

# GST BULLETIN

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### NOTIFICATIONS AND CIRCULARS

**Due date for furnishing of FORM GSTR – 7 for the month of January, 2019 extended till 28.02.2019.**

**Notification No. 08/2019-Central Tax, dated 8th February 2019.**

CBIC extended time limit for filing FORM GSTR -7 by a registered person required to deduct tax at source u/s 51, for the month of January, 2019 up to February 28, 2019.

**Due date for furnishing of FORM GSTR – 3B for the month of January, 2019 extended till 28.02.2019.**

**Notification No. 09/2019-Central Tax, dated 22<sup>nd</sup> February 2019.**

CBIC extended time limit for filing FORM GSTR – 3B for registered persons having principal place of business in the state of J&K for the month of January, 2019 upto February 28, 2019; and 22 February 2019 for the rest of the States.

**Govt. amends/rescinds certain circulars in view of amendments introduced from February 1, 2019.**

**Circular No. 88/2019-Central Tax, dated 1<sup>st</sup> February 2019.**

Govt. amended certain circulars issued under the CGST Act, 2017 consequent to GST Amendment Acts brought in force with effect from February 01, 2019. Amendments have been made to Circular No. 8/8/2017, Circular No. 38/12/2018, Circular No. 41/15/2018, Circular No. 58/32/2018 and Circular No. 69/43/2018 related to realization

of export proceeds in INR, job-work, penalty on seized goods, modes of recovery and suspension of registration. Further, Circular No. 03/01/2019-IGST dated May 25, 2018 was rescinded.

#### **Instructions to report Inter-State transactions with URD in Form GSTR-3B and GSTR-1**

##### **Circular No. 89/2019-Central Tax, dated 18<sup>th</sup> February 2019**

Vide the Circular, registered persons making inter-State supplies to unregistered persons are instructed to report details of such supplies along with the place of supply in Table 3.2 of FORM GSTR-3B. Further similar transactions with invoice value up to Rs 2.5 lakhs are to be reported in Table 7B of FORM GSTR-1. Non-mentioning of such information would result into non-apportionment of the due amount of IGST to the State where such supply takes place, mis-match in the quantum of goods or services or both actually supplied in a State and the amount of integrated tax apportioned resulting non-compliance of Section 17(2) of IGST Act, 2017.

#### **Instructions to all registered persons to specify POS along with the name of the state in the Tax Invoice**

##### **Circular No. 90/2019-Central Tax, dated 18<sup>th</sup> February 2019**

Vide the Circular, all registered persons making supply of goods or services or both in the course of interstate trade or commerce are required to specify the place of supply (POS) along with the name of the state in the tax invoice issued as per Section 31 of CGST Act 2017. Provisions of sections 10 and 12 of IGST Act, 2017 may be referred to in order to determine place of supply in case of supply of goods and services respectively. Contravention of any provisions of the Act or Rules would attract penal action under the provisions of Section 122/125 of CGST Act.

#### **One-time relaxation to suppliers of warehoused goods having paid CGST/SGST instead of IGST.**

##### **Circular No. 91/2019-Central Tax, dated 18<sup>th</sup> February 2019**

CBIC has granted onetime exception to suppliers of warehoused goods who have paid central tax and state tax on such supplies, during the period July,

2017 to March, 2018. The said suppliers shall be deemed to have complied with the provisions of law as far as payment of tax is concerned as long the amount of central tax and state tax is equal to the amount of IGST due on such supplies. Due to non-availability of the facility on the common portal during said period, suppliers have reported such supplies as intra-State supplies and discharged central tax and state tax on such supplies instead of integrated tax.

### **CASE LAWS AND FAQs**

#### **Boarding facility along with lodging, housekeeping etc. is a 'mixed supply'**

In the matter of Sarj Educational Centre, West Bengal AAR held that boarding facility comprising of lodging, housekeeping, laundry, medical assistance and food offered by the applicant, amounts to 'mixed supply' and not 'composite supply'. It was clarified that while services are rendered under MOU with a school, the applicant is not an educational institute and recipient of service are students and not educational institution, hence benefit under Sl. No. 66 of the Exemption Notification No. 12/2017-CT is not available. Bundle of supplies comprise of both taxable and non-taxable supplies, taxable at different rates and, different considerations are paid for different package of such services, depending upon requirement for lodging facility. Classification as 'composite supply' was denied elucidating that services are not bundle of taxable supplies that are inseparable and supplied only in conjunction with one another in ordinary course of business. It was held that applicant is offering several individual services in two different combinations while stating further that value of entire combination shall be taxable at highest rate i.e. 18%.

#### **Exemption Benefit not available for equipment imported through OEM suppliers.**

In the matter of Indian Institute of Science Education and Research, Odisha AAR held that Notification No. 51/1996- Customs dated July 23, 1996 r/w Notification No. 43/2017- Customs dated June 30, 2017, extending exemption to specified institutions is not applicable to OEM

suppliers of imported equipment. It was clarified that said notification is restricted to public funded and non-commercial research institutions and I.I.T. etc. which can by no stretch of imagination be extended to the OEM suppliers. It was explained that for import of equipment by OEM supplier, IGST will be charged under proviso to Section 5(1) of IGST Act, since the OEM supplier is not entitled for exemption provided in Notification and on subsequent domestic transaction, there will be levy of either IGST or CGST/SGST depending upon nature of supply transaction. Further it was stated that whether the decision of the GST Council granting the exemption is binding on the Department in the absence of non-issuance of corresponding Notification by the Central/State Government is not within the competence and mandate of the AAR. It was also held that concessional rate of IGST@5%/ CGST@2.5% and SGST@2.5% under Notification No. 45-CGST (Rate)/ No. 47-IGST (Rate) is applicable to all specified goods whether imported or indigenous supplied to eligible institutions fulfilling specified conditions.

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