

## News Alert

05.08.2019

## Kerala Flood Cess

### Enactment:

Kerala Flood Cess is levied from **01.08.2019** in the State of Kerala vide Section 14 of Kerala Finance Act, 2019.

### Time Frame:

Kerala Flood Cess will be in force for a period two years from the date of commencement.

### Applicability:

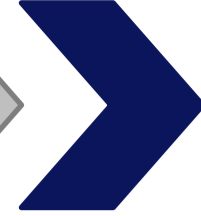
- The Cess is applicable only on Intra state supply of Goods or Services or both to Unregistered person located in the state of Kerala.

### Exemption:

- Supplies undertaken by a composition scheme taxpayer.
- Supplies of goods or services or both which are exempted or NIL rated under the KSGST Act, 2017
- Supplies of goods or services or both by a registered person to another registered person.
- Goods which attracts 0.125%, i.e. diamonds and precious stones etc. under KGST Act, 2017
- Goods which attracts 2.5% KGST Act, 2017

### Rate of Tax:

S.No	Description	Rate of Cess
1.	Goods liable @ 1.5% under KSGST, 2017 (i.e. precious metals like Gold)	0.25%
2.	All Other Goods and Services	1%



### Valuation:

- Kerala Flood Cess is to be calculated on the Taxable value of supply.
- IGST/ CGST and SGST shall not be included in the value of supply for computation of CESS.

### Example: -

If the value of supply is Rs.1000/- and tax rate of the commodity is 12% GST, the invoice to be raised as shown below:

Particulars	Amount (Rs.)
Value of Supply	1000
CGST @ 6%	60
SGST @ 6%	60
Cess @ 1%	10
Total Sales Value	1130

### Compliance and filing of Return:

- No separate registration is required for payment of Kerala Flood Cess, GST Number will be the Tax identification Number for the Tax payer.
- The Tax Payer has to Login to the website [www.keralataxes.gov.in](http://www.keralataxes.gov.in) to create user ID and password.
- After entering the GSTIN number a OTP will be generated to the authorized person to create the user ID and Password.
- The taxpayer shall furnish the details of turnover applicable for Kerala Flood Cess and make E-payment.
- Payment of Cess is to be done to the Government along with the details of supplies made in the monthly returns in FORM KFC-A.
- Monthly return in FORM KFC-A is to be filed on or before the due date of filing of return in FORM GSTR-3B of every month.
- The invoice issued for supply of goods or services or both the Cess needs to be reflected separately.

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#### DAA | CHENNAI

No. 156, 6C-6D Doshi Towers,  
Poonamallee High Road, Kilpauk,  
Chennai - 600 010

#### DAA | MUMBAI

201, B - Wing, Pramukh Plaza Cardinal  
Gracious Road, Chakala, Andheri (East ),  
Mumbai - 400 099

#### DAA | BANGALORE

No. 221, 16th Main Road, 19th Cross Street,  
HSR Layout, Bangalore - 560 102

#### DAA | COIMBATORE

#No.466, CPC Corporate Hub, 3rd Floor,  
Thadagam Road, RS Puram, Coimbatore- 641 002

**Our Associate Offices are located at Pune, Delhi, Nasik and Hyderabad.**

+91 98407 95565 / +91 80561 02618



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