

News Alert

12th March 2019

Notifications

Notification No. 10/2019-CGST

Effective date: 01.04.2019

Any person engaged in exclusive supply of goods and whose aggregate turnover in the financial year does not exceed Rs 40 lakhs are exempt from registration except for the following persons :

- persons required to take compulsory registration under section 24 of the said Act;
- persons engaged in supplying
 - Ice cream and other edible ice, whether or not containing cocoa, (2105 00 00)
 - Pan masala, (2106 90 20)
 - Tobacco and manufactured tobacco substitutes. (all goods under chapter - 24)
- persons engaged in making intra-State supplies in the States of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, Telangana, Tripura, Uttarakhand.

Notification No. 11/2019-CGST

Due date for filing GSTR1 for person whose turnover does not exceed 1.5 crores:

Sl. No.	Quarter for which details in FORM GSTR-1 are furnished	Due Date
1	April'19 –June'19	31st July'19

Notification No. 12/2019-CGST

Due date for filing GSTR1 for person whose turnover exceed 1.5 crores:

Sl No.	Month for which details in FORM GSTR-1 are furnished	Due Date
1	April'19	11 th May'19
2	May'19	11 th June'19
3	June'19	11 th July'19

Notification No. 13/2019-CGST

Due date for filing GSTR-3B

Sl No.	Month for which details in FORM GSTR-3B are furnished	Due Date
1	April'19	20 th May'19
2	May'19	20 th June'19
3	June'19	20 th July'19

Notification No. 14/2019-CGST

Effective date: 01.04.2019

Threshold limit of aggregate turnover for availing composition scheme U/s 10 of the CGST Act, 2017 has been increased to 1.5 Crores.

Notification No. 2/2019-CGST (Rate)

Effective date: 01.04.2019

Differential rate of taxes based on turnover slabs:

Supplies of Goods or service or both made by a registered person up to an aggregate turnover of first 50 lakh rupees made on or after 01.04.2019 will be taxable at flat rate of 6%, provided the following conditions are fulfilled:

- Supplies are made by a registered person:
 - Whose aggregate turnover in the preceding FY was fifty lakh rupees or below;
 - Not eligible to pay under sub section (1) of section 10;
 - Neither engaged in any supply which is not leviable nor any inter-state outward supply;
 - Neither a casual taxable person nor a non-resident taxable person;
 - Not engaged in making any supply through an electronic commerce operator who is required to collect tax at source under section 52; and
 - not engaged in making supplies of Ice cream and other edible ice, whether or not containing cocoa, Pan masala, Tobacco and manufactured tobacco substitutes
- Where more than one registered persons are having the same Permanent Account Number;
- The registered person shall neither collect any tax from the recipient on supplies made by him nor shall he be entitled to any credit of input tax;
- The registered person shall issue, instead of tax invoice, a bill of supply;
- The registered person shall mention the following words at the top of the bill of supply, namely: - 'taxable person paying tax in terms of notification No. 2/2019-Central Tax (Rate) dated 07.03.2019, not eligible to collect tax on supplies'
- opting to pay central tax at the rate of three percent under this notification shall be liable to pay central tax at the rate of three percent on all outward supplies specified in column (1) notwithstanding any other notification issued under sub-section (1) of section 9 or under section 11;
- opting to pay central tax at the rate of three percent under this notification shall be liable to pay central tax on inward supplies on which he is liable to pay tax under sub-section (3) or, as the case may be, under sub-section (4) of section 9.



Circular No. 92/2019-CGST

#	Type Of Supply	Taxability	Eligibility of ITC
1	Free sample and gifts	Not taxable as there is no Consideration received on such supply.	ITC is not available on such Free Samples & Gifts as it is specifically provided under Section 17(5) (Refer Note-1)
2	Buy one get one free schemes	Composite Supply / Mixed Supply – Taxable	ITC is available on such goods
3	Value Discount / Quantity Discount schemes	The Discount amount shall be reduced from the value of Supply, if condition in Sec 15(3) is satisfied.	ITC is available on such goods
4	Discount after supply	The value of Discount shall not be reduced from the value of supply as the discount was not Pre-agreed at the time of supply.	ITC is available on such goods

Circular - Note:

Even if the discount given post supply does not satisfy the conditions of Sec 15(3), the registered person can still issue financial / commercial credit notes to the contracting party. It will not affect their GST liability.

DAA View:

- The circular contains clarifications only about Free SAMPLES and Gifts but not about Free of Cost Supplies (FOC). In our view, FOC supplies are not subject to GST as there is no consideration for such supply.
- ITC should be availed on such goods as they are not covered under Section 17(5). These outward supplies are nothing but Sales Promotion Items given in the course of business for marketing purposes.

Corrigendum to Circular No. 76/50/2018GST

For determination of value of supply, GST cannot be levied on Tax collected at source (TCS) collected under the provisions of the Income Tax Act 1961.

Press Release

New GST Return has been released and it will be made effective on Trial Basis from 01st April, 2019 and will be mandatory from 01st July, 2019

New Return Format issued by Goods and Service Tax Network (GSTN) are;

FORM GST RET-1 (Monthly/Quarterly) (Normal Return)

FORM GST RET-2 (Quarterly) (Sahaj Return)

FORM GST RET-3 (Quarterly) (Sugam Return)

The purpose to release the said drafts is to enable the taxpayers to make their systems compatible with the new requirements

ABOUT DAA

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