

Goods Transport Agency [GTA] Service – Declaration Format

In case you avail the services of Goods Transport Agency [GTA], which are presently leviable to tax – CGST @ 2.5% and SGST @ 2.5%, we suggest that a declaration from the transporter should be obtained in the format given below or such other form as suitable.

The above declaration is required in view of the fact that the duty structure of 5% is subject to the condition that, the GTA is not entitled to avail the ITC. Since it is the obligation of the consignor/the consignee to discharge the appropriate amount of tax liability, therefore, the onus of substantiating the same lies upon the entity, that is, consignor/consignee, liable to discharge the tax. However, in many cases the GTA may not even be registered under GST provisions as in most of the cases the tax liability is to be discharged under Reverse Charge Mechanism, still it would be as advisable to obtain the above declaration in order to avoid any dispute.

FORMAT

“In terms of the Notification No. 11 / 2017 – Central Tax [Rate] dated 28.06.2017, as appearing under the serial no. 9, “Heading 9965” [ii] it may be noted that we are not availing any Input Tax Credit [ITC] as mandated vide the Notification No. 11 [supra] and appearing in column [5] under title ‘Condition’, that no ITC is being availed by us, whether towards goods or services. In case there is any change in the above, we shall inform you of the same, on our own.”