

INDIRECT TAXES CHANGES

1.0 Increase in the Threshold Limit of aggregate turnover for obtaining the registration:

The threshold limit of aggregate turnover for registration for exclusive supplier of goods is increased from Twenty Lakh rupees to Forty Lakh rupees.

As per further explanation, if the person is engaged in exempt supply of services provided by way of extending deposits, loans or advances and in consideration received interest or discount then that person will be still considered as the engaged in the supply of goods.

2. Aadhar Authentication is mandatory in the procedure for registration to registered persons as well as by fresh registrants:

Every registered person, unless exempted, is required to authenticate or furnish proof of possession of Aadhar number, failing which the registration allotted shall be deemed to be invalid

Going forward such authentication or furnishing of proof of possession of Aadhar number shall also be applicable for obtaining new registration, unless exempted.

3. Amendment in provisions related to furnishing of returns to align with new return filing system:

Changes to section 39 (furnishing of returns), which were made earlier by CGST Amendment Act, 2018 but not made effective till date, have been brought in to align it with the new return filing system that is rolled out.

4. Interest to be levied on net GST liability discharged through Electronic Cash Ledger:

In case of late payment of tax, interest shall be computed only on the net GST liability, paid by debiting the Electronic Cash Ledger.

This benefit shall not be available where GST return is furnished after commencement of recovery proceedings for such tax period.

5. Commissioner empowered to issue extension Notification for Annual Return (GSTR-9):

Commissioner has been empowered to issue notification/instructions /directions to extend the time limit for furnishing the annual return upon the recommendation of GST Council.

6. Simplifying Electronic Cash Ledger:

Tax, interest, penalty, fee or any other amount lying in the Electronic Cash Ledger can be transferred to the heads for IGST, CGST, SGST, UTGST or Cess subject to the conditions, restrictions and in the manner to be prescribed.

In case IGST / CGST amount lying in Electronic Cash Ledger is transferred to SGST or UTGST head, the Government shall transfer to State / UT tax account an equivalent amount in the manner to be prescribed.

7. Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019:

A dispute resolution mechanism called Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 ("Scheme") is proposed. The Scheme has been introduced with an objective to put to rest disputes relating to pending tax dues as declared by a declarant, pertaining to Service tax, Excise Duty, Education Cess, Secondary and Higher Education Cess, Swacch Bharat Cess, Krishi Kalyan Cess and other indirect taxes and Cess. The Scheme is to be effective from a date to be notified.

Taxation Committee -

Eastern India Corrugated Box Manufacturers' Association