

TAXWISE

Newsletter with a difference

**GL GST
LATEST**

B&B | BHATIA & BHATIA
ADVOCATES & SOLICITORS

KNOWLEDGE PARTNER
FINTAX ADVISORY SERVICES

Key Highlights of GST Notifications issued on September 30, 2019

Giving effect to recommendations made in 37th GST Council Meeting held on September 20, 2019 CBIC has issued notifications on September 30, 2019. These notifications shall be effective from October 1, 2019. The key highlights of notifications are given below.

Notification No. 42/2019-Central Tax

Central Government vide this notification brings into force Rule 10,11,12 and 26 of Central Goods and Services Tax (Fourth Amendment) Rules, 2019 issued under Notification No. 31/2019-Central Tax dated 28th June 2019.

Editorial Comment: Amendments made in rules pertaining to Registration in GST has been brought into force by this notification.

Notification No. 43/2019-Central Tax

Central Government vide this notification amended Notification No. 14/2019-Central tax dated 7th march 2019 so as to exclude manufacturers of aerated water from availing the benefit of Composition Scheme.

Notification No. 14/2019-Central Tax (Rate), Notification No. 14/2019-Union Territory Tax (Rate) and Notification No. 14/2019-Integrated Tax (Rate)

Following changes has been made in rates by central government vide these notifications

Particulars	New GST Rate
Marine Fuel 0.5%	5%
Wet grinder consisting of stone as a grinder	5%
Woven and Non- Woven Bags and sacks of Polyethylene Polypropylene strips, whether laminated or not.	12%
Parts of railway or tramway locomotives, wagons, coaches, etc., classified under tariff heading 8601 to 8608.	12%
Caffeinated Beverages	28%

Notification No. 15/2019-Central Tax (Rate), Notification No. 15/2019-Union Territory Tax (Rate) and Notification No. 15/2019-Integrated Tax (Rate)

Central Government vide these notifications exempted Dried Tamarind & plates and cups made of all kind of leaves or flower or bark.

Notification No. 16/2019-Central Tax (Rate)

Government has extended concessional GST rate benefit of 5% to petroleum or coal bed methane operations undertaken under specified contracts under the Hydrocarbon Exploration Licensing Policy (HELP) or Open Acreage Licensing Policy (OALP).

Notification No. 17/2019-Central Tax (Rate) and Notification No. 17/2019-Union Territory Tax (Rate) and Notification No. 17/2019-Integrated Tax (Rate)

Government vide these notifications exempted Supplies of Silver and Platinum by nominated agencies to registered persons under the Scheme for “Export against Supply by Nominated Agency” as prescribed under Notification No. 26/2018 - Central Tax (Rate), dated 31-12-2018.

Notification No. 18/2019-Central Tax (Rate)

Vide this notification Central Government excluded manufacturers of aerated waters from the purview of composition scheme by amending Notification No. 2/2019-Central tax Rate dated 7th March 2019.

Notification No. 19/2019-Central Tax (Rate) and Notification No. 19/2019-Union Territory Tax (Rate) and Notification No. 18/2019-Integrated Tax (Rate)

All goods supplied to Food & Agricultural Organization of the United Nations (FAO) for execution of specified projects vide aforesaid notifications has been exempted by Central Government respectively.

Notification No. 20/2019-Central Tax (Rate), Notification No. 20/2019-Union Territory Tax (Rate) and Notification No. 19/2019-Integrated Tax (Rate)

New Rates for accommodation, restaurant and other services vide Notification No. 20/2019-Central Tax (Rate), Notification No. 20/2019-Union Territory Tax (Rate) and Notification No. 19/2019-Integrated Tax (Rate).

S.No	Particulars	Rate	Condition
1.	'Hotel accommodation' having value of supply of a unit of accommodation above Rs. 1,000 but less than or equal to Rs.7,500 per unit per day or equivalent	12%	-
2.	Restaurant services other than at 'Specified premises'.	5%	ITC charged on goods and services used in supplying the service has not been taken
3.	Outdoor Catering or Composite supply of 'outdoor catering' together with renting of premises or supply of 'outdoor catering', at premises other than 'specified premises' provided by any person except- (a) suppliers providing 'hotel accommodation' at 'specified premises', or suppliers located in 'specified premises'	5%	ITC charged on goods and services used in supplying the service has not been taken
4.	Other professional, technical and business services relating to exploration, mining or drilling of petroleum crude or natural gas or both	12%	-
5.	Services by way of job work in relation to diamonds falling under chapter 71 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975)	1.5%	-
6.	Services by way of job work in relation to bus body building	18%	-

Note: Specified Premises means premises providing hotel accommodation services having declared tariff of any unit of accommodation above Rs. 7,500 per unit per day or equivalent

Notification No. 21/2019-Central Tax (Rate), Notification No. 21/2019-Union Territory Tax (Rate) and Notification No. 20/2019-Integrated Tax (Rate)

Certain services exempted vide Notification No. 21/2019-Central Tax (Rate), Notification No. 21/2019-Union Territory Tax (Rate) and Notification No. 20/2019-Integrated Tax (Rate):-

S.No.	Particulars	Rate	Condition
1.	Services provided by and to Federation International de Football Association (FIFA) and its subsidiaries directly or indirectly related to any of the events under FIFA U-17 Women's World Cup 2020 to be hosted in India.	NIL	Provided that Director (Sports), Ministry of Youth Affairs and Sports certifies that the services are directly or indirectly related to any of the events under FIFA U-17 Women's World Cup 2020
2.	Services by way of storage or warehousing of cereals, pulses, fruits, nuts and vegetables,	NIL	-
	spices, copra, sugarcane, jaggery, raw vegetable fibres such as cotton, flax, jute etc., indigo, unmanufactured tobacco, betel leaves, tendu leaves, coffee and tea.	NIL	-
3.	Services of life insurance provided or agreed to be provided by the Central Armed Police Forces (under Ministry of Home Affairs) Group Insurance Funds to their members under the Group Insurance Schemes of the concerned Central Armed Police Force	NIL	-
4.	Services by way of right to admission to the events organised under FIFA U-17 Women's World Cup 2020	NIL	-

Notification No. 22/2019-Central Tax (Rate)

Two new services notified under reverse charge mechanism which are:

- a. Services provided by way of renting of a motor vehicle provided to a body corporate by any person other than a body corporate, paying central tax at the rate of 2.5% on renting of motor vehicles with input tax credit only of input service in the same line of business.
- b. Services of lending of securities under Securities Lending Scheme, 1997 of d Exchange Board of India to Borrower (a person who borrows the securities under the Scheme through an approved intermediary of SEBI) by Lender (a person who deposits the securities registered in his name or in the name of any other person duly authorized on his behalf with an approved intermediary for the purpose of lending under the Scheme of SEBI)

Notification No. 23/2019-Central Tax (Rate)

Government has notified that special procedure prescribed for payment of taxes in case of supply of development right services shall not be applicable and will be rescinded for development right services supplied on or after April 1, 2019.

Editorial Comment: *Central government vide this notification amended notification No. 4/2018 - Central Tax (Rate), dated the 25th January, 2018. In this notification Central Government defined time of supply of services between the person who supplies development rights to a developer, builder, construction company or any other registered person against consideration, wholly or partly, in the form of construction service of complex, building or civil structure; and (b) registered persons who supply construction service of complex, building or civil structure to supplier of development rights against consideration, wholly or partly, in the form of transfer of development rights.*

The liability to pay central tax at the time of supply of services by the said developer, builder, construction company or any other registered person, as the case may be, transfers possession or the right in the constructed complex, building or civil structure, to the person supplying the development rights by entering into a conveyance deed or similar instrument has been now rescinded by the government.

Notification No. 24/2019-Central Tax (Rate)

Reverse charge will be applicable on the goods 'Cement falling in chapter heading 2523 in the first schedule to the Customs Tariff Act, 1975 (51 of 1975) supplied by unregistered supplier to promoter without any condition or limit.

Editorial Comment: *Government has widened the applicability of reverse charge on cement supplied by unregistered supplier to promoters.*

Notification No. 25/2019-Central Tax (Rate)

Government has clearly provided that service by way of grant of alcoholic liquor license, against license fee or application fee shall be neither be treated as supply of goods nor supply of service.

Notification No. 04/2019- Integrated Tax

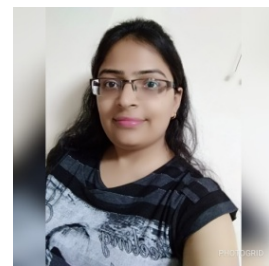
Government has notified place of supply for research and development services related to pharmaceutical sector. The place of supply for supply for research and development services related to pharmaceutical sector shall be the place of effective use and enjoyment of a service, i.e., recipient of services. The place of supply of services shall be the location of the recipient of services subject to fulfillment of the conditions that they are provided as per a contract between the service provider located in taxable territory, service recipient located in non- taxable territory, the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by the Reserve Bank of India] and the supplier of service and the recipient of service are not merely establishments of a distinct person.

Notification No.3/2019-Compensation Cess (Rate)

Government has notified that for tobacco and manufactured tobacco substitutes, no refund of unutilized input tax credit of compensation cess shall be allowed where compensation cess credit has been accumulated on account of inverted duty structure i.e. GST on inputs being higher than the rate of compensation cess on the output supplies of such goods (other than nil rated or fully exempt supplies).



Adv. Vineet Bhatia
Mob. 9811081159



CA Deepali Mishra
Mob. 9711727711