



GST Updates for January, 2019



Notifications

Circulars

Orders

**Court
Judgements**

**Rulings by
WBAAR**



Notifications

Central Tax

**Tax
(7)**

**Rate
(1)**

Integrated Tax

**Tax
(3)**

**Rate
(1)**



Central Tax Notifications

Sl	Subject	Central Notification No with date	Corresponding State Notification No with date
1	Amendment of notification No. 48/2017 (in relation to Advance Authorisation). Requirement of certificate from Chartered Accountant, only if ITC is availed on inputs used in manufacture and deemed export of taxable goods.	01/2019-CT dt. 15-01-2019	140- F.T dt 21-01-2019
2	Seeks to bring into force the CGST (Amendment) Act, 2018	02/2019-CT dt. 29-01-2019	172 F.T. dt 29-01-2019
3	Amendment of the CGST Rules, 2017	03/2019- CT dt. 29-01-2019	173-F.T. dt 29-01-2019
4	Amendment of notification No. 2/2017-CT dated 19.06.2017 so as to define jurisdiction of Joint Commissioner (Appeals)	04/2019-C T dt. 29-01-2019	----



Central Tax Notifications (*contd*)

SI	Subject	Central Notification No with date	Corresponding State Notification No with date
5	Amendment of notification No. 8/2017-CT dated 27.06.2017 by aligning rates for composition scheme with the rate specified in rule 7 of the CGST Rules, 2017.	05/2019-Central Tax, dt. 29-01-2019	174 F.T. dt 29-01-2019
6	Seeks to amend notification No. 65/2017-Central Tax dated 15.11.2017 in view of bringing into effect the amendments (to align Special Category States with the explanation in section 22 of CGST Act, 2017) in the GST Acts.	06/2019-Central Tax, dt. 29-01-2019	----



Central Tax Notifications (contd)

Sl	Subject	Central Notification No with date	Corresponding State Notification No with date
7	Extension of the due date for furnishing of FORM GSTR – 7 for the months of October, 2018 to December, 2018 till 28.02.2019 (instead of 31.12.2018) by amending notification No. 66/2018-Central Tax, dated 29/11/2018	<u>07/2019 – Central Tax</u> <u>31.01.2019</u>	<u>01/2019- C.T/ GST</u> <u>dt 31-01-2019</u>



Integrated Tax Notifications

Sl	Subject	Central Notification No with date
1	Appointment of 01.02.2019 as the date on which the provisions of the IGST (Amendment) Act, 2018 shall come into force.	01/2019 – Integrated Tax Dt 29-01-2019
2	Amendment of Notification No 7/2017- Integrated Tax dt. 14.09.2017 (in relation to job workers engaged in making inter-State supply of services to a registered person) <i>(Date of effect: 01.02.2019)</i>	02/2019 – Integrated Tax Dt 29-01-2019
3	Amendment in notification No. 10/2017- Integrated Tax, dt. 13.10.2017(in relation to exemption from obtaining registration for persons having aggregate turnover not exceeding Rs. 20 Lakh and dealing in inter-State supply of taxable services). In the proviso to the said notification, the reference to clause No.4(g) of article 279A of the Constitution has been substituted by the first proviso to section 22(1) of the said Act. <i>(Date of effect: 01.02.2019)</i>	03/2019 – Integrated Tax Dt 29-01-2019



Central Tax (Rate) Notifications

Sl	Subject	Central Notification No with date	Corresponding State Notification No with date
1	Seeks to rescind notification No. 8/2017-Central Tax (Rate) dated 28.06.2017 (regarding RCM on supplies by unregistered persons) in view of bringing into effect the amendments in the GST Acts <i>w.e.f. 01-02-2019</i>	<u>01/2019-Central Tax (Rate), dt. 29-01-2019</u>	<u>175-F.T. dt 29-01-2019</u>



Integrated Tax (Rate) Notifications

Sl	Subject	Central Notification No with date
1	Seeks to rescind notification No. 8/2017-Central Tax (Rate) dated 28.06.2017 in view of bringing into effect the amendments (regarding RCM on supplies by unregistered persons) in the GST Acts <i>w.e.f. 01-02-2019</i>	01/2019-Integrated Tax (Rate), dt. 29-01-2019



Circulars
Issued



Six (06)

Sl	Subject	Central Circular No with date	Corresponding State Circular No with date
1	Applicability of GST on various programmes conducted by the Indian Institutes of Managements (IIMs):	82/01/2019-GST 01.01.2019	03/2019- 08-01-2019

- ✓ *w.e.f 31.01.18 all the IIMs are “educational institutions” as defined under notification No. 12/ 2017- CT (Rate) dated 28.06.2017*
- ✓ *Services provided by IIMs to their students in all long duration programs (one year or more) are exempt from levy of GST*



Circulars *contd.*

Sl	Subject	Central Circular No with date	Corresponding State Circular No with date
2	Applicability of GST on Asian Developer Bank (ADB) and International Finance Corporation (IFC):	83/02/2019-GST 01.01.2019	04/2019- 08-01-2019

✓ *Services provided by IFC and ADB are exempt from GST in terms of provisions of IFC Act, 1958 and ADB Act*

✓ *The exemption will be available only to the services provided by ADB and IFC*



Circulars *contd.*

Sl	Subject	Central Circular No with date	Corresponding State Circular No with date
3	Clarification on issue of classification of service of printing of pictures covered under 998386:	84/03/2019-GST 01.01.2019	05/2019- 08-01-2019

✓ *Service of “printing of pictures” falls under service code “998386: Photographic and videographic processing services” and not under “998912: Printing and reproduction services of recorded media*



Circulars *contd.*

Sl	Subject	Central Circular No with date	Corresponding State Circular No with date
4	Clarification on GST rate applicable on supply of food and beverage services by educational institution:	85/04/2019-GST 01.01.2019	06/2019- 08-01-2019

✓ *Supply of food and beverages to students, faculty and staff, by any person other than educational institutions based on a contractual arrangement with such institution is leviable to GST@ 5%.*



Circulars *contd.*

Sl	Subject	Central Circular No with date	Corresponding State Circular No with date
5	GST on Services of Business Facilitator (BF) or a Business Correspondent (BC) to Banking Company:	86/05/2019-GST 01.01.2019	07/2019- 08-01-2019

- ✓ *The banking company is liable to pay GST on the entire value of service charge or fee charged to customers whether or not received via BF or BC.*
- ✓ *To be an exempt service under Sl. No. 39 of Notification No. 12/2017- CT (Rate) dt 28.06.2017, the services provided by BF/BC to a banking company with respect to a/cs in rural areas should fall under the Heading 9971*



Circulars *contd.*

Sl	Subject	Central Circular No with date	Corresponding State Circular No with date
6	Central Goods and Services Tax (Amendment) Act, 2018- Clarification regarding section 140(1) of the CGST Act, 2017:	87/06/2019-GST 02.01.2019	-----

✓ No transition of credit of cesses, including cess collected as additional duty of customs u/s 3(1) of the Customs Tariff Act, 1975, would be allowed in terms of Explanation 3 to section 140 inserted vide section 28(d) of CGST Amendment Act, 2018



Order Issued One

Sl	Subject	Central Order No with date	Corresponding State Order No with date
1	Extension of time limit for submitting the declaration in FORM GST TRAN-1 under rule 117(1A) of the CGST Rules, 2017 for those registered persons who could not submit the said declaration by the due date on account of technical difficulties and whose cases have been recommended by the Council	01/2019- GST dt 31-01-2019	01/WBGST/PRO/2019 dt 31-01-2019



Court Judgements

Case of A-1 Cuisines Pvt Ltd Vs UoI reported in 2018-TIOL-176-HC-Mum-GST

✓ **GST is leviable on Supply of Goods to transit passengers at Domestic Airport**

Mags Garments Pvt Ltd Vs Union of India – decision dated 31.12.2018 in CWP 3061 of 2018

✓ **Order under Budgetary Support Scheme is appealable u/s 107 of CGST Act, 2017**

Gitanjali Vacationville Pvt Ltd Vs Union of India reported in 2019-TIOL-153-HC-Kol-ST

✓ **Audit under Service Tax can continue in post GST regime**



Court Judgements (Contd.)

Gujarat High Court Strikes down Para 4 of Circular 34/8/2018-GST dt 01.03.2018 which was challenged in R/Special Civil Application No. 5343 of 2018. The Gujarat HC in the said case held as under:

Services such as, -

- Application fee for releasing connection of electricity,
 - Rental Charges against metering equipment,
 - Testing fee for meters/ transformers, capacitors etc,
 - Labour charges from customers for shifting of meters or shifting of service lines,
 - Charges for duplicate bill
- provided by DISCOMS to consumer are in the nature of composite supply and, therefore, the tax liability thereof has to be determined by treating such composite same as a supply of the principal supply of transmission and distribution of electricity.



Rulings by WBAAR

Order No: 30/WBAAR/2018-19 dated 08/01/2019

Name of the Applicant: GGL Hotel & Resort Company Limited

Issue: Whether ITC is admissible on lease rent paid during pre-operative period for the leasehold land on which a resort is being constructed to be used for furtherance of business?

Ruling: Input Tax Credit is not available for lease rent paid during pre-operative period for the leasehold land on which the resort is being constructed on his own account to be used for furtherance of business, when the same is being capitalised and treated as capital expenditure.



Rulings by WBAAR (*contd.*)

Order No: 31/WBAAR/2018-19 dated 08/01/2019

Name of the Applicant: U.S Polytech

Issue: Classification and rate of GST on PP non-woven bags

Ruling: 'PP Non-woven Bags', specifically made from non woven Polypropylene fabric are plastic goods to be classified under Sub Heading 3923 29 and taxed at 18 % rate under Serial No. 108 of Schedule III of Notification no. 01/2017-C.T (Rate) dated 28-06-2017



Rulings by WBAAR (*contd.*)

Order No: 32/WBAAR/2018-19 dated 08/01/2019

Name of the Applicant: WEBFIL Ltd

Issue: Whether Notification No. 1344-FT dated 13-09-18 (Notification No. 50/2018-CT dated 13/09/2018 under the CGST Act, 2017) is applicable on a Joint Venture of two Govt companies?

Ruling: The Applicant, if established by government notification, is liable to deduct tax at source under section 51(1) read with Notification No. 1344-FT dated 13/09/2018, being a company controlled by the Central and the State Governments.



Rulings by WBAAR (*contd.*)

Order No: 33/WBAAR/2018-19 dated 08/01/2019

Name of the Applicant: ITD Cementation India Ltd

Issue: Whether works contract service supplied to Inland Waterways Authority of India is taxable under Sl No. 3(vi) of Notification No. 11/2017-CT(Rate) dated 28/6/2017, as amended from time to time?

Ruling: Amendments to Serial No. 3(vi) of Notification No. 11/2017-CT (Rate) dt. 28/06/2017, brought about by Notification No. 24/2017-CT (Rate) dated 21/09/2017 and 31/2017 – CT (Rate) dated 13/10/2017, are not applicable to the Applicant's supply of works contract service for construction of the Multi-modal IWT Terminal at Haldia. It will attract GST at 18% rate under Serial No. 3(xii) of 11/2017-CT (Rate) dated 28/06/2017.



Rulings by WBAAR (*contd.*)

Order No: 34/WBAAR/2018-19 dated 28.01.2019

Name of the Applicant: Dinman Polypacks Pvt Ltd

Issue: Classification and rate of tax for Polypropylene Leno Bags

Ruling: "Poly Propylene Leno Bags" are to be classified as plastic bags under HSN 3923 and would attract 18% GST.



Rulings by WBAAR (contd.)

Order No: 35/WBAAR/2018-19 dated 28.01.2019

Name of the Applicant: Abhishek Tibrewal (HUF) carrying on business under trade name Avantika Industries

Issue: Classification and rate of tax for springs of iron and steel for railways.

Ruling: Springs of Iron and Steel for Railways are classifiable under HSN Code no. 7320 (taxable @ 18%) under Serial No. 234 of Schedule III of Notification No. 1/2017- CT (Rate) dated 28.06.2017



Rulings by WBAAR (contd.)

Order No: 36/WBAAR/2018-19 dated 28.01.2019

Name of the Applicant: Vedika Exports Tea Pvt Ltd

Issue: Classification of the service to Hindustan Unilever Ltd (HUL) for packing tea into tea bag pouches and its packaging.

Ruling: The Applicant makes a composite supply to HU Ltd, where the service of manufacturing tea bags from the physical inputs owned by the latter is the principal supply. It is classifiable under SAC 9988 and taxable at 5% rate under SI No. 26(f) of Notification No. 11/2017 – CT (Rate) dt 28/06/2017, as amended from time to time. Applicability of this Ruling with respect to other recipients is subject to the specific nature of the contracts with them.



Rulings by WBAAR (contd.)

Order No: 37/WBAAR/2018-19 dated 28.01.2019

Name of the Applicant: NIS Management Ltd

Issue: Whether sweeping service to the Govt is exempt under SL No. 3 or 3A of Notification No. 12/2017-CT(Rate) dated 28/06/2017, as amended from time to time?

Ruling: Sweeping Service supplies to the Housing Directorate of the Govt of WB, cannot be classified as an activity in relation to any function entrusted to a Panchayat under Article 243G of the Constitution or in relation to any function entrusted to a Municipality under Article 243W of the Constitution. The exemption under SI No. 3 or 3A, as the case may be, of Notification No 12/2017-CT (Rate) dated 28.06.2017 and WB Govt Gazette Notification-1136-FT dated 28.06.2017 is not, therefore, applicable to such supplies.



Rulings by WBAAR (contd.)

Order No: 38/WBAAR/2018-19 dated 28.01.2019

Name of the Applicant: Ex-servicemen Resettlement Society

Issue: Whether security and scavenging services to the Govt is exempt under SL No. 3 or 3A of Notification No. 12/2017-CT(Rate) dated 28/06/2017, as amended from time to time?

Ruling: Benefit of exemption from the payment of GST is not available to the Applicant under Notification No 12/2017-CT(Rate) dated 28.06.2017 and WB Govt Gazette Notification-1136- FT dated 28.06.2017, as amended, for the supply of Security Services and the bundle of service that he describes as "Scavenging Services".



Rulings by WBAAR (*contd.*)

Order No: 39/WBAAR/2018-19 dated 28.01.2019

Name of the Applicant: Storm Communications Pvt Ltd

Issue: Whether tax paid on intra-state inward supply in one state can be used to pay output tax liability in another state, especially if the applicant is not registered in the state where he receives the inward supply?

Ruling: The GST Act does not contain any concept of “input tax” in relation to an unregistered person. No credit of it is, therefore, admissible under the GST Act. So, to answer in the Applicant’s language: a. A person, registered in WB, cannot claim ITC for CGST & SGST of other states. b. He cannot adjust the ITC of one state’s CGST for payment of another state’s CGST. c. He cannot adjust the ITC of Tamil Nadu GST for payment of IGST, whereas he is not registered in Tamil Nadu.



Thank You