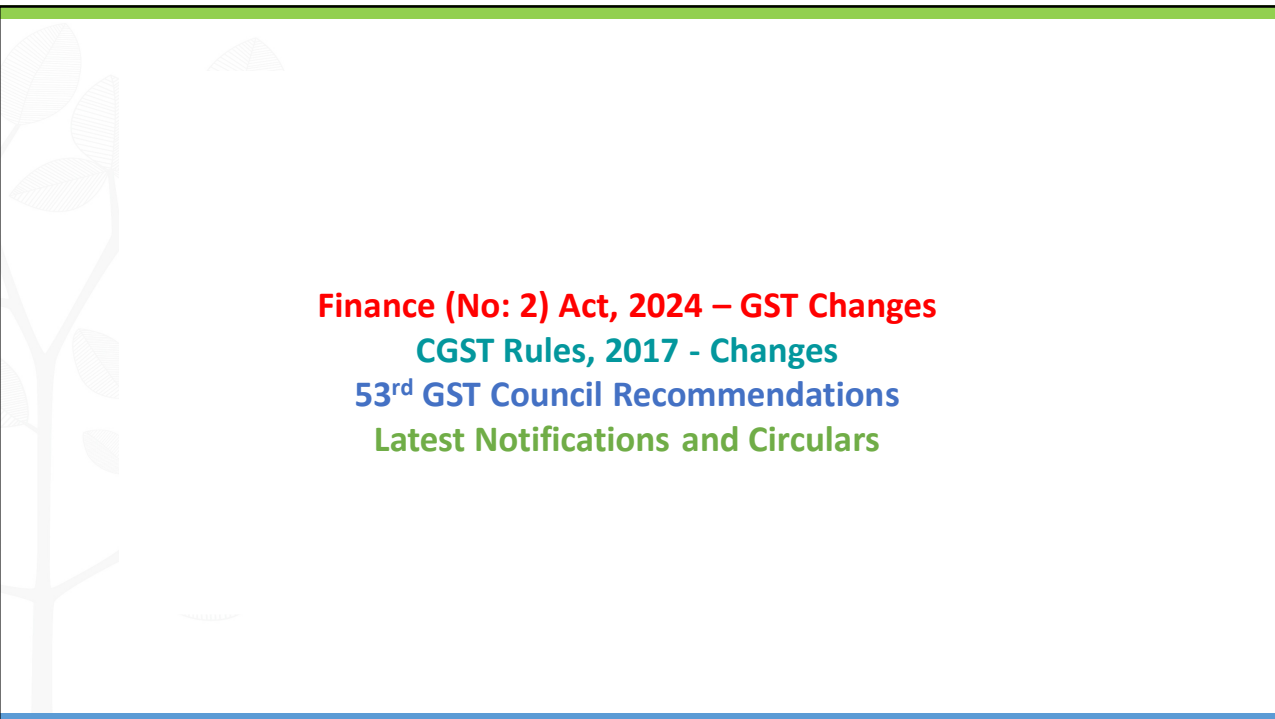




**Institute of Chartered Accountants of India  
Kottayam Branch**

**GST changes in Finance (No:2), 2024  
(including 53<sup>rd</sup> GST Council Recommendations)**

**7<sup>th</sup> September, 2024**



**Finance (No: 2) Act, 2024 – GST Changes**  
**CGST Rules, 2017 - Changes**  
**53<sup>rd</sup> GST Council Recommendations**  
**Latest Notifications and Circulars**

## Finance (No: 2) Act, 2024 Changes in GST

## Finance (No: 2) Act, 2024 - Changes in GST

### **Changes effective from.....**

1. Most of the Changes are effective from **Notified Date** only
2. Some Changes are effective from **01<sup>st</sup> August, 2024**
3. Some Changes are effective from **01<sup>st</sup> October, 2023**
4. Some changes are effective from **01<sup>st</sup> July, 2017**
5. So, We have to wait till the changes are notified..

## Finance (No: 2) Act, 2024 - Changes in GST



### **Extra Neutral Alcohol outside GST**.....

1. CGST, IGST and UTGST Acts amended.
2. Changes effective Retrospectively from 1<sup>st</sup> July, 2017 likely.
3. So, We have to wait till the Changes are notified...



## Finance (No: 2) Act, 2024 - Changes in GST



### **Power not to recover GST**.....**New Section 11A.**

1. Power given to Govt not to recover tax not paid due to **general practice**.
2. Govt can regularize non payment of tax.
3. Changes made in all Acts.
4. So We have to wait till the changes are notified...



## Finance (No: 2) Act, 2024 - Changes in GST



### **Time of Supply of Services, in the case of RCM, supplier is unregistered..... Section 13.**

1. *Date of issue of invoice by recipient is included in fixing time of supply in the case of RCM.*
2. *So, We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST



### **Time limit for taking ITC for FY 2017-18 to 2020-21.....Sec 16(5)**

1. *ITC for the above years can be taken through any Return filed till 30<sup>th</sup> November, 2021.*
2. *No refund, if tax and interest already paid*
3. *This amendment retrospectively effective from 01.07.2017.*
4. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Time limit for taking ITC in case of Revocation of cancellation** .....Sec 16(6)

1. *ITC can be taken in any return filed within 30 days of revocation, if it is not otherwise already time barred as per 16(4).*
2. *No refund, if tax and interest already paid.*
3. *This amendment retrospectively effective from 01.07.2017.*
4. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Blocked Credit restriction removed** .....Sec 17(5)

1. *Presently, any tax paid u/s 74,129 and 130 is blocked credit.*
2. *This restriction applicable only till FY 2023-24.*
3. *The restriction removed from FY 2024-25.*
4. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Revocation of Cancellation – More Conditions .....Sec 30**

1. *More Conditions and Restrictions will be introduced.*
2. *These Conditions and Restrictions will be introduced in CGST Rules.*
3. *We have to wait for the Rules.*
4. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Issue of Invoice by Recipient, in RCM Cases .....Sec 31**

1. *Time limit to issue self invoice will be introduced in Rules.*
2. *In this case, a TDS registered supplier is treated as unregistered supplier.*
3. *We have to wait for the Rules.*
4. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Nil TDS return filing is made mandatory.....Sec 39**

1. *Time limit to file TDS return shifted to Rules.*
2. *Nil TDS return filing is made mandatory*
3. *We have to wait for the Rules.*
4. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **No Refund of ITC or IGST paid.....if zero rated supply of goods are liable for Export Duty.....Sec 54**

1. *Presently, Restriction applies for ITC Refund cases, after this amendment, restriction applies for IGST Refund as well..*
2. *Presently, restriction only for export of goods, but after amendment, restriction is for zero rated supply of goods.*
3. *We have to wait till the changes are notified...*



Restrictions

## Finance (No: 2) Act, 2024 - Changes in GST



### **Summons – Authorized Representative can appear in response to summons issued to taxpayer.....Sec 70**

1. Presently, Taxpayer need to appear, after this amendment, Authorized Representative can appear.
2. We have to wait till the changes are notified...



## Finance (No: 2) Act, 2024 - Changes in GST



### **New Section 74A introduced.....**

1. Sections 73 /74 applicable only till FY 2023-24
2. New Section 74A applicable from FY 2024-25 onwards
3. Section 74A included in all sections where 73/74 is used.
4. Changes effective from Notified Date only.
5. So, We have to wait till the changes are notified...





## Finance (No: 2) Act, 2024 - Changes in GST



### What is Section 74A.....

1. New Section 74A applicable from **FY 2024-25 onwards**.
2. No Notices for less than Rs. 1,000 (Tax) in a FY.
3. Time limit to issue Notices.....**42 months** from due date of Annual Return. (In the case of erroneous refund 42 months from date of refund)
4. Order shall be issued within **12 months** of date of issuance of Notice. Extension up to 6 months with permission of Commissioner.
5. Time limit increased from **30 days to 60 days**.
6. If collected tax or self assessed tax not paid within 30 days, penalty of 10%/10,000.
7. Changes effective from Notified Date only.
8. *So, We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST



### Pre – Deposit – Appeal before First Appeal Authority - Maximum Limit set at 20 Cr (40 Cr)....Sec 107

1. Presently, the maximum limit is 25 Cr. After amendment, it will come down to 20 Cr.
2. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### ***GST Tribunal shall hear Anti-Profiteering cases....Sec 109***

1. *Anti-Profiteering cases shall be attended by Principal Bench of Tribunal.*
2. *Government can notify cases which shall be heard by Principal Bench of Tribunal.*
3. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### ***Appeal to GST Tribunal ....Sec 112***

1. *Time limit to file appeal is 3 months or Notified date whichever is later.*
2. *Pre Deposit reduced from 20% to 10%.*
3. *Maximum Pre Deposit reduced from 50 Cr. To 20 Cr.*
4. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Penalty on ECO....Sec 122**

1. *Penalty only on ECO liable to collect TCS u/s 52.*
2. *This is effective from 01<sup>st</sup> October, 2023.*
3. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Conditional Waiver of Interest and Penalties.....Section 128A**

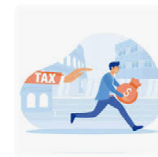
1. *Only for Demands under Section 73....(All pending cases)*
2. *For First three years.....(2017-18, 2018-19, 2019-20)*
3. *Full tax paid before 31<sup>st</sup> March, 2025 (Date to be notified).*
4. *Conditions will be prescribed in Rules.*
5. *Demands for erroneous Refunds....not eligible.*
6. *Appeal, if any, pending shall be withdrawn.*
7. *After opting amnesty, no appeal can be filed.*
8. *We have to wait till the changes are notified...*



## Finance (No: 2) Act, 2024 - Changes in GST

### **Conditional Waiver of Interest and Penalties...Points to Note.**

1. For First three years.....time limit for notices under 73 is already over.....
2. If **two issues** are in one Notice and taxpayer wish to opt amnesty only for one issue....and file appeal for the second.....!!!.....??



## Finance (No: 2) Act, 2024 - Changes in GST

### **Conditional Waiver of Interest and Penalties...Points to Note....**

1. Is amnesty only for SCN ?.....What about **Orders in appeal**....? Yes eligible.
2. What about those who **already paid interest and penalties**....? Not eligible for refund
3. What about orders issued under Section 74, later **converted** to Section 73.....are they eligible.....? Yes....
4. A person paid all taxes with **delay in payment of taxes but interest has not paid**..... Can he claim amnesty for interest???



## Finance (No: 2) Act, 2024 - Changes in GST

### **Changes in IGST Act, in Section 16....**

1. *Section 54 of CGST Act and Rules....are made applicable.*
2. *No refunds if export duty is payable on the zero rated supply.*



## CGST Rules, 2017 Changes in GST

**Notification 12/2024 CT, Dated 10.07.2024**

## CGST Rules, 2017



### **Application for Registration in case aadhar authentication not opted.....Rule 8(4A)**

1. *Taking of Photograph.*
2. *Verification of Original Documents.*
3. *With effect from a Notified Date only.*

## CGST Rules, 2017



### **Facility to amend GSTR 1 through GSTR 1A before filing GSTR 3B for a particular month/Period.....Rule 59**

1. *New Form GSTR 1A introduced.*
2. *This is an additional facility, optional and no late fees.*
3. *This form available during the due date of GSTR1 or date of filing GSTR1 whichever is later, and before filing GSTR3B.*
4. *GSTR1 + GSTR1A = GSTR3B.*
5. *Recipient GSTIN cannot be changed through GSTR1A.*
6. *GSTR1A data goes to next period GSTR2B of the recipient.*

## CGST Rules, 2017



**Invoice wise Inter state B2C reporting in GSTR 1, limit reduced from 2.5 lakhs to 1 lakh.....Rule 59**

1. Presently, the limit is 2.5 lakhs.
2. Applicable With effect from 01<sup>st</sup> August, 2024.

## CGST Rules, 2017



**Composition Return (GSTR 4) due date extended from 30<sup>th</sup> April to 30<sup>th</sup> June.....Rule 62**

1. This extension is made applicable from FY 24-25 onwards.

## CGST Rules, 2017



### ***No interest on the Electronic Cash Ledger Balance ..... Rule 88B***

1. *No interest on the balance in Cash Ledger on the due date of filing GSTR3B.*

## CGST Rules, 2017



### ***New mechanism to claim refund of additional IGST paid on upward revision subsequent to export.....Rule 89***

1. *New mechanism introduced.*
2. *Changes in Rules and Detailed procedure introduced.*
3. *For old periods..... 2 year time limit also introduced.*



## CGST Rules, 2017



### **Appeal to GST Tribunal.....Rule 110**

1. Detailed rules introduced for filing appeal to GSTAT.
2. Electronic filing of appeal is mandatory.
3. Manual filing allowed only if Registrar of GSTAT permits.
4. If order not uploaded in Portal, file self certified copy of the order within 7 days. Filing may be submit or upload.
5. Fees for filing appeal – Rs. 1000 per Rs. 1,00,000 demand.
6. Limit for filing fees – Maximum 25,000; minimum 5,000.
7. Filing fees for non demand cases – 5,000.

## CGST Rules, 2017



### **Withdrawal of Appeal filed before GST Tribunal.....Rule 113A**

1. Appeal filed can be withdrawn by the appellant.
2. Appeal withdrawal shall be before issue of the order.
3. Withdrawal shall be with permission and approval of Tribunal.
4. Any fresh appeal filed, after withdrawal, shall be within the time limit.

## CGST Rules, 2017

### ***Eway Bill by Unregistered Person – Allotment of Unique Enrolment No:.....Rule 138.***

1. *An unregistered person opting to generate Eway Bill shall submit application for enrolment.*
2. *This rule is applicable only from a notified date.*

## CGST Rules, 2017

### ***Acceptance of DRC 03 by Officer shall be done electronically.....Rule 142.***

1. *Acknowledgement of DRC 03, in DRC 04, shall be issued electronically.*
2. *DRC01A issued and Reply of the taxpayer is accepted, officer issue Part C in DRC 01A.*

## CGST Rules, 2017



### **Amount paid through DRC 03 can be credited to electronic liability register.....Rule 142.**

1. *This can be done by filing DRC 03A on the portal.*
2. *The date of payment through DRC 03 shall still be treated as date of payment of liability in Ele Liability Register.*
3. *If DRC 05 already issued concluding the proceedings, DRC 03A cannot be filed.*

## CGST Rules, 2017



### **ITC Reversal as per Rule 37A introduced in GSTR 2B.....**

1. *Rule 37A – ITC Reversal due to non payment of tax by supplier in GSTR 3B.*
2. *This is going to be introduced in GSTR 2B of month of September (Made available in October).*
3. *Recipient to reverse this ITC (of FY 2023-24) in Table 4B(2) of GSTR 3B of October, 2024.*

## CGST Rules, 2017



### **Some changes introduced GSTR 3B.....**

1. *In Table 6 – Tax payment Table, Section 9(5) payments are to be separately reported.*
2. *Section 9(5) liability is to be paid in cash along with RCM liability.*
3. *This amendment effective from a notified date only.*

## CGST Rules, 2017



### **Invoice wise details to be included in TDS Return.....**

1. *In GSTR 7, invoice wise details to be included.*
2. *This amendment effective from a notified date only.*

## CGST Rules, 2017



### **Some changes introduced GSTR 9.....**

1. *In Table 4 – Taxable Turnover, Section 9(5) supplies are to be separately reported by ECO.*
2. *In Table 5 – Exempted Turnover, Section 9(5) supplies are to be separately reported by Suppliers.*

## 53rd GST Council Recommendations & Latest Notifications and Circulars



**Notification 13/2024 CT dated 10.07.2024*****Bio-Metric Aadhar Authentication roll out on all India basis.***

- 1. Presently, applicable in Gujarat, Puducherry and Andhra only.*
- 2. Now, All India roll out in phased manner.*
- 3. If Aadhar Authentication opted and identified in the portal based on data analysis and risk parameter, for taking Biometric Aadhar + Photo + Original Documents verification.*

**Notification 14/2024 CT dated 10.07.2024*****Annual Return not to be filed if AGTO is less than 2 Cr.***

- 1. This exemption is for FY 23-24.*

**Notification 15/2024 CT dated 10.07.2024*****TCS tax rate reduced from 1% to 0.5%.***

1. *TCS rate reduced from 1% (CGST + SGST) to 0.5% (CGST + SGST)*
2. *W.e.f 10.07.2024.*

**Notification 02/2024 CTR dated 12.07.2024*****Changes in GST Rate of some Goods.***

1. *Tax Rate Changes on certain Goods*
2. *Effective from 15.07.2024.*



### Notification 03/2024 CTR dated 12.07.2024

#### ***Exemption to certain agricultural farm produce.***

1. *Exemption to agricultural farm produce (above 25 KG)*
2. *Effective from 15.07.2024.*



### Notification 04/2024 CTR dated 12.07.2024

#### ***New Exemption for certain Services.***

1. *Certain Services by Railway to common man.*
2. *Hostel Accommodation Services up to 20,000 per month per member, minimum continuous period of 90 days.*
3. *Effective from 15.07.2024.*
4. *Exemption to apply for past period also.*



**CBIC Circular No: 207/2024 dtd 26.06.2024*****Monetary Limit for Departmental appeal.....No appeal below the limit.....***

1. *Tribunal – 20 lakhs.*
2. *High Court – 1 Cr.*
3. *Supreme Court – 2 CR.*
4. *This limit will not applicable in certain cases.*

**CBIC Circular No: 209/2024 dtd 26.06.2024*****Clarification regarding POS in case of Interstate supply of goods to unregistered persons where delivery address is different from billing address.***

1. *POS shall be based on the Delivery Address.*
2. *Delivery address shall be mentioned as address of recipient for determination of POS.*

**CBIC Circular No: 210/2024 dtd 26.06.2024****Clarification regarding valuation of import of services by related parties, in case where full ITC is available....**

1. *If invoice raised by importing entity, the invoice value is treated as Open Market Value.*
2. *If no invoice raised, the value may be treated as Nil.*
3. *Transactions between entities within India earlier clarified through Circular 199 in the same way.*

**CBIC Circular No: 211/2024 dtd 26.06.2024****Section 16(4).....Time limit to take ITC...in the case of RCM (Unregistered Supplier).....will be based on the FY in which date of issue of Invoice by the recipient falls.**

1. *This benefit is .....for all years.....*
2. *This will help in all cases.....(SCN, Appeal cases....)*
3. *This is a Clarification and applies for all previous years.*

**CBIC Circular No: 212/2024 dtd 26.06.2024****Clarification regarding special procedure for proof of reversal of ITC by recipient in case of Post supply Discount by supplier.**

1. *This Circular deals with GST Credit Notes and not Financial Credit Notes.*
2. *This is applicable to the supplier and not to the recipient*
3. *CA Certificate / Declaration to be given to the supplier.*

**CBIC Circular No: 224/2024 dtd 11.07.2024****Guidelines for Recovery of arrears till GST Tribunal comes into operation.**

1. *Taxpayer to deposit pre deposit amount and file undertaking, so that no recovery steps will be taken. For payment, go to payment towards demand option in ledgers.*
2. *If already such amount paid through DRC 03, use DRC 03A. Till DRC 03A is available on the portal, inform DRC 03 to Officer for the time being.*

## Latest Circulars (CGST + SGST)

207/01/2024	26.06.2024	Fixing of monetary Limit for filing appeal by CGST Department. ( Tribunal, HC, SC)
208/02/2024	26.06.2024	Clarifications on certain issues - Special procedure for Registration of machines used for Pan Masala and Tobacco.....
209/03/2024	26.06.2024	Determination of Place of Supply in the case of sale of goods to unregistered person where the Billing Address and Delivery Address are different.
210/04/2024	26.06.2024	Valuation in the case of Import of services by a related or distinct entity from a foreign affiliate - if full ITC available, value may be Nil/Less, Cir 199.
211/05/2024	26.06.2024	Time limit to take ITC u/s 16(4) on self invoice issued (RCM from Unregistered Person) in a FY shall be 30th November of next FY.
212/06/2024	26.06.2024	Supplier to obtain CA Certificate / Declaration from recipients to prove that they have reversed ITC in respect of Credit Notes issued for Post Supply Discount.
213/07/2024	26.06.2024	No GST liability on allotment of shares by foreign holding company to employees of subsidiary. No import of services by subsidiary
214/08/2024	26.06.2024	ITC Reversal under Rule 42 on the portion of Insurance premium not included in taxable value - No ITC reversal is required.... Rule 32

215/09/2024	26.06.2024	Clarification...GST liability of Insurance companies on salvage value - if taken over the salvage, GST liability arises, otherwise, not.
216/10/2024	26.06.2024	Clarification...on warranty...GST liability and ITC..Continuation of Circular 195.....not only parts but Goods as such as well + Case of extended warranty
217/11/2024	26.06.2024	Clarification.....Availment of ITC by Insurance Companies..... in case of Reimbursement model of claim settlement....3 Clarifications.
218/12/2024	26.06.2024	Clarification regarding taxability of transaction of providing loans by a foreign company to its Indian affiliate or by a related person.... (No GST, No processing charges)
219/13/2024	26.06.2024	ITC is available on ducts and manholes in Optical Fibre Cable Networks..... (not part of immovable properties but part of plant and machinery)...ITC not blocked
220/14/2024	26.06.2024	Clarification on Place of supply of custodial services provided by banks to Foreign Portfolio Investors....(This is not banking service)
221/15/2024	26.06.2024	Clarification on Time of Supply in case of Construction and Maintenance of High way for NHAI under Hybrid Annuity Model.....Continuous supply of service

222/16/2024	26.06.2024	Clarification on Time of Supply of Services of spectrum usage or other similar services, treating them as a continuous supply of services and time of supply is at the time of supply.
223/17/2024	10.07.2024	The Proper Officer for Registration and Composition, changes from AC to Superintendent.... in CGST Department
224/18/2024	11.07.2024	Special procedure for stay of recovery of taxes confirmed in appeal but Tribunal is not set up.
225/19/2024	11.07.2024	Clarification on taxability and valuation of Corporate Guarantee.....(8 clarifications)
226/20/2024	11.07.2024	Special Refund Mechanism for claiming refund in case of upward revision after export of goods...
227/21/2024	11.07.2024	Detailed procedures for filing refund application electronically by Canteen Stores Department (50% Refund)
228/22/2024	15.07.2024	Clarification on certain services - Railway, RERA, Incentive sharing UPI, Reinsurance, Accommodation (Exemptions and Regularisations)
229/23/2024	15.07.2024	Clarification on GST Tax Rate and Classification of certain Goods.

04.05.2023	1/2023 GST	Guidelines for Special All india Drive against Fake GST Registrations.				
26.05.2023	2/2023 GST	SOP for scrutiny of Returns for FY 2019-20 onwards.				
14.06.2023	3/2023 GST	Guidelines for processing of application for registration.				
20.11.2023	4/2023 GST	CGST Officers shall issue DRC 01 and DRC 07 Electronically and also upload on Portal.				
13.12.2023	5/2023 GST	Guidelines for invoking section 74 in GST cases. Based on SC decision in NOS Case in Service Tax.				

30.03.2024	1/2023-24 GS'	Guidelines to CGST Department to ensure Ease of Doing Business in engaging in Investigations				
30.05.2024	1/2024-GST	Guidelines for initiation of recovery proceedings before 3 months of service of order.				
12.08.2024	2/2024-GST	Guidelines for 2nd Special All india Drive against Fake GST Registrations.				
14.08.2024	3/2024 GST	Guidelines to CGST Department to ensure Ease of Doing Business in engaging in Audits as well.				

## Latest Circulars & Instructions – Kerala SGST

Circular 1/2024	11.01.2024	Submission of Form Annexure 1, informing the intention to file appeal to GST Tribunal.						
Circular 2/2024	06.03.2024	ASTO at Central Regn unit notified as proper officer for Registration purposes.						
Circular 3/2024	23.03.2024	Guidelines for Proper Orders u/s 73/74 and importance of time limit to issue orders for first three years.						
Circular 4/2024	30.03.2024	Proper Numbering of SCN and Orders.						
Circular 5/2024	30.03.2024	Proper Numbering of Appeal Orders / Revision Orders.						
Circular 6/2024	06.04.2024	Non Issue of SCN 73/74.....if voluntarily paid. Submit all the detailed breakup of payment.						
Circular 7/2024	13.05.2024	Adjudication of all SCN u/s 76 gets shifted from Intelligence/Enforcement/Audit to Tax Payer Services...wef 13.05.2024						

Circular 8/2024	Nil	Nil																	
Circular 9/2024	24.05.2024	Processing of Refund application for refund of excess Kerala Flood Cess Paid.																	
Circular 10/2024	Nil	Nil																	
Circular 11/2024	Nil	Nil																	
Circular 12/2024	13.08.2024	Manner of calculating penalty under IGST Act for SCN issued u/ss 73/74 read with 20 of IGST Act																	
Circular 13/2024	19.07.2024	Processing of Scrutiny Notices issued u/s 61 ( ASMT 10 issued by AC/STO to be dealt with by DSTO/ASTO.)																	

CT/7520/2022-C1	23-02-2024	Transfer of selected SCN from some Jurisdictions to another Jurisdictions for faster disposal of adjudication.																	
SGST/2299/2024-PLC1	15-03-2024	Transfer of selected SCN from some Jurisdictions to another Jurisdictions for faster disposal of adjudication (Corregendum)																	
SGST/2544/2024-EID5	30-03-2024	Directions - Scrutiny of Returns - FY 2020-21 and onwards..... (old Directions discontinued )																	
GADT/PndC/APLN/4/2	03-04-2024	CBIC Circular.....Framework for Joint Audit by CGST and SGST Officers....																	
CT/2777/2024-PLC1	06-04-2024	Joint Commissioner, Taxpayer Services, can transfer SCN from one officer to another to manage volume.																	
CT/2777/2024-PLC1	25-06-2024	Joint Commissioner, Taxpayer Services, can transfer SCN from one officer to another to manage volume.																	
SGST/5128/2024-PLC6	19-07-2024	Additional Commissioner (Audit) is allowed to sanction extension of time for completion of Audit.																	



