

NEWS LETTER

AJAY RATTAN & CO.
Chartered Accountants

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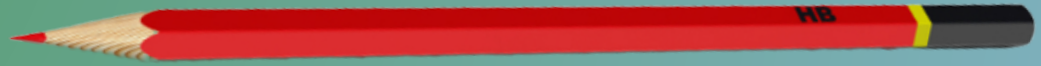
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COMPLIANCE



DUE DATES | September 2023

INCOME TAX

Due Date	Compliance Detail	Applicable To
7 th	a) TDS/TCS deposit b) Equalization Levy deposit	a) Non-Government deductors b) All dedutors
15 th	<ul style="list-style-type: none">• Deposit of 45% (2nd Installment) of Advance Tax for FY 2023-24	<ul style="list-style-type: none">• Taxpayers liable to pay advance tax
30 th	<ul style="list-style-type: none">• Filing of Tax Audit Report u/s 44AB• TDS Return(Non-Salary)• TDS Return	<ul style="list-style-type: none">• Taxpayers whose books of accounts are required to be tax-audited and not subject to transfer pricing (who is required to submit its Income-tax Return on or before 31 October 2023)• All Deductors• All Collectors

ROC

Due Date	Compliance Detail	Applicable To
30 th	a) Filing of KYC details of directors in Form Web KYC b) Filing of KYC details in form DIR-3 KYC c) Statutory audit under Companies Act d) Due date of holding Annual General Meeting (AGM) for all the Companies e) Filing of Form FC-3 (Annual accounts and list of places of business in India) with ROC f) Filing of Annual Activity Certificate (AAC) and audited financials	a) All directors / designated partners who hold Director Identification No (DIN) b) All directors / designated partners who have been allotted DIN during FY 2022- 23 C)All Companies d) All Companies e) Liaison/Branch/Project office in India f) Liaison/Branch/Project office in India

GST

Due Date	Compliance Detail	Applicable To
10 th	a) GSTR-7 (TDS return under GST) b) GSTR-8 (TCS return under GST)	a) Person required to deduct TDS under GST b) Person required to collect TCS under GST
11 th	GSTR – 1 (Outward supply return)	<ul style="list-style-type: none"> • Taxable persons having annual turnover > Rs. 5 crore in FY 2022-23 • Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme
13 th	a) GSTR-6 [Return by input service distributor (ISD)] b) GSTR-5 (Return by Non- resident) c) Invoice Furnishing Facility(IFF)	a) Person registered as ISD b) Non-resident taxable person (NRTP) c) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme
15 th	a) GSTR-3B (Summary return) b) GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return]	a) .Taxpayers having annual turnover > Rs. 5 crore in FY 2022-23 . .Taxpayers having annual turnover ≤ Rs.5 crore in FY 2022-23 and not opted for QRMP Scheme . b) OIDAR services provider
20 th	Form GST PMT-06 (payment of tax for QRMP filers)	Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme

other

Due Date	Compliance Detail	Applicable To
15 th	Deposit of PF &ESI contribution	All Deductors
30 th	Revised annual return on Foreign Assets & Liabilities (FLA) on the basis of Audited Financial Statements	All companies & LLPs having Foreign Direct Investment (FDI)

DIRECT TAX

Central Board of Direct Taxes (CBDT) amends perquisite valuation rules for calculation of rent-free accommodation provided by employer

- Notification no. 65 dated 18 August 2023 issued by CBDT

The categorization and the limits of cities and population have now been based on the 2011 census as against the 2001 census earlier. Also, the rates of perquisite valuation have been reduced as below.

Previous Categorization and Rates		New Categorization and Rates (effective from September 1, 2023 onwards)	
Population	Perquisite Rate	Population	Perquisite Rate
More than 25 Lakh	15%	More than 40 Lakh	10%
10 Lakh to 25 Lakh	10%	15 Lakh to 40 Lakh	7.5%
Less than 10 Lakh	7.5%	Less than 15 Lakh	5%

NOTE : Perquisite rate is taken as % of salary

Exchange Rate for the purpose of with holding tax at source on income payable in foreign currency

As per Rule 26 of Income-tax Rules, 1962, for the purpose of with holding tax at source on income payable in foreign currency, exchange rate to be adopted for the purpose of calculation of INR equivalent value of income payable to a taxpayer outside India, shall be the telegraphic transfer buying rate (TTBR) as on the date on which tax is required to be with held at source by the person responsible for paying such income.

• Notification no. 64 issued by CBDT on 17 August 2023

CBDT has issued a notification to include the following additional cases within the above rule:

- Income payable to a Unit located in International Financial Services Centre
- Income payable by a Unit located in International Financial Services Centre to a taxpayer in India

Tax exemption u/s 10(10D) of Income-tax Act, 1961 on income received under a Life Insurance Policy – Guidelines issued by CBDT regarding computation of taxable value

• Amendment by Finance Act , 2023

- The Finance Ministry plugged the loophole by way of amendment vide Finance Act, 2023, in order to avoid misuse of tax exemption by high net worth individuals on life insurance policies

• As per the amendment, tax exemption shall not be available on income from life insurance policies issued on or after 1 April 2023 and having aggregate premium > INR 5 lakh year (except if income is received on death of person). Such income shall be taxable under the head 'other sources' u/s 56(2)(xiii). Deduction shall be allowed for premium paid by the taxpayer (if not claimed earlier)

- The provision is not applicable to unit linked insurance policies or key man insurance policies since they are already covered by existing provision of law

• Guidelines issued by CBDT on 16 August 2023

Consideration received during a year under an eligible life insurance policy issued on or after 1 April 2023 shall be tax-exempt or not exempt u/s 10(10D), subject to fulfilment of conditions. Different situations that could arise are broadly summarised below:

- Situation 1 - No consideration is received by the taxpayer on any eligible life insurance policies (issued on or after 1 April 2023) during any year preceding the relevant year, OR, consideration has been received on such eligible life insurance policies but has not been claimed exempt for tax purposes

- Situation 2 - Consideration has been received by the taxpayer under any 1 or more eligible life insurance policies(issued on or after 1 April 2023) during any year preceding the relevant year and it has been claimed tax-exempt u/s 10(10D)

Further, CBDT has inserted new Rule 11UACA in the Income-tax Rules prescribing the method as to how taxable income shall be computed if the sum received is taxable as income from other sources u/s 56(2)(xiii) and tax exemption u/s 10(10D) is not available. The method is described below.

1)In case taxpayer receives any amount for the 1st time under a life insurance policy, at any time during a particular FY, then taxable income shall be computed as below:

A – B, where

A = Amount received under the life insurance policy during the 1st FY, and

B = Aggregate of premium paid during the term of the life insurance policy till date of receipt of the amount mentioned in A above,that has not been claimed as a deduction under any other provision of the Income-tax Act

2)In case taxpayer receives any amount under a life insurance policy during a FY, subsequent to (i) above, then the taxable in come shall be computed as below:

C – D, where

C = Amount received under the life insurance policy during a FY, subsequent to (i) above

D = Aggregate of the premium paid during the term of life insurance policy till the date of receipt of amount, but does not include the following:

- Premium that has already been considered for calculation of taxable amount in FYs (refer B), and
- Amount of premium that has been claimed as a deduction, if any, under any other provision of the Income-tax Act

Amounts received under unit linked insurance policies or key man insurance policies would not form part of the above.

Amortization of preliminary expenditure u/s 35D(2)(a) of Income-tax Act, 1961 – CBDT prescribes Form 3AF to be furnished by taxpayer annually 1 month prior to filing Income-tax Return(ITR) for the relevant year

• Notification no. 54 issued by CBDT on 1 August 2023

CBDT has issued a notification on 1 August 2023 prescribing Form 3AF for this purpose (inserted vide new Rule 6ABBB in the Income-tax Rules, 1962). The Form needs to be filed electronically 1 month prior to the due date of filing ITR annually for each year. Key disclosures required to be made in Form 3AF include the below:

- General information of the taxpayer (such as name, legal status, residential status, address, PAN, etc.)
 - Relevant year for which statement is being filed
 - Details of expenditure
- ✓ Preparation of feasibility report
 - ✓ Preparation of project report
 - ✓ Conducting market surveys
 - ✓ Engineering services relating to business of the taxpayer

Certain consequential amendments have also made to Form 3AE, i.e, audit report required to be furnished by a Chartered Accountant on behalf of a taxpayer claiming benefit u/s 35D.

CBDT exempts requirement to deduct / withhold tax at source u/s 194I on payment of rental to Unit of an International Financial Services Centre (IFSC) for lease of ship / aircraft, on which tax deduction is available u/s 80LA(2)(d) of the Income-tax Act, 1961

• Notification no. 57 issued by CBDT on 1 August 2023

With effect from 1 September 2023 onwards, CBDT has exempted the requirement to deduct / withhold tax at source u/s 194I of the Income-tax Act, on payment of lease rent to such Units, on satisfaction of following conditions:

- Lessor (Unit) to furnish a statement-cum-declaration in Form 1 to the lessee, giving details of the years for which the former intends to claim tax deduction u/s 80LA on the rental income from lease of ship / aircraft. The Form to be furnished for each year for which the Lessor intends to claim the tax deduction
- On receiving Form 1, the lessee shall not deduct / withhold tax at source on the lease rental payments. Such payments on which tax is not deducted / withheld at source shall be duly reported by the lessee in its withholding tax returns
- The relaxation from requirement to deduct / withhold tax at source shall be applicable only for those 10 years mentioned by the lessor in Form 1 for which it plans to claim the tax deduction. In other words, for the remaining years, tax shall be duly required to be deducted / withheld at source on the lease payments



CBIC ISSUED NOTIFICATIONS IN THE MONTH OF JULY 2023:

1. Notification No. 36/2023- Central Tax, Dated-04.08.2023

CBIC notifies special procedure to be followed by the electronic commerce operators in respect of supplies of goods through them by registered person

- The notification outlines that eCommerce operators are now required to follow a unique procedure for goods supplied through them by composition taxpayers. This special procedure includes barring inter-State supply of goods by the taxpayer, collection of tax at source by the eCommerce operator, and mandatory furnishing of supply details through FORM GSTR-8 on the common portal. This amendment is significant, as it tightens tax collection at source and ensures greater transparency in the eCommerce industry.

This notification shall come into force with effect from the 1st day of October 2023.

2. Notification No. 37/2023- Central Tax, Dated-04.08.2023

CBIC notifies special procedure to be followed by the electronic commerce operators in respect of supplies of goods through them by unregistered person

- As per the notification eCommerce operators must follow specific procedures for goods supplied through them by unregistered persons. Operators can only allow supplies if the person has an enrolment number on the common portal. They cannot permit inter-State supply of goods and are not required to collect tax at source for such supplies. Operators must also furnish supply details in FORM GSTR-8 on the common portal. When multiple operators are involved in a single supply, the operator releasing the final payment is considered responsible.

This notification shall come into force with effect from the 1st day of October 2023.

3. Notification No. 38/2023- Central Tax, Dated-04.08.2023

Key Amendments to Central Goods and Services Tax (Second Amendment) Rules, 2023

1. Amendment in Rule 9

Under this amendment, the phrase “in the presence of the said person” has been eliminated from Rule 9 of the CGST Rules. This change affects the procedure for verification of the registration of taxable persons under the Act, making the registration process more efficient and less reliant on physical presence.

2. Changes to Rule 10A

Rule 10A now prescribes a new deadline for submitting information related to bank account details. As per the amendment, this information must be furnished “within a period of thirty days from the date of grant of registration, or before furnishing the details of outward supplies of goods or services or both”.

3. Significant Changes in Rule 21A

Rule 21A underwent substantial modifications primarily designed to deal with violations of the Act or the rules. Such contraventions can lead to the potential cancellation or suspension of the registration of the concerned person.

4. Extension in Rule 23

The CGST (Second Amendment) Rules, 2023, extends the period permitted for filing an application for the revocation of the cancellation of registration under Rule 23. This change provides taxpayers with more flexibility and time to rectify any issues leading to cancellation of registration.

5. Introduction of New Rule 25

The Amendment introduces a new Rule 25, which clearly defines the procedures and timelines for the physical verification of business premises in specific scenarios.

6. Modification in Rule 43

The changes in Rule 43 relate to the valuation and processing of transactions. This alteration would impact the manner in which businesses calculate their tax liabilities and process transactions, making the process more streamlined.

7. Simplification in Rule 46

Rule 46 has been simplified. The changes concern the information that is regarded as “the address on record of the recipient”. By simplifying this rule, the tax authorities aim to facilitate more accessible and effective communication between taxpayers and authorities.

8. New Clauses in Rule 59

Rule 59 now contains two new clauses related to restrictions on providing the details of outward supplies under certain situations. This amendment ensures that businesses follow appropriate procedures when declaring outward supplies, thereby preventing misuse of the tax system

9. Inclusion in Rule 64

A significant inclusion to Rule 64 is the term “non-taxable online recipient” as referred to in the Integrated Goods and Services Tax (IGST) Act, 2017. This change expands the scope of Rule 64 to cover more categories of recipients, thereby promoting greater tax compliance

10. Modification of Rule 67

Rule 67 has been changed to modify the method in which tax collected at source (TCS) details are furnished by the operator. This amendment helps simplify the tax collection process, making it easier for operators to comply with tax laws.

11. Introduction of New Rule 88D

A new rule, 88D, has been introduced to deal with the difference in input tax credit as per the auto-generated statement and that availed in the return. This rule helps streamline the process of availing input tax credit, reducing discrepancies and promoting accurate reporting. Many other rules have undergone changes and modifications as part of the Central Goods and Services Tax (Second Amendment) Rules, 2023, including Rules 108, 109, 138F, 142B, 162, and 163. Additionally, new forms have been introduced, like FORM GST DRC-01C and FORM GST DRC-01D. Several existing forms, such as FORM GSTR-3A, GSTR-5A, GSTR-8, GSTR-9, GSTR-9C, and GST RFD-01, have also seen notable changes. These changes signify an ongoing commitment to evolve India's tax system, making it more accessible, accurate, and transparent. By regularly reviewing and updating the tax laws, the government is ensuring that the country's tax system keeps pace with the changing economic landscape.

The Central Goods and Services Tax (Second Amendment) Rules, 2023, is an essential step towards streamlining tax compliance, providing clarity on specific tax-related matters, and ensuring a robust, efficient, and fair tax system in India. Businesses, professionals, and tax practitioners should take note of these changes and their impact on their tax compliance and planning.

4. Notification No. 39/2023- Central Tax, Dated-17.08.2023

This notification focuses on introducing amendments to the earlier notification no-02/2017- Central Tax. The amendments primarily affect the territorial jurisdiction and tax implications in specific regions.

Key Amendments: The notification provides a breakdown of specific amendments to be made in Table II of Notification No. 02/2017-Central Tax:

1. Serial Number 39: The existing serial number 39, along with its entries, is replaced with new details regarding the Guntur district. The revised description encompasses districts from West Godavari to Tirupati in Andhra Pradesh. It also covers territorial waters and the seabed within the state.

2. Serial Number 101: Serial number 101 is updated with information related to the Tirupati district. The revised description includes districts of Chittoor, YSR Kadapa, Anantpur, and others in Andhra Pradesh.

3. Serial Number 107: This serial number is modified to account for the Visakhapatnam district. The revised entry comprises districts like Srikakulam, Vizianagaram, and more.

Conclusion: The issuance of Notification No. 39/2023-Central Tax marks a significant step by the Ministry of Finance to refine and update the existing taxation framework. By introducing amendments to Notification No. 02/2017-Central Tax, the government aims to align tax-related policies with changing circumstances and requirements. This step is in line with the continuous efforts to streamline the taxation system, enhance transparency, and facilitate efficient compliance for businesses and taxpayers.

5. Notification No. 40/2023- Central Tax, Dated- 17.08.2023

Appointment of Common Adjudicating Authority for United Spirits Ltd

This notification aims to appoint a common adjudicating authority for a specific case involving M/s United Spirits Ltd. The appointment of such an authority streamlines the adjudication process and ensures effective resolution of the issue at hand.

Highlights: focuses on the appointment of officers as the Authority to exercise powers and discharge duties conferred on officers mentioned in the notification. The appointed officers will be responsible for adjudicating a specific notice issued to M/s United Spirits Ltd.

Key Appointment Details: The notification provides details regarding the appointment of the common adjudicating authority for the mentioned notice and entity:

Noticee: M/s United Spirit Ltd. (USL)

Address: 26th floor, A Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai, Maharashtra-400013.

Notice Number and Date: 37/ADC/CGST / MC/ Audit-II / 2022 dated 24.08.2022

Adjudicating Authority Mentioned in Notice: Joint or Additional Commissioner, CGST and Central Excise, Mumbai Central Commissionerate.

Appointed Adjudicating Authority: Joint or Additional Commissioner of Central Tax, Kolkata North Central Excise and GST Commissionerate.

Conclusion: The issuance of Notification No. 40/2023-Central Tax signifies the government's commitment to efficient and effective tax administration. By appointing a common adjudicating authority for the mentioned notice against M/s United Spirits Ltd, the government aims to expedite the adjudication process, ensure fairness, and provide timely resolutions to tax-related matters.

6. Notification No. 41/2023- Central Tax, Dated- 25.08.2023

The due date for filing FORM GSTR 1 for the tax period April, May, June and July 2023 is extended till 25th August 2023 for the registered persons whose principal place of business is in state of Manipur.

7. Notification No. 42/2023- Central Tax, Dated- 25.08.2023

The due date for filing FORM GSTR 3B for the tax period April, May, June and July 2023 is extended till 25th August 2023 for the registered persons whose principal place of business is in state of Manipur

8. Notification No. 43/2023- Central Tax, Dated- 25.08.2023

The due date for filing FORM GSTR 3B for the quarter ended June 2023 is extended till 25th August 2023 for the registered persons whose principal place of business is in state of Manipur.

9. Notification No. 44/2023- Central Tax, Dated- 25.08.2023

The due date for filing FORM GSTR 7 for the tax period April, May, June and July 2023 is extended till 25th August 2023 for the registered persons whose principal place of business is in state of Manipur.




G S T

CBIC ISSUED CIRCULARS IN THE MONTH OF AUGUST 2023:

The Government has issued the circulars on the rates and clarification of certain goods and services based on the recommendations of the GST council in its 50th meeting held on 11th July 2023. These clarifications aim to address genuine doubts and ensure uniformity in the application of GST across various sectors.

Circular Number 200/12/2023- GST dated 01st August 2023



Item	Clarifications
Un-fried or un-cooked snack pellets	un-fried or un-cooked snack pellets, manufactured through the process of extrusion, will now attract a GST rate of 5% under CTH 1905. This reduced rate will be effective from 27th July 2023. Ready-to-eat extruded snack pellets will continue to attract 18% GST.
Fish Soluble Paste	The GST rate on fish soluble paste, falling under CTH 2309, has been reduced from 18% to 5% with effect from 27th July 2023.
Desiccated coconut and Biomass briquettes	the GST Council has regularized the issues related to the applicability of GST rates on desiccated coconut and biomass briquettes for past periods up to 27th July 2023 on an “as is” basis.
Imitation Zari thread or yarn	The GST rate on imitation zari thread or yarn known by any name in trade parlance has been reduced from 12% to 5% with effect from 27th July 2023. The issue for past periods up to 27th July 2023 has been regularized on an “as is” basis.
Supply of raw cotton by agriculturist to cooperatives	Supply of raw cotton from agriculturists to cooperatives, being a registered person, attracts 5% GST on reverse charge basis under notification no. 43/2017-Central Tax (Rate) dated 14th November 2017. The issue for past periods prior to this clarification is regularized on an “as is” basis.
Plates and cups made from areca leaves	The GST Council has regularized the issues relating to GST on plates and cups made from areca leaves for the period prior to 1st October 2019 on an “as is” basis.
Goods falling under HSN 9021	All goods falling under HSN heading 9021 will attract a GST rate of 5% based on the recommendations of the GST Council, and this regularization is applicable for past periods as well. However, no refunds will be granted for cases where GST has already been paid at a higher rate of 12%.

Circular Number 200/12/2023- GST dated 01st August 2023

Item	Clarifications
Services supplied by a director of a company:	Services supplied by a director of a company or body corporate to the company or body corporate in his private or personal capacity, such as renting of immovable property, are not taxable under Reverse Charge Mechanism (RCM). Only services supplied by a director in the capacity of a director of the company or body corporate are taxable under RCM.
Supply of food or beverages in cinema hall	The supply of food or beverages in a cinema hall is taxable as 'restaurant service' under GST at the rate of 5% as long as the supply is provided independently of the cinema exhibition service. If the sale of cinema tickets and supply of food and beverages are bundled together and constitute a composite supply, the entire supply will attract GST at the rate applicable to the service of cinema exhibition, the principal supply.

Conclusion: These circulars provide much-needed clarity on the GST rates and applicability of certain goods and services. By regularizing past issues and reducing confusion, the GST Council aims to streamline the tax regime and facilitate smooth business operations across various sectors. Businesses are advised to carefully review the circulars and ensure compliance with the revised GST rates and regulations.

The GST Council has regularized the issues related to the applicability of GST rates on desiccated coconut and biomass briquettes for past periods up to 27th July 2023 on an "as is" basis.



GST

ADVISORY: MERA BILL MERA ADHIKAAR SCHEME

1. The GSTN has developed and launched a mobile application (available on iOS and Android platforms) and also a web portal for the “Mera Bill Mera Adhikaar” scheme.

2. This scheme will be implemented from 1st September, 2023 initially in the States of Gujarat, Assam, Haryana and UTs of Puducherry and Daman & Diu and Dadra & Nagar Haveli, as per the policy decision of the Government.

3. Mobile Application and Web Portal:

- The mobile application is available for download on both iOS and Android platforms and links are given below.

a) Android Link:

<https://play.google.com/store/apps/details?id=com.gstn.msma>

b) IOS Link:

<https://apps.apple.com/in/app/mera-bill-mera-adhikaar/id6450875616>

c) The web portal can be accessed at: <https://web.merabill.gst.gov.in>

4. User Manual: For ease of use and to guide taxpayers through the process of participating in the scheme via the mobile application or web portal, a detailed user manual is available at the link below for your reference:

- User Manual Download Link:

https://tutorial.gst.gov.in/downloads/news/mbma_user_manual_18_aug_ust_2023_final.pdf

5. Please ensure that you download the mobile application only from the Google Play store and Apple App store and access the web portal through the official link provided above to avoid any spurious application of a fraudulent entity.

6. Please refer to the Policy Document for MBMA related policy matters with reference to broad guidelines for its implementation.

Advisory for applicants where GST Registration application marked for Biometric-based Aadhaar Authentication

1. Rule 8 of CGST Rules had been amended to provide that those applicants who had opted for authentication of Aadhaar number and identified on the common portal, based on data analysis and risk parameters, shall be placed for biometric-based Aadhaar authentication and taking photograph(s) of the applicant.
2. Pilot for implementation of the above change is ready and the functionality is ready for roll out by GSTN portal. This functionality is being launched in Puducherry from 30th August 2023 in the pilot phase. After submission of application in Form GST REG-01 and before generation of ARN, the applicant will either get the message for visiting GST Suvidha Kendra (GSK) or a link on the declared Mobile and Email ID; as may be applicable at TRN stage, based on identification by common portal so that registration process may be completed.
3. Those applicants who get the link on Mobile & Email ID for Aadhaar Authentication, they can proceed for completing their application as per existing implementation.
4. However, those applicants who get message for visiting GSK, will be required to visit at the designated GSK as conveyed on Mobile/Email and get biometric authentications for all required persons as per the GST Application Form REG-01. The applicants are requested to visit GSK before the TRN expiry date as detailed in Email for Biometric-based Aadhaar Authentication process. In this case, Application Reference Number (ARN) will be generated only after the completion of Biometric-based Aadhaar Authentication process.
5. The days of operation of GSK would be as advised by the administration in your state.

Introducing Electronic Credit Reversal and Reclaimed statement

- “Vide Notification No. 14/2022 – Central Tax dated 05th July, 2022 (read with circular 170/02/2022-GST, Dated 6th July,2022), the Government introduced certain changes in Table 4 of Form GSTR-3B so as to enable the taxpayers in reporting correct information regarding ITC availed, ITC reversal, ITC re-claimed and ineligible ITC. The re-claimable ITC earlier reversed in Table 4(B)2 may be subsequently claimed in Table 4(A)5 on fulfilment of necessary conditions. Such reclaimed ITC in Table 4(A)5 also needs to be explicitly reported in Table 4D (1)..

- In order to facilitate the taxpayers in correct and accurate reporting of ITC reversal and reclaim thereof and to avoid clerical mistakes, a new ledger namely Electronic Credit and Re-claimed Statement is being introduced on the GST portal. This statement will help the taxpayers in tracking of their ITC that has been reversed in Table 4B(2) and thereafter re-claimed in Table 4D(1) and 4A(5) for each return period, starting from August return period.

Recommendations made by the GST Council in its 51st Meeting held on 2 August 2023 regarding (a) Value of supply of online gaming & actionable claims in casinos for levy of GST, & (b) Registration of supplier of online money gaming located outside India

The 51st Meeting of the GST Council was held on 2 August 2023 via video conferencing at New Delhi under the chairpersonship of the Union Finance & Corporate Affairs Minister, Smt. Nirmala Sitharaman. The key recommendations made by the GST Council revolved around:

- Value of supply of online gaming and actionable claims in casinos for levy of GST
- Registration of supplier of online money gaming located outside India

The CGST (Amendment) Bill, 2023

Refer

The CGST (Amendment) Bill, 2023 seeks to amend CGST Act basis recommendations of the GST Council relating to taxability of casinos, horse racing and online gaming.

- **The following definitions are proposed to be amended / introduced:**
 - Specified actionable claim
 - Online money gaming
 - Online gaming
 - Supplier
 - Virtual digital asset

- Every person supplying online money gaming from a place outside India to a person in India shall be required to be mandatorily registered under the CGST Act, 2017
- The proposed amendments shall be without prejudice to any other law for the time being in force, providing for prohibiting, restricting, or regulating betting, casino, gambling, horse racing, lottery, or online gaming.

The IGST (Amendment) Bill, 2023

The IGST (Amendment) Bill, 2023 seeks to amend IGST Act basis recommendations of the GST Council relating to taxability of online gaming.

- Supplier of online money gaming located outside the taxable territory
 - A supplier of online money gaming located in a non-taxable territory shall be liable to pay IGST on the supply of online gaming to a person in the taxable territory.
 - Such supplier shall obtain a single registration under the Simplified Registration Scheme
 - If any person located in the taxable territory is representing such supplier for any purpose, then the representative shall get registered and pay the IGST on behalf of the supplier.
 - Notwithstanding anything contained in the Information Technology Act, 2000, in case of failure to comply with above provisions, any information in any computer resource shall be liable to be blocked for access by the public.
- Online money gaming shall be excluded from the scope of 'Online information and database access or retrieval' services
- Place of supply -Where the supply of goods is made to an unregistered person, the place of supply shall be:
 - Location of the unregistered person as recorded in the invoice; or
 - Location of the supplier if the address of the unregistered person is not recorded in the invoice.



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Industrial Area Phase -2,
Chandigarh -160002
(CA Varun Garg)

212-A, Vashisht Complex,
Sikanderpur, Gurugram-122004
(CA Piyush Jindal)

House No. 14266, Street No. 2A,
Ganesha Basti, Bhatinda- 151001
(CA Yogesh Kumar Jain)

B-249 2nd floor,sector -71
Noida near sector 61 matro
station, noida -201301
(CA Prakhar Srivastava)