

# GST Update

Weekly Update  
02.11.2019

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 26.10.2019. It supplements the earlier GST Updates.
- This presentation is based on CGST Act/Rules/ Notifications, except the provisions related solely to SGST provisions. Similar parallel provisions in State Laws may be referred to as required

# Notifications and Circulars

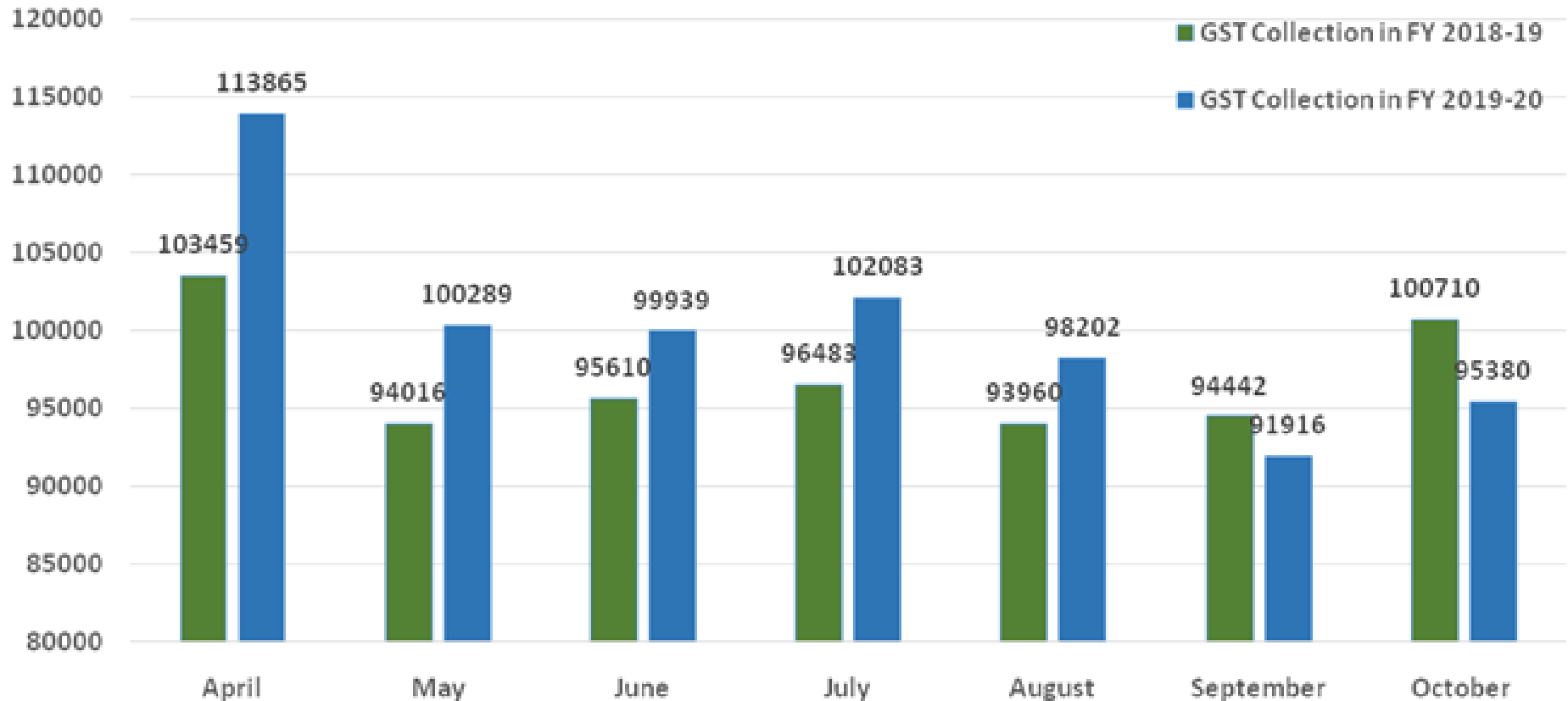


- One Central Tax notification issued;
- One CBIC Circular on SVLDR Scheme issued
- PIB press release on GST revenue collections for October, 2019 issued

# GST Revenue

- <https://pib.gov.in/newsite/PrintRelease.aspx?relid=194164>
- The gross GST revenue collected in the month of October, 2019 is ₹ **95,380 crore** of which CGST is ₹ **17,582 crore**, SGST is ₹ **23,674 crore**, IGST is ₹ **46,517 crore** (including ₹ **21,446 crore** collected on imports) and Cess is ₹ **7,607 crore** (including ₹ **774 crore** collected on imports).
- The government has settled ₹ **20,642 crore** to CGST and ₹ **13,971 crore** to SGST from IGST as regular settlement. The total revenue earned by Central Government and the State Governments after regular settlement in the month of October, 2019 is ₹ **38,224 crore** for CGST and ₹ **37,645 crore** for the SGST.
- The revenue during October, 2019 is declined by 5.29% in comparison to October, 2018. However, during April-October, 2019 vis-à-vis 2018, the domestic component has shown **6.74%** growth while the GST on imports has shown negative growth and the total collection has grown by **3.38%**.

## Trends in GST Collection in Rs. Crore



# Jurisdiction of Jammu Commissionerate over UT of J&K and UT of Ladakh

- **Notification No. 51/2019 – Central Tax dated 31<sup>st</sup> October, 2019-** Amends Notn No. 02/2017- Central Tax, dated the 19th June, 2017 and notifies -
- Jurisdiction of Pr. Commr/ Commr of Central Tax, Jammu as
  - Union territory of Jammu and Kashmir and Union territory of Ladakh

- **Section 95 of the Jammu and Kashmir Reorganisation Act, 2019.**
  - (1) All Central laws in Table -1 of the Fifth Schedule to this Act, on and from the appointed day, shall apply in the manner as provided therein, to the Union territory of Jammu and Kashmir and Union territory of Ladakh
  - (2) All other laws in Fifth Schedule, applicable to existing State of Jammu and Kashmir immediately before the appointed day, shall apply in the manner as provided therein, to the Union territory of Jammu and Kashmir and Union territory of Ladakh.
- The Jammu and Kashmir Goods and Services Tax Act, 2017 is in table 4 of fifth schedule and thus shall apply to UT of Jammu and Kashmir and UT of Ladakh

# SV(LDR) Scheme, 2019

- **CBIC Circular 1073/06/2019 CX dated 29.10.2019**
- Cases where Final Audit Report (FAR) has been issued on or before June 30, 2019
  - Till the time such audit doesn't culminate into an SCN, it is treated as pending.
  - Such cases shall be eligible under SVLDRS as tax demand has been quantified



- Under voluntary disclosure category, the Scheme makes 2 exclusions [Section 125(f)(i) and (ii)]. Some of the formations have reported difficulty in verifying these conditions as proceedings may have been initiated by another formation.
  - Such Declarations may be accepted without recourse to determine eligibility as the Scheme provides ample safeguards in case of false declaration of any material particular [Section(2)(c)].

## SV(LDR) Scheme, 2019 (Contd)

- A party who has filed ST-3 return and has also paid the dues in FULL before filing the application but still wants to avail the benefits of the Scheme for interest on late paid dues is eligible
  - Illustrations (a) and (b) under Para 2(iv) of the Circular No. 1072/05/2019-CX dated September 25, 2019, covers the cases of arrears of tax liability admitted under returns filed on or before June 30, 2019.

- Circular No. 1072/05/2019-CX dated September 25, 2019, clarified that separate declaration will need to be filed for each return filed on or before June 30, 2019.
  - For administrative convenience, it is clarified that a person can file a single declaration for more than one such return also; it will not have any impact on the applicable tax relief.

- The assets of a tax defaulter are taken over by an Asset Reconstruction Company (ARC) and the department asks the ARCs to pay the outstanding dues
  - It is clarified that such persons are allowed to file the declaration under the Scheme and avail the benefit if they comply with remaining conditions like withdrawal of pending cases etc.
- Similarly, proceedings were initiated against lessors for non-payment of service tax on rent of immovable property rented by members of M/s Retailer Association of India. Hon'ble Supreme Court had allowed the lessees to file a civil appeal challenging the applicability of Service tax.
  - It is clarified that such persons are allowed to file a declaration under the scheme

# SV(LDR) Scheme, 2019 (Contd)

- There were representations that cases where appeals were filed after June 30, 2019, should be allowed relief under the Scheme-
  - Such cases are not covered under the Scheme per se. However, if an appeal is withdrawn and undertaking is given to the department in terms of Para 2(viii) of circular No. 1072/05/2019- CV dated September 25, 2019, they can file a declaration under the Scheme.



## Legal Updates

# CGST Act does not empower the officials to record statements of family members through Coercion

- **Paresh Nathalal Chauhan Vs State of Gujarat reported in 2019-TIOL-2472-HC-AHM-GST**
- The case pertains to search and seizure operations conducted by GST officials on the residential premises of the petitioner. The Gujarat HC was displeased by the manner in which the search and seizure operations were conducted by the officials and recorded the following order
- **Order of the High Court**
- Section 67(2) of the Act empowers the authorised officer to search and seize the goods, documents or books or things - however, s.67(2) does not empower the officer concerned to record statements of family members through force or

# CGST Act does not empower the officials to record statements of family members through Coercion



- coercion or to record their conversations in their mobile phones. It is not permissible for the authorised officer to use coercive measures against family members to find out the whereabouts of the taxable person. It is shocking to see that in a premises where there are three ladies, namely, the petitioner's mother, wife and young daughter, male officers together with a CRPF officer have stayed throughout the day and night despite the fact that the goods, articles and things were already seized on 11.10.2019. Entire exercise carried out by the officers from 12.10.2019 to 18.10.2019 was totally without any authority of law and in flagrant disregard of the provisions of the Act and the rules and in total abuse of the powers vested in them under the Act. Manner in which the



# CGST Act does not empower the officials to record statements of family members through Coercion



- the officers have conducted themselves by overreaching the process of law and acting beyond powers vested in them under s.67(2) of the CGST Act, 2017 needs to be deprecated in the strictest terms. A proper enquiry needs to be made in respect of the action of the respondent officers of staying day and night at the premises of the petitioner without any authority of law. First respondent Commissioner of State Tax, Ahmedabad shall carry out a proper enquiry in the matter and submit a report before the Court on or before 13th November 2019. Matter to be heard on 13.11.2019. Registry to forthwith forward a copy of the order to the Commissioner of State Tax as well as Chief Secretary of the State to look into the matter and do the needful to ensure that such incidents are not repeated

## Any ISSUES/ queries?



- <https://cbec-gst.gov.in/>
- [CBEC MITRA HELPDESK](#)
  - 1800 1200 232
  - [cbecmitra.helpdesk@icegate.gov.in](mailto:cbecmitra.helpdesk@icegate.gov.in)
- GSTN Help Desk
  - <https://selfservice.gstsystem.in/> - Grievance redressal portal
  - Help Desk Number: 0120-4888999

# Any ISSUES/ queries?

- Twitter Handles
- For General Questions
- [https://twitter.com/askGST\\_Gol](https://twitter.com/askGST_Gol)
- For technology related issues
- <https://twitter.com/askGSTech>
- NACIN twitter
- [https://twitter.com/NACIN\\_OFFICIAL](https://twitter.com/NACIN_OFFICIAL)



**THANK YOU**