

### Amendments to take effect under GST from 1st Feb 2019

1. Upper limit of turnover for opting of composition scheme shall be raised from Rs. 1 Cr to Rs. 1.5 Cr.
2. A Composite dealer(in goods) shall be allowed to supply services (other than restaurant services), for a value not exceeding -  
Higher of 10% of turnover in the preceding financial year, or Rs. 5 lakh.
3. The threshold limit of Turnover for exemption from registration in the States of Assam, Arunachal Pradesh, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand shall be increased to Rs. Twenty Lakh from Rs. Ten Lakh.
4. In case of purchase of notified goods from unregistered suppliers, Reverse charge mechanism shall be applicable to notified registered persons.
5. Taxpayers may opt for multiple registrations within a State/U.T in respect of multiple places of business located within the same State/U.T on the same PAN.
6. Mandatory registration is required for only those e-commerce operators who are required to collect tax at source.
7. Registration shall be remain temporarily suspended while cancellation of registration is under process, so that the taxpayer could get relief of further continued compliance under the law.(i.e Taxpayers will not be required to file returns).
8. The following transactions shall not treated as supply (i.e no tax payable under GST) under Schedule III:-
  - a. Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India;
  - b. Supply of warehoused goods to any person before clearance for home consumption; and

c. Supply of goods in case of high sea sales.

9. Input tax credit would now be available in respect of the following:-

- a. Most of the activities or transactions specified in Schedule III;
- b. Motor vehicles for transportation of persons having seating capacity of more than thirteen (including driver), vessels and aircraft;
- c. Services of general insurance, repair and maintenance in respect of motor vehicles, vessels and aircraft on which credit is available; and
- d. Goods or services which are obligatory for an employer to provide to its employees, under any law for the time being in force.

10. Registered persons may issue consolidated credit/debit notes to a party in respect of multiple invoices issued in a Financial Year to that party.

11. Commissioner may extend the time limit for return of inputs and capital sent on job work, upto a period of 1 year and 2 years, respectively.

12. If RBI would permit, Supply of services outside India shall be regarded as exports, even if payment is received in Indian Rupees.

13. Place of supply shall be outside India, where job work or any treatment or process has been done on goods temporarily imported into India and then exported out of India without putting them to any other use in India except the uses which were necessary for the purpose of such job work or treatment or process.

14. Recovery of taxes, interest, fine, penalty etc. can be made from distinct persons, even if such distinct persons are present in different State/Union territories.

15. RCM applicable without any exemption limit wef 01-02-2019 for a class of registered persons **in respect of supply of specified categories of goods or services or both** received from an unregistered supplier as per Notification No.01/2019 – Central Tax (Rate) and amended section 9(4) of CGST Act.

Till the date neither class of registered persons nor specified categories of goods prescribed by the Govt. **so until and unless notified RCM will not applicable.**

Now scope of section 9(4) reduced to specified dealers or specified goods or services

Though section 9(4) is effective from 1st Feb it would be ineffective.

We will update you as soon as **specified categories of goods or services or both** would be notified by the govt.

## Reverse Charge Mechanism under GST Act as on 1-1-2019

S. No.	Tariff item, Sub-heading, or Chapter.	Description of Supply of Goods	Supplier of Goods	Recipient of Supply
(1)	(2)	(3)	(4)	(5)
1.	0801	Cashew nuts, not shelled or peeled	Agriculturist	Any registered person
2.	1404 90 10	Bidi wrapper leaves (tendu)	Agriculturist	Any registered person
3.	2401	Tobacco leaves	Agriculturist	Any registered person
4.	5004 to 5006	Silk yarn	Any person who manufactures silk yarn from raw silk or silk worm cocoons for supply of silk yarn	Any registered person
4A	5201 (Effective from 15-11-2017)	Raw cotton	Agriculturist	Any registered person
5.		Supply of lottery	State Government, Union Territory or any local authority	Lottery distributor or selling agent. Explanation. – For the purposes of this entry, lottery distributor or selling agent has the same meaning as assigned to it in clause (c) of Rule 2 of the Lotteries (Regulation) Rules, 2010, made under the 2 provisions of sub section 1 of section 11 of the Lotteries (Regulations) Act, 1998.
6	Any Chapter ( Effective from 13-10-2017)	Used vehicles seized and confiscated goods, old and used goods, waste and scrap	Central Government, State Government, Union territory or a Local authority.	Any registered person
7	Any Chapter ( Effective from 28-05-2018)	Priority Sector Lending Certificate	Any registered Person	Any registered Person

Remarks: The cited Table Tariff description and rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 and shall apply to the interpretation of the said notification.

### Reverse Charge on Specified Services:

The supply of services under reverse charge mechanism has notified vide [Notification No.13/2017-Central Tax \(Rate\) dated 28.06.2017](#) (as amended from time to time ) and the list Services that will be under reverse charge as notified by the Central Government is given below Table:-

Sr. No.	Category of Supply of Services	Supplier of Service	Recipient of service
1	2	3	4
1	<p><b>GTA Services :</b> Supply of Services by a goods transport agency (GTA) who has not paid central tax @6% in respect of transportation of goods by road to-</p> <p>(a) any factory registered under or governed by the Factories Act,1948;or (b) any society registered under the Societies Registration Act,1860 or under any other law for the time being in force in any part of India; or (c) any cooperative society established by or under any law; or (d) any person registered under CGST / IGST/SGST/ or UTGST Act; or (e) anybody corporate established, by or under any law; or (f) any partnership firm whether registered or not under any law including association of persons; or (g) any casual taxable person; located in the taxable territory.</p> <p>*Provided that nothing contained in this entry shall apply to services provided by a goods transport agency, by way of transport of goods in a goods carriage by road, to, (a) a Department or Establishment of the Central Government or State Government or Union territory; or (b) local authority; or (c) Governmental agencies, which has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017) only for the purpose of deducting tax under section 51 and not for making a taxable supply of goods or services.</p>	Goods Transport Agency (GTA)	(a) any factory registered under or governed by the Factories Act,1948; or (c) any society registered under the Societies Registration Act,1860 or under any other law for the time being in force in any part of India; or (d) any cooperative society established by or under any law; or (d) any person registered under CGST / IGST/SGST/ or UTGST Act; or (e) anybody corporate established, by or under any law; or (f) any partnership firm whether registered or not under any law including association of persons; or (g) any casual taxable person; located in the taxable territory.
2	<p><b>Legal Services</b> Services provide by an individual advocate including a senior advocate or firm of advocates by way of legal services, directly or indirectly. Explanation: – 'legal service' means any service</p>	An individual advocate including a senior advocate or firm of advocates	Any business entity located in the taxable territory.

	provided in relation to advice, consultancy or assistance in any manner and includes representational services before any court, tribunal or authority.		
3	<b>Arbitral Services</b> Services supplied by an arbitral Tribunal to a business entity.	<b>An arbitral Tribunal</b>	Any business entity located in the taxable territory.
4	<b>Sponsorship Services</b> Service provided by way of Sponsorship Service to anybody corporate or partnership firm.	<b>Any person</b>	Anybody corporate or partnership firm located in the taxable territory.
5	<b>Government Services:</b> Services supplied by the Central Government, State Government, Union territory or local authority to a business entity excluding the following : (A) renting of immovable property service, and (B) services specified below:- (i) services by the Department of posts by way of speed post, life insurance, express parcel post and agency services provided to a person other than Central Government, State Government or Union territory or local authority ; (ii) services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport; (iii) transport of goods or passengers.	Central Government, State Government, Union territory or Local Authority	Any Business Entity located in the taxable territory.
5A	<b>Services by the Government</b> Services supplied by the Central Government , State Government , Union territory or local authority by way of renting of immovable property to a person registered under the Central Goods and Services Tax Act,2017 ( with effect from 25-01-2018.	Central Government, State Government, Union territory or Local Authority	Any person registered under the Central Goods and Services Tax Act.2017
6	<b>Services by the Director</b> Services supplied by a director of a company or a body corporate to the said company or the body corporate.	A director of a company or a body corporate	A company or a body corporate located in the taxable territory
7	<b>Insurance Agent Service</b> Services provided by an insurance agent to person carrying on insurance business.	An Insurance Agent	Any person carrying on insurance business, located in the taxable territory.
8	<b>Recovery Agent Service</b> Services provided by a recovery agent to a banking company or a financial institution or a non-banking financial company.	A Recovery Agent	Banking company Financial institution or a non-banking financial company, located in the taxable territory.
9	<b>Copyright Service</b> Supply of Services by an author , music or the like by way of transfer or permitting the use or enjoyment of a copyright of a covered under clause (a) of sub-section (1) of Section 13 of the Copyright Act, 1957 relating to original literary, dramatic, musical or artistic works to a publisher, music company, producer or the like.	Author or music composer, photographer artist, or the like.	Publisher, Music company, producer or the like, located in the taxable territory.
10	<b>Reserve Bank Services:</b> Supply of services by the members of Overseeing Committee to Reserve Bank of India ( Effective from 13.10.2017)	Members of Overseeing Committee constituted by the Reserve Bank of India.	Reserve Bank of India
11	<b>Services by DSAs:</b> Services supplied by individual Direct Selling Agents (DSAs) other than a body corporate partnership or limited liability partnership firm to bank or non-banking financial company ( NBFCS) Effective from 27.7.2018)	Individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm.	A banking company or a non-banking financial company, located in the taxable territory.
12	Services provided by business facilitator (BF) to a banking company.	Business facilitator(BF)	A banking company, located in the taxable territory.
13	Services provided by an agent of Business correspondent (BC) to business correspondent (BC).	An agent of business correspondent (BC).	A business correspondent, located in the taxable territory.
14	Security Services ( services provided by way of supply of security personnel) provided to a registered person: Provided that nothing contained in the entry shall apply to,- (i)(a) a Department or Establishment of the Central Government or State Government or Union territory, or (b) local authority, or (c) Government agencies, which has taken registration under the Central Goods and Services Tax Act, 2017( 12 of 2017) only for the purpose of deducting tax under section 51 of the said Act and not for making a taxable supply of goods or services, or (ii) a registered person paying tax under section 10 of the said Act. (SI.No. 12 to 14 – vide Notification. No.29/2018-Central Tax (Rate) dated 31.12.2018. w.e.f.1.1.2019)	Any person other than a body corporate.	A registered person, Located in the "taxable territory.