

GST updates

Date: 1 February 2019

Issues: Date of effect for various GST Amendment Acts
Applicability of GST on specified supplies from unregistered dealers
Registration in special category States for services provided through e-commerce operator
Other amendments

Effective date for Central Goods and Services Tax (Amendment) Act, 2018 (31 of 2018) as 1 February 2019.

Notification no. 2/2019-Central Tax, dated 29 January 2019, provides that the effective date for amendments provided under the said Amendment Act should be 1 February 2019. Exception to such date are the following amendments.

- > Amendment to Section 16(2)(c) of the CGST Act, 2017, by insertion of reference to Section 43A through the said Amendment Act. Section 43A proposes the methodology for availing input credit and its effective date has not been notified yet.
- > Amendments to Section 39 (Furnishing of returns).
- > Insertion of Section 43A.
- > Amendment to Section 49(2) of the CGST Act, 2017, by insertion of reference to Section 43A through the said Amendment Act.
- > Amendment to Explanation 1 and Explanation 2 of Section 140 (Transitional arrangements for input tax credit) as the effective date for the same is 1 July 2017.

Effective date for Integrated Goods and Services Tax (Amendment) Act, 2018 (32 of 2018) as 1 February 2019.

Notification no. 1/2019-Central Tax, dated 29 January 2019, provides that the effective date for amendments provided under the said Amendment Act should be 1 February 2019.

Effective date for Union Territory Goods and Services Tax (Amendment) Act, 2018 (33 of 2018) as 1 February 2019.

Notification no. 1/2019-Central Tax, dated 29 January 2019, provides that the effective date for amendments provided under the said Amendment Act should be 1 February 2019.

Effective date for Goods and Services Tax (Compensation to States) Amendment Act, 2018 (34 of 2018) as 1 February 2019.

Notification no. 1/2019-Goods and Services Tax Compensation, dated 29 January 2019, provides that the effective date for amendments provided under the said Amendment Act should be 1 February 2019.

GST on specified intra-State supplies from unregistered dealers w.e.f 1 February 2019.



Notification no. 1/2019-Central Tax (Rate), dated 29 January 2019 rescinds notification no. 8/2017-Central Tax (Rate), dated 28 June 2017. The original notification provided for exemption from payment of tax by registered persons (under reverse charge mechanism) for receipt of services from unregistered dealers. In effect, a specified class of registered persons receiving specified services intra-State from unregistered dealers, should be required to pay tax under reverse charge mechanism w.e.f 1 February 2019.

GST on specified interstate supplies from unregistered dealers w.e.f 1 February 2019.

Notification no. 1/2019-Integrated Tax (Rate), dated 29 January 2019 rescinds notification no. 8/2017-Central Tax (Rate), dated 28 June 2017. The original notification provided for exemption from payment of tax by registered persons (under reverse charge mechanism) for receipt of services from unregistered dealers. In effect, a specified class of registered persons receiving specified services interstate from unregistered dealers, should be required to pay tax under reverse charge mechanism w.e.f 1 February 2019.

GST on specified intra-Union Territory supplies from unregistered dealers w.e.f 1 February 2019.

Notification no. 1/2019-Union Territory Tax (Rate), dated 29 January 2019 rescinds notification no. 8/2017- Union Territory Tax (Rate), dated 28 June 2017. The original notification provided for exemption from payment of tax by registered persons (under reverse charge mechanism) for receipt of services from unregistered dealers. In effect, a specified class of registered person receiving specified services intra-Union Territory from unregistered dealers, should be required to pay tax under reverse charge mechanism w.e.f 1 February 2019.

Exemption from obtaining registration for services provided through e-commerce operator.

Notification no. 6/2019-Central Tax, dated 29 January 2019 amends notification no. 65/2017-Central Tax, dated 15 November 2017. This prescribes exemption from obtaining registration for service providers (providing services through e-commerce operators) with turnover less than INR 1 million in special category States. Amendment in the original notifications aligns it with Section 22 of the CGST Act, 2017, which specifies the special category States. Similar amendment has been brought for notification no. 10/2017-Integrated Tax, dated 13 October 2017 through notification no. 3/2019-Integrated Tax, dated 29 January 2019.

Amendment in notification specifying rates under composition scheme.

Notification no. 5/2019-Central Tax, dated 29 January 2019 amends notification no. 8/2017-Central Tax, dated 27 June 2017. The original notification mentioned the composition tax rate for various services. The amendment now provides a reference to Rule 7 of the CGST Rules, 2017, which tabulates the composition tax rate for various services. Any amendment in the said Rule should now apply to the original notification.

Rectification of mistake in notification no. 7/2017-Integrated Tax, dated 14 September 2017.

Rectification of mistake in the said notification (through notification no. 2/2019-Integrated Tax, dated 29 January 2019). It is now clarified that job workers involved in interstate supply of services in relation to jewelry, goldsmith's and silversmith's wares and other articles are required to obtain registration under the CGST Act, 2017.



Amendment in notification appointing officers under CGST Act and IGST Act.

Notification no. 4/2019-Central Tax, dated 29 January 2019 amends notification no. 2/2017-Central Tax, dated 19 June 2017. The original notification appointed officers under the CGST Act, 2017, and the IGST Act, 2017. The amending notification brings about minor amendment in the same by defining the jurisdiction of a Joint Commissioner and Joint Commissioner (Appeals).