may be notified by the Government whichever is later(Similar amendment made for filing of appeals by the Department before the GSTAT);</p> <p>(ii) GSTAT would be empowered to entertain appeals filed by the department for a further period of 3 months after the expiry of the stipulated time limit(<i>Similar provision exists for appeal by taxpayers</i>);</p> <p>(iii) Government would be empowered to notify cases or class of cases other than those where one of the issues involved is related to Place of Supply, which shall only be heard by the Principal Bench.</p>	<p>Amendment in S.112(1)/(3)/(6) of the CGST Act;</p> <p>Insertion of new sub-section (5A) of Section 109, proviso to sub-section (5) of section 109 of the CGST Act;</p>
17	<p>Provision for electronic filing and processing of appeals in the GSTAT in alignment with the business process being developed in this regard.</p> <p>Provision for withdrawal of appeal or application filed before the GSTAT</p>	<p>Amendment in rules 110 and 111; Insertion of new rule 113A</p>
Refund		
18	<p>(i) No refund of unutilized input tax credit or integrated tax would be allowed in cases where the zero rated supply of goods is subjected to export duty.</p>	<p>Deletion of Second proviso to S.54 (3);</p> <p>Insertion of a new sub-</p>

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	(ii) Government would be empowered to notify the class of goods or services which can be supplied to SEZ units or SEZ developers for authorized operations, on payment of IGST <i>(The existing provision empowers the Government to notify in case of export only).</i>	section (15) to S. 54 of CGST Act; Insertion of a new sub-section (5) in S. 16 of the IGST Act; Amendment in clause (ii) of S. 16 of the IGST Act
19	Provision for claiming refund of additional IGST paid on account of upward revision in price of the goods subsequent to export and on which refund of IGST paid at the time of export of such goods has already been sanctioned	Insertion of new sub-rule (1B), clause (bb) and (bc) to sub-rule (2) of Rule 89, Insertion of a new proviso to rule 96(1)
20	Provision for online processing of refund of tax paid on inward supply of goods received by the Canteen Stores Department(CSD)	Insertion of new rule 95B
21	Time period for realization of sale proceeds in respect of export of services without payment of tax would be one year or the period as allowed under the FEMA Act, 1999 , from the date of issue of the invoice for export, whichever is later	Amendment in rule clause (b) of rule 96A(1)
Registration		
22	The provision for undergoing the process of Bio-metric based Aadhaar authentication , taking photograph along with verification of the original copies of the documents uploaded with the application before grant of registration would be rolled out on pan India basis in respect of applicants who opt for Aadhar authentication and are identified on the basis of data analytics and risk parameters; Applicants who do not opt for Aadhar authentication would also be required to undergo the process of taking photograph and verification of the original copies of the documents uploaded with the application before grant of registration.	Amendment in rule 8(4A) and (4B)
Interest		
23	The amount which is credited into the Electronic Cash Ledger on or before the due date of furnishing of the return	Amendment in Rule 88B

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	and debited for payment of tax while filing the said return after the due date, would not be considered for calculation of interest, if the said amount lies continuously in the ledger during such period.	
E-commerce		
24	TCS rate would be reduced from the existing 1% to 0.5 %	Amendment in Notification 52/2018-CT & 2/2018-CT both dated 20.09.2018
25	The penal provision for contraventions by ECOs related to supply of goods made through them by unregistered persons or composition taxpayers would be applicable to e-commerce operators, who are required to collect tax under section 52 only (<i>In terms of the existing provision, all e-commerce operators were made liable</i>).	Amendment in S.122(1B) of the CGST Act
Anti-profiteering		
26	(i) No new application shall be accepted by the Anti-profiteering authority w.e.f. 01.04.2025; (ii) Government to notify that, the Principal Bench of the GSTAT would act as the anti-profiteering authority w.e.f. a date to be notified;	Amendment of S. 171 of the CGST Act and Insertion of new S.109(5A) of the CGST Act
Others		
27	Applicability of sub-rule (2) of rule 28 (<i>value of supply of service to a related person by way of providing corporate guarantee which is deemed to be one per cent of the amount of such guarantee offered, or the actual consideration, whichever is higher</i>) to be restricted only to those supplies where the recipient is located in India and that the said deemed valuation shall be applicable per annum	Amendment of rule 28(2)

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