



INDIRECT TAX

- **GST Law**
- **Customs Act & Rules**



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SR No. of Finance Bill,2022	Sec No. as per <u>CGST</u> <u>Act,2017</u>	Effect of Amendment (Interpretation)
99	16(2)(ba)	ITC can only be availed when such details have been mentioned in GSTR 2B
99	16(4)	ITC of invoices or debit note cannot be availed after 30th September 30 th November of the next financial year from the date of the invoice or furnishing of annual return, whichever is earlier
100	29(2)(b)	Registration of Composition taxpayer will be cancelled if return is not filed within 3 months of due date
100	29(2)(c)	Registration of a registered taxpayer maybe cancelled if return has not been filed for 6 months prescribed tax periods
101	34(2)	ITC of credit note cannot be availed after 30th September 30 th November of the next financial year from the date of the invoice or furnishing of annual return whichever is earlier
102	37 (4)	Section 37 is being amended so as to: <ul style="list-style-type: none"> ▪ A registered person shall not be allowed to furnish the details of outward supplies (GSTR 1) under sub section 1 or a tax period, if the details

		<p>of outward supplies for any of the previous tax periods has not been furnished by him.</p> <ul style="list-style-type: none"> ▪ Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the details of outward supplies under sub section 1 even if he has not furnished the details of outward supplies for one or more previous tax periods
103	38	<p>The details of outward supply furnished by the supplier in GSTR 1 shall be made available electronically to the recipients in auto generated statement namely GSTR 2B.</p> <p>GSTR 2B shall consist of details of inward supplies in respect of which input tax credit may be available to recipient.</p> <p>However, restriction shall be placed wherein input tax credit reflecting in GSTR 2B cannot be availed, whether wholly or partly, by the recipient, in the following cases;</p> <ul style="list-style-type: none"> ▪ Details of supplies furnished by the registered person within such period of taking

		<p>registration as may be prescribed (Mechanism awaited in GST portal)</p> <ul style="list-style-type: none"> ▪ Supplier has defaulted in payment of tax and such default has continued for the prescribed period (Condition of which provides for GSTR 3B filing status of supplier) ▪ Output Tax payable as per GSTR 1 > output tax liability paid through GSTR 3B; and such difference exceeds the prescribed limit (3B. However, the limit is yet to be prescribed). ▪ ITC availed by supplier > ITC available in his GSTR 2B; and such difference exceeds prescribed limit (Mechanism Awaited) - <i>In other words, the recipients have been asked to ensure that their suppliers are availing only input tax credit which is available in GSTR 2 B of the supplier</i> ▪ Supplier has defaulted in discharging his tax liability in accordance with Section 49(12) i.e., ITC can be utilized upto a specified limit for discharging output tax liability (Mechanism awaited)
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		<ul style="list-style-type: none"> ▪ Such other class of person as may be prescribed (Yet to be prescribed)
104	39	<p>Section 39 is being amended so as to:</p> <ul style="list-style-type: none"> ▪ Provide that the non-resident taxable person shall furnish the return for a month by 13th day of the following month ▪ Provide an option to the persons furnishing return under proviso to sub-section (1), to pay either the self-assessed tax or an amount that may be prescribed ▪ Provide for an extended time upto 30th of November of the following financial year, for rectification of errors in the return furnished under section 39; ▪ Provide for furnishing of details of outward supplies of a tax period under sec 37(1) as a condition for furnishing the return under section 39 for the said tax period.
104	39(5)	<p>Non-resident taxable person shall within 20 days 13 days after the end of a month or within seven days after the last day of the period of registration u/s 27 w.e. is earlier</p>
105	41	<p>Concept of provisional tax has been deleted. Now, ITC can be availed on the basis of self-assessment.</p>

105	41(2)	The credit of input tax availed by a registered person under sub section 1 in respect of such supplies of goods or services or both, the tax payable whereon has not been paid by the supplier, shall be reversed along with applicable interest , by the said person in such manner as may be prescribed: Provided that where the said supplier makes payment of the tax payable in respect of the aforesaid supplies, the said registered person may re avail the amount of credit reversed by him in such manner as may be prescribed
106	42,43, 43A	Omitted
107	47(1)	Levy of late fee for delayed return filing under section 37, 38 , 39, 45 and 52
108	48(2)	GST Practitioner is not required to furnish details of inward supplies furnished as per section 38
109	49(4)	It provides for prescribing restrictions for utilizing the amount available in the electronic credit ledger

109	49(10)	It allows transfer of amount available in electronic cash ledger under the CGST Act of a registered person to the electronic cash ledger under the said Act or the IGST Act of a distinct person;
109	49(12)	It provides for prescribing the maximum proportion of output tax liability which may be discharged through the electronic credit ledger.
110	50(3)	Interest shall be levied on ITC wrongly availed or utilised
111	52(6)	Amendments made by e-com operators can be made till 30th September 30 th November or the last day of furnishing the return whichever is earlier.
112	54(1)	Explicitly provide that refund claim of any balance in the electronic cash ledger shall be made in such form and manner as may be prescribed
	54(2)	Provide the time limit for claiming refund of tax paid on inward supplies of goods or services or both under section 55 as two years from the last day of the quarter in which the said supply was received

	54(10)	Extend the scope of withholding of or recovery from refunds in respect of all types of refund
	54(2)(ba)	Provided clarity regarding the relevant date for filing refund claim in respect of supplies made to a Special Economic Zone developer or a Special Economic Zone unit by way of insertion of a new sub-clause (ba) in clause (2) of Explanation thereto
113	168(2)	The Commissioner specified in clause (91) of section 2, section 5(3), section 25(9)(b), section 35 of sub-sections (3) and (4), section 37(1), sub-section(2) of section 38 , section 39 (6), section 66 (5), section 143(1), section 151(1), section 158(3)(l) and section 167 shall mean a Commissioner or Joint Secretary posted in the Board and shall exercise the powers specified in the said sections with the approval of the Board.
114	-	Retrospective effect from 22nd June 2017 for Notification No. 9/2018 – Central Tax, using Goods and Services Tax Electronic Portal for facilitating registration, payment of tax, furnishing of returns and computation and settlement of integrated tax, other than other than those provided for e-way bill and for generation of invoices under sub-rule (4) of rule 48 of the CGST Rules.

SR No. of Finance Bill,2022	Sec No. as per <u>IGST Act,2017</u> & <u>UTGST Act, 2017</u>	Effect of Amendment (Interpretation)
115,118, 121	50(3)	Interest will be charged at 18% p.a. retrospectively w.e.f. 1st July, 2017 on undue or excess claim of ITC. (Ref: Notification No. 6/2017)
116,119, 122	-	Retrospective exemption from integrated tax, central tax & Union Territory Tax (from 1st July,2017 to 30th Sept 2019, both days inclusive) in case of unintended waste generated during production of fish meal (HSN: 2301), except fish oil. Also no refund shall be made of the said tax which has already been collected.

117,120, 123	-	Service by way of grant of alcoholic liquor license, against consideration in the form of license fee or application fee - declared as an activity or transaction which shall be treated neither as a supply of goods nor a supply of service (vide Not. No. 25/2019- Central Tax, Not. No. 24/2019- Integrated Tax, Not. No. 25/2019- Union Territory Tax). These notifications have been given retrospective effect from 01.07.2017.
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SR No. of Finance Bill 2022	Sec Amended of Customs Act 1962	Effect of Amendment (Interpretation)
85	2(34)	Assignment of functions to custom officers under newly inserted sub-sections (1A), (1B) of Section 5 of Custom Act, 1962.
86	3	Section 3 has been substituted and class/ranks of officers has been redefined to include the officers of DRI, Audit and Preventive formation in the class of Officers.
87	5	Sub-Section (1A) and (1B) has been inserted to <u>provide power of assignment</u> of function to custom officers by CBIC and Principal Commissioner of Customs or Commissioner of Customs. Sub-Section (4) has been inserted to <u>delineate the criteria</u> which the Board may adopt while imposing limitations or conditions under sub-section (1) or while assigning functions under sub-section (1A) to the officer of Customs.

		Sub-Section (5) has been inserted and which allows 2 or more officers of customs, <u>can concurrently exercise powers and functions.</u>
88	14	Additional obligations of the importer in respect of a class of imported goods whose value is not being declared correctly.
89	28E	Explanation in definition of applicant, and Definitions of non-resident, Indian and Foreign Company has been omitted.
90	28H	Appropriate fees by Board relating to application for advance Ruling has been prescribed. Application may be withdrawn before ruling is pronounced from current 30 days time period. Consequently, sub section (3) has been omitted.
91	28I	Word “Members” has been removed.
92	28J	Advance ruling is now valid for period of 3 years or till there is change in law or facts on which ruling is pronounced whichever is earlier.

		Proviso is inserted to provide that the <u>advance rulings in force on date on which finance bill receives president assent, the 3 years period will be reckoned from date of assent of president.</u>
93	110AA	Original function duly exercised by an officer of competent jurisdiction, is the subject matter of a subsequent inquiry, investigation, audit or any other purpose. <u>Officer originally exercising such jurisdiction shall have sole authority to exercise jurisdiction for further actions</u> consequent to the completion of such inquiry, investigation, audit or any other purpose.
94	135AA	<u>Protection of Import and Export data</u> submitted to customs by importers and exporters in their declarations by making <u>publishing such information an offence</u> under Customs Act unless provided by law.

Other Legislative Amendment pertaining to Customs

SR No of Finance Bill 2022	Effect of Amendment
96	A New Clause has been inserted under Finance Bill 2022 which gives validation to any action or functions performed before date of commencement of Finance Act, 2022 by custom officers where such action was in pursuance of their appointment and assigning of functions by Central Government or CBIC.
97(b)	Alignment of Indian Tariff with the Complementary Amendments to the HS-2022 published by WCO, as signatory to HS Convention (w.e.f. 01-05-2022)

Amendments (As per attached hyperlink)

- **Changes in Custom tariff Act, 1975(Material Wise) w.e.f. 02.02.2022, unless otherwise specified**
- **Pruning And Review Of Customs Duty Concessions/ Exemptions**
- **Changes in Duty Concessions On Specified Items**
- **Exemptions from Levy of Social Welfare Surcharge [SWS] on Various Items**
- **Other Miscellaneous Changes in Concession On Imports**



Custom Rate changes.pdf

SR No of Finance Bill 2022	Sec Amended of Customs Act 1962	Effect of Amendment (Interpretation)
-	Circular No. 3/2022- Customs	<p><u>Applicability of Social Welfare Surcharge</u></p> <ul style="list-style-type: none"> ▪ Calculated at the rate of 10 % on the aggregate of duties, taxes and cesses which are levied and collected by the Central Government as a duty of customs on goods imported into India ▪ If aggregate customs duty payable is zero on account of an exemption, the SWS shall be computed as 10% of value equal to 'Nil'. Law does not require computation of SWS on a notional customs duty calculated at tariff rate where applicable aggregate of duties of customs is zero.

Changes in Rules Under The Customs Act, 1962

SR No of Finance Bill 2022	Effect of Amendment (Interpretation)
1	<p>Trade Facilitation</p> <p>Customs Rules, 2017 are being amended to provide the following facilities:</p> <ul style="list-style-type: none"> ▪ To introduce end to end automation in the entire process. ▪ Standardizing and notifying the various forms in which details are to be submitted electronically. ▪ Leveraging the advantage of such submissions electronically ▪ Consequently, the procedure to claim the notification benefit is being simplified and automated. ▪ For effective monitoring of the use of goods for the intended purposes, a Monthly Statement is being proposed which is to be submitted by the importer on the Common Portal. ▪ An option for voluntary payment of the necessary duties and interest, through the Common Portal is being provided to the importer.

ANTI-DUMPING DUTY (ADD)/ COUNTERVAILING DUTY (CVD)/ SAFEGUARD MEASURES

SR No of Finance Bill 2022	Effect of Amendment (Interpretation)
1	<p>Anti-Dumping duty (ADD) is being permanently revoked, on imports of the following;</p> <ul style="list-style-type: none"> ▪ Straight Length Bars and Rods of alloy-steel, imposed vide notification No. 54/2018-Cus (ADD) ▪ High Speed Steel of Non-Cobalt Grade, imposed vide notification No.38/2019-Cus (ADD) ▪ Flat rolled product of steel, plated or coated with alloy of Aluminum or Zinc, imposed vide notification No. 16/2020-Cus (ADD) <p>Countervailing duty (CVD) is being permanently revoked on;</p> <ul style="list-style-type: none"> ▪ Imports of Certain Hot Rolled and Cold Rolled Stainless Steel Flat Products, originating in or exported from People’s Republic of China, imposed vide notification No. 1/2017-Cus (CVD)

DUTY CONCESSIONS ON SPECIFIED ITEMS WHEN IMPORTED BY BONAFIDE EXPORTERS

SR No of Finance Bill 2022	Effect of Amendment (Interpretation)
1	<p>A scheme for duty-free imports for the purpose of use in goods meant for export, based on end-use monitoring and exporting value added products within a period of six months.</p> <p>The following changes are being made to operationalize the scheme as detailed under;</p> <ul style="list-style-type: none"> ▪ Conditions required for availing exemptions vide S. No. 257 are being amended. ▪ S. No. 257A is being inserted to provide for conditional exemptions for import of specified items like decorative papers, motifs, back of photo frames, etc. to be used in manufacture of handicraft products meant for exports. ▪ S. No. 257B is being inserted to provide for conditional exemptions for import of specified items like fasteners, inlay cards, lining and inter-lining materials, wet blue chrome tanned leather, etc. to be used in manufacture of textile or leather garments meant for exports. ▪ S. No. 257C is being inserted to provide for conditional exemptions for import of specified items like buckles, buttons, locks etc. to be used in

	<p>manufacture of leather or synthetic footwears, or other leather products meant for exports.</p> <ul style="list-style-type: none"> ▪ S. No. 288, having been subsumed under new S. No. 257B, is being omitted.
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