

GST RATE ON WASTE PAPER

Notification 34/2017 (Central Tax Rate) – 13.10.17

The Rate of GST On Recovered waste or scrap of paper or paperboard has been reduced from 12% to 5%, w.e.f. 13.10.17. Please refer to S.No. (A) (ix) in Notification No. 34/2017 wherein waste paper has been inserted in Schedule I which covers goods taxable @ 2.5% CGST, similar notification by respective States for specifying SGST @ 2.5%.

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notfctn-34-CGST-rate-english.pdf>

EXEMPTION FROM RCM

Notification 38/2017 (Central Tax R.) & 32/2017 (Integrated Tax Rate) – 13.10.17

Exemption from reverse charge u/s 9(4), CGST Act, 2017 and 5(4) of IGST Act, 2017:– All the registered persons have been exempted from the applicability of reverse charge u/s 9(4) i.e. goods or services procured from unregistered persons till 31.03.2018.

Now, no reverse charge will be required to be paid for procurement from unregistered persons, however the **same will be continued** in case of goods or services notified u/s 9(3), e.g. Advocates, Govt services, GTA Services, Sponsorship Services, Director Services etc etc.

Important to note that this change shall be effective from the date of notification i.e. 13.10.2017. However we would advise to give the effect from 14.10.2017 to avoid any litigation.

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notfctn-38-cgst-rate-english.pdf>

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notfctn-32-igst-rate-english.pdf>

BENEFITS TO UNIT WITH TURNOVER LESS THAN 1.5 CRORES

Notification No 40/2017 (Central Tax)

As per notification no. 40/2017 (Central Tax) dated 13.10.17, supplier of Goods; whose turnover during the previous financial year was less than 1.5 crore and in case of newly registered persons if the turnover is likely to be less than 1.5 crore during the current financial year; will be allowed to file GST Returns and Payment of Tax on Quarterly basis.

The quarterly returns are to be filed for transaction made for the quarter October to December 2017, normal GSTR1, 2 & 3 returns are to be filed for July, August & September 2017, moreover GSTR 3B to be filed for July to December 2017.

Important to note here is that such benefit is extended to the supplier of goods and NOT to the supplier of services. Composition dealers are already availing the facility of quarterly returns.

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notfctn-40-cgst-english.pdf>

Further, tax payers having turnover of less than 1.5 crores are exempted from paying GST on advance payments received.

JOB WORK GST RATE ON PRINTING – As Applicable To C.B. Box Industry

Notification No. 31/2017 – Central Tax (Rate) – 13.10.2017

1. Services by way of printing on job work basis or on goods belonging to others in relation to printing of all goods falling under Chapter 48 or 49, which attract GST @ 5% or Nil [Heading 9988] – Rate 5%
2. Services by way of printing on job work basis or on goods belonging to others in relation to printing of all goods falling under Chapter 48 or 49, which attract GST @ 12% [Heading 9988] – 12%
3. Services by way of printing on job work basis or on goods belonging to others in relation to printing of goods falling under Chapter 48 or 49, other than those covered by (1) and (2) above, [Heading 9988] – 18%

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notfctn-31-CGST-rate-english.pdf>

CHANGE IN RATE OF MOTOR VEHICLES – Purchased/Leased Prior To 01.07.17

Notification 37/2017(Central Tax Rate) and 07/2017 (Compensation Cess Rate) – 13.10.17

Leasing of vehicles purchased and leased prior to 1.7.2017, shall be taxed at 65% of the applicable GST + Cess rate. This reduced rate would be applicable for a period of 3 years with effect from 1st July 2017;

The vehicles covered by the above leases (i.e. leases of vehicles purchased and leased prior to 1.7.2017), when disposed off/ sold shall also be taxed at 65% of the applicable GST + Cess rate. This reduced rate would be applicable for a period of 3 years with effect from 1st July 2017;

Sale/supply of vehicles by a registered person, who had procured the vehicle prior to 1st July 2017 and has not availed input tax credit of central excise duty, VAT or any other taxes paid on such vehicles, would be taxed at 65% of the applicable GST + Cess rate. This reduced rate would be applicable for a period of 3 years with effect from 1st July 2017.

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notfctn-37-CGST-rate-english.pdf>

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notification07-compensation-cess-rate.pdf>

EXEMPTION FROM REGISTRATION TO INTERSTATE SERVICE PROVIDERS:

Notification No 10/2017 (Integrated tax) – 13.10.17

Service providers engaged in providing taxable supplies have been exempted from registration if the turnover does not cross the mandatory registration threshold of Rs. 20 Lakhs. Earlier all the suppliers making interstate supplies were required to get themselves registered irrespective of their turnover, in terms of provisions of sec 24(i).

However, this benefit is not extended to supplier of goods.

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/notfctn-10-igst-english.pdf>