

GST Update

Weekly Update
27.07.2019

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 20.07.2019. It supplements the earlier GST Updates.
- This presentation is based on CGST Act/Rules/ Notifications. Similar parallel provisions in State Laws may be referred to as required

Notifications and Circulars



- One CBIC GST Circular issued
- Two Customs Circulars relating to IGST issued
- 36th Meeting of GST Council held
- One press releases issued by CBIC

- **Recommendation of 36th GST Council Meeting**
- Reduction in the GST rate on supply of goods and services :
- The GST rate on all electric vehicles be reduced from 12% to 5%.
- The GST rate on charger or charging stations for Electric vehicles be reduced from 18% to 5%.
- Hiring of electric buses (of carrying capacity of more than 12 passengers) by local authorities be exempted from GST.
- These changes shall become effective from 1st August, 2019.

GST Council Recommendations (Contd)

- Last date for filing of intimation, in FORM GST CMP-02, for availing the option of payment of tax under notification No. 2/2019-Central Tax (Rate) dated 07.03.2019 (by exclusive supplier of services), to be extended from 31.07.2019 to 30.09.2019.
- The last date for furnishing statement containing the details of the self-assessed tax in FORM GST CMP-08 for the quarter April, 2019 to June, 2019 (by taxpayers under composition scheme), to be extended from 31.07.2019 to 31.08.2019.

Quarterly Statement by Composition taxpayers Form GST CMP-08

- **Form GST CMP-08 Quarterly Statement by Composition taxpayers for purpose of payment of tax**
- GST CMP-08 is a one page statement containing the outward supplies value, applicable tax; inward supplies with RCM and applicable tax; Now available on GST Portal
- Due date for furnishing the statement containing the details of payment of self-assessed tax in said FORM GST CMP-08, for the quarter April, 2019 to June, 2019, or part thereof,
- Now further extended to 31st August, 2019 (36th GST Council Meeting decision; Notification awaited)
- Now, Composition taxpayers are required to make quarterly tax payment in GST CMP 08 and file GSTR-4 annually.

GST on subscription/contribution charged by a RWA from its members

- **Circular No.109/28/2019- GST dated 22nd July, 2019**
- **GST on monthly subscription/contribution charged by a Residential Welfare Association from its members**
- Supply of service by RWA (unincorporated body or a non-profit entity registered under any law) to its own members by way of reimbursement of charges or share of contribution up to an amount of Rs. 7500 per month per member for providing services and goods for the common use of its members in a housing society or a residential complex are exempt from GST.

GST on subscription/contribution charged by a RWA from its members

- If aggregate turnover of an RWA does not exceed Rs.20 Lakh in a financial year, it shall not be required to take registration and pay GST even if the amount of maintenance charges exceeds Rs. 7500/- per month per member.
- RWA shall be required to pay GST on monthly subscription/contribution charged from its members, only if such subscription is more than Rs. 7500/- per month per member and the annual aggregate turnover of RWA by way of supplying of services and goods is also Rs. 20 lakhs or more.

GST on subscription/contribution charged by a RWA from its members

- RWAs are entitled to take ITC of GST paid by them on capital goods (generators, water pumps, lawn furniture etc.), goods (taps, pipes, other sanitary/hardware fillings etc.) and input services such as repair and maintenance services.
- A person owns two or more flats in the housing society or residential complex: As per general business sense, a person who owns two or more residential apartments in a housing society or a residential complex shall normally be a member of the RWA for each residential apartment owned by him separately. The ceiling of Rs. 7500/- per month per member shall be applied separately for each residential apartment owned by him.

GST on subscription/contribution charged by a RWA from its members

- The exemption from GST on maintenance charges charged by a RWA from residents is available only if such charges do not exceed Rs. 7500/- per month per member. In case the charges exceed Rs. 7500/- per month per member, the entire amount is taxable.
- For example, if the maintenance charges are Rs. 9000/- per month per member, GST @18% shall be payable on the entire amount of Rs. 9000/- and not on [Rs. 9000 - Rs. 7500] = Rs. 1500/-

Re-import of Exhibition goods

- **Circular No. 21/2019 –Customs dated 24th July, 2019**
- Clarification regarding applicability of Notification No. 45/2017-Customs dated 30.06.2017 on goods which were exported earlier for exhibition purpose/consignment basis
- Such goods do not constitute supply within the scope of Section 7 of the CGST Act as there is no consideration at that point in time. Since such activity is not a supply, the same cannot be considered as ‘Zero rated supply’ as per the provisions contained in Section 16 of the IGST Act, 2017. Also that there is no requirement of filing any LUT/bond as required under section 16 of IGST Act, 2017 for such activity of taking specified goods out of India.

Re-import of Exhibition goods (Contd)

- As in the case of re-import of specified goods, no integrated tax was required to be paid for specified goods at the time of taking these out of India, the activity being not a supply, hence the said condition requiring payment of integrated tax at the time of re-import of specified goods in such cases is not applicable. It is clarified that such re-import cannot be taken to be falling under situation at Sl. No. 1(d) of the said Notification.
- Such cases will fall more appropriately under residuary entry at Sl. No. 5 of the said Notification even though those specified goods were exported under LUT, in view of the fact that the activity of sending / taking specified goods out of India is neither a supply nor a zero rated supply.

Re-import of Exhibition goods (Contd)

- It is also clarified that, even in cases where exports have been made to related or distinct persons or to principals or agents, as the case may be, for participation in exhibition or on consignment basis, but, such goods exported are returned after participation in exhibition or the goods are returned by such consignees without approval or acceptance, as the case may be, the basic requirement of 'supply' as defined cannot be said to be met as there has been no acceptance of the goods by the consignees. Hence, re import of such goods after return from such exhibition or from such consignees will be covered by entry at Serial no. 5 of the Notification No. 45/2017 dated 30.06.2017, provided re-import happens before six months from the date of delivery challan.

Any ISSUES/ queries?



- <https://cbec-gst.gov.in/>
- [CBEC MITRA HELPDESK](#)
 - 1800 1200 232
 - 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_GoI
- For technology related issues
- <https://twitter.com/askGSTech>
- NACIN twitter
- https://twitter.com/NACIN_OFFICIAL

THANK YOU