



Lawgics

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Serial No. 047
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Section 49 & relevant rules shall be discussed in 3 parts:

Section 49(1) and 49(3) read with Rule 87

Lawgics Serial No. 047
Dated: 15-03-2023

Section 49(2), 49(4), 49(5) and 49(6) read with Rule 86, Rule 88A

Lawgics Serial No. 048
Dated: 16-03-2023

Section 49(7), 49(8), 49(9), 49(10), 49(11) and 49(12) read with Rule 85, Rule 88

Lawgics Serial No. 049
Dated: 17-03-2023

Section 49(1) and 49(3) read with Rule 87

Section 49: Payment of tax, interest, penalty and other amounts

Section 49(1)	Every deposit made towards tax, interest, penalty, fee or any other amount by a person by internet banking or by using credit or debit cards or National Electronic Fund Transfer or Real Time Gross Settlement or by such other mode and subject to such conditions and restrictions as may be prescribed, shall be credited to the electronic cash ledger of such person to be maintained in such manner as may be prescribed.
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Section 49(3)	The amount available in the electronic cash ledger may be used for making any payment towards tax, interest, penalty, fees or any other amount payable under the provisions of this Act or the rules made thereunder in such manner and subject to such conditions and within such time as may be prescribed.
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Rule 87: Electronic Cash Ledger

Rule 87(1)	The electronic cash ledger under sub-section (1) of section 49 shall be maintained in FORM GST PMT-05 for each person, liable to pay tax, interest, penalty, late fee or any other amount, on the common portal for crediting the amount deposited and debiting the payment therefrom towards tax, interest, penalty, fee or any other amount.
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Section 49(1) & 49(3) read with Rule 87(1) Interpretation	Electronic Cash ledger is like an E-wallet maintained on GST portal in PMT-05. It contains all the records of deposit by taxpayer through e-payment mode such as internet banking, debit/ credit cards, NEFT, RTGS, UPI etc. and payment discharged towards tax, interest, penalty, late fee or other amounts.
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Rule 87(2)	Any person, or a person on his behalf, shall generate a challan in FORM GST PMT-06 on the common portal and enter the details of the amount to be deposited by him towards tax, interest, penalty, fees or any other amount:
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	<p>Provided that the challan in FORM GST PMT-06 generated at the common portal shall be valid for a period of fifteen days.</p>
<p>Rule 87(2) Interpretation</p>	<p><u>Generation of Challan</u></p> <p>PMT-06 is a challan for deposit of any tax, interest, penalty, late fee or any other amount payable under this Act, to be generated on GST portal. Once generated its validity is 15 days. If not used within 15 days, it loses its validity and then a fresh challan needs to be generated for making a deposit. A generated challan needs to be paid through any e-modes of payment so that the proceeds get credited to Electronic Cash Ledger for discharge of liability under the Act.</p>
<p>Rule 87(3)</p>	<p>The deposit under sub-rule (2) shall be made through any of the following modes, namely: -</p> <ul style="list-style-type: none"> (i) Internet Banking through authorised banks; (ia) Unified Payment Interface (UPI) from any bank; (ib) Immediate Payment Services (IMPS) from any bank; (ii) Credit card or Debit card through the authorised bank; (iii) National Electronic Fund Transfer or Real Time Gross Settlement from any bank; or (iv) Over the Counter payment through authorised banks for deposits up to ten thousand rupees per challan per tax period, by cash, cheque or demand draft: <p>Provided that the restriction for deposit up to ten thousand rupees per challan in case of an Over-the-Counter payment shall not apply to deposit to be made by –</p> <ul style="list-style-type: none"> (a) Government Departments or any other deposit to be made by persons as may be notified by the Commissioner in this behalf; (b) Proper officer or any other officer authorised to recover outstanding dues from any person, whether registered or not, including recovery made through attachment or sale of movable or immovable properties; (c) Proper officer or any other officer authorised for the amounts collected by way of cash, cheque or demand draft during any investigation or enforcement activity or any adhoc deposit: <p>Provided further that a person supplying online information and database access or retrieval services from a place outside India to a non-taxable online recipient referred to in section 14 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) may also make the deposit under sub-rule (2) through international money transfer through Society for Worldwide Interbank Financial Telecommunication payment network, from the date to be notified by the Board.</p> <p>Explanation. – For the purposes of this sub-rule, it is hereby clarified that for making payment of any amount indicated in the challan, the commission, if any, payable in respect of such payment shall be borne by the person making such payment.</p>
<p>Rule 87(3) Interpretation</p>	<p><u>Mode of deposit in Electronic Cash Ledger</u></p> <ul style="list-style-type: none"> • NEFT, RTGS, Net Banking, Credit or Debit Card, UPI and IMPS are permitted modes of E-payment of challan for making a deposit in Electronic Cash Ledger. • Over the Counter (OTC) payment through Authorized Bank is permitted up to Rs. 10,000/- per challan per tax period by Cash/ DD/ Cheque, except in cases where deposits are made by: - <ul style="list-style-type: none"> i. Government Department or Notified class of person ii. Proper Officer to recover outstanding dues iii. For the amount collected by way of Cash, cheque DD during any investigation or enforcement activity or any adhoc payment • A person supplying OIDAR services from a place outside India to a non-taxable online recipient may make the payment through International Money Transfer funds as notified for this purpose from the date to be notified by the Board.
<p>Rule 87(4)</p>	<p>Any payment required to be made by a person who is not registered under the Act, shall be made on the basis of a temporary identification number generated through the common portal.</p>

Rule 87(4) Interpretation	<p><u>Payment by Unregistered Person</u></p> <p>Unregistered person needs to apply for TIN (Temporary Identification Number) for the purpose of generating challan on the GST portal which can be paid through any E-payment mode.</p>
Rule 87(5)	<p>Where the payment is made by way of National Electronic Fund Transfer or Real Time Gross Settlement mode from any bank, the mandate form shall be generated along with the challan on the common portal and the same shall be submitted to the bank from where the payment is to be made:</p> <p>Provided that the mandate form shall be valid for a period of fifteen days from the date of generation of challan.</p>
Rule 87(6)	On successful credit of the amount to the concerned government account maintained in the authorised bank, a Challan Identification Number shall be generated by the collecting bank and the same shall be indicated in the challan.
Rule 87(7)	On receipt of the Challan Identification Number from the collecting bank, the said amount shall be credited to the electronic cash ledger of the person on whose behalf the deposit has been made and the common portal shall make available a receipt to this effect.
Rule 87(8)	<p>Where the bank account of the person concerned, or the person making the deposit on his behalf, is debited but no Challan Identification Number is generated or generated but not communicated to the common portal, the said person may represent electronically in FORM GST PMT-07 through the common portal to the bank or electronic gateway through which the deposit was initiated.</p> <p>Provided that where the bank fails to communicate details of Challan Identification Number to the Common Portal, the Electronic Cash Ledger may be updated on the basis of e-Scroll of the Reserve Bank of India in cases where the details of the said e-Scroll are in conformity with the details in challan generated in FORM GST PMT-06 on the Common Portal.</p>
Rule 87(5), 87(6), 87(7) & 87(8) Interpretation	<p><u>Challan Identification Number</u></p> <p>After successful payment by taxpayer, a Challan Identification Number (CIN) is generated in the challan by the collecting bank and the amount shall be credited to the Electronic Cash Ledger maintained on the portal.</p> <p>In case payment is deducted from the Bank Account of taxpayer but CIN is not generated or not communicated on GST Portal, then such person can make an application in PMT-07 to the bank or electronic gateway through which the deposit was initiated.</p> <p>It has been provided that where the bank fails to communicate details of CIN to GST Portal, the Electronic Cash Ledger may be updated on the basis of e-Scroll of the RBI.</p>
Rule 87(9)	Any amount deducted under section 51 or collected under section 52 and claimed by the registered taxable person from whom the said amount was deducted or, as the case may be, collected shall be credited to his electronic cash ledger.
Rule 87(9) Interpretation	<p><u>Claim of TDS Deducted/ TCS Collected</u></p> <p>The amount of TDS Deducted/ TCS Collected claimed by the registered taxable person on the GST Portal shall be credited to the electronic cash ledger.</p>
Rule 87(10)	Where a person has claimed refund of any amount from the electronic cash ledger, the said amount shall be debited to the electronic cash ledger.
Rule 87(11)	If the refund so claimed is rejected, either fully or partly, the amount debited under sub-rule (10), to the extent of rejection, shall be credited to the electronic cash ledger by the proper officer by an order made in FORM GST PMT-03.

Rule 87(10) & 87(11) Interpretation	<p><u>Refund from Electronic Cash Ledger</u></p> <p>When a registered person files an application for refund from Electronics Cash Ledger, the ledger is immediately Debited. In case Refund is rejected either fully or partly, then amount debited to the extent of rejection, shall be credited back to Electronic Cash Ledger by order made in PMT-03 by the proper officer.</p>
Rule 87(12)	<p>A registered person shall, upon noticing any discrepancy in his electronic cash ledger, communicate the same to the officer exercising jurisdiction in the matter, through the common portal in FORM GST PMT-04.</p> <p>Explanation 1.- The refund shall be deemed to be rejected if the appeal is finally rejected.</p> <p>Explanation 2. – For the purposes of this rule, it is hereby clarified that a refund shall be deemed to be rejected, if the appeal is finally rejected or if the claimant gives an undertaking to the proper officer that he shall not file an appeal.</p>
Rule 87(12) Interpretation	<p>Upon noticing any discrepancy in his electronic cash ledger, A registered person shall communicate the same to the officer through GST portal in PMT-04.</p> <p>If the claimant undertakes that he shall not file an appeal against the rejection of refund from Electronics Cash Ledger, then the proper officer shall credit back the amount so rejected in the electronic cash ledger in PMT-03.</p>
Rule 87(13)	<p>A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under the Act to the electronic cash ledger for integrated tax, central tax, State tax or Union territory tax or cess in FORM GST PMT-09.</p>
Rule 87(13) Interpretation	<p><u>Transfer of amount within same GSTIN</u></p> <p>This rule comes into effect from 21.04.2020 vide Notification No. 37/2020 – CT dated 28.04.2020.</p> <p>If one has paid a wrong tax, like CGST in place of SGST, then it can be shifted using prescribed challan PMT-09. PMT-09 consists of minor and major heads. Any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger can be transferred from one account head to another. The reallocation of tax can be from major head to minor head and vice versa. PMT-09 enables to perform intra-head or inter-head transfer of amount as available in Electronic Cash Ledger. Thus, a taxpayer can file PMT-09 for transfer of any amount of tax, interest, penalty, fee or others, under one (major or minor) head to another (major or minor) head, as available in the Electronic Cash Ledger within same GSTIN.</p>
Rule 87(14)	<p>A registered person may, on common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under the Act to the electronic cash ledger for central tax or integrated tax of a distinct person as specified in sub-section (4) or, as the case may be, sub section (5) of section 25, in FORM GST PMT-09:</p> <p>Provided that no such transfer shall be allowed if the said registered person has any unpaid liability in his electronic liability register.</p>
Rule 87(14) Interpretation	<p><u>Transfer of amount to different GSTIN on same PAN</u></p> <p>This Rule comes into effect on GST portal vide Notification No.14/2022 – CT dated 05.07.2022.</p> <p>It enables the taxpayer to transfer the available cash ledger balance from one GSTIN to another GSTIN on the same PAN. It enables the taxpayer to transfer cash balance from one GSTIN to another, if the same PAN is registered for both the entities. It can be used by GST registered entities who have multiple GSTINs under the same PAN to transfer funds between their own accounts. It was provided that a registered person may transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under CGST Act to the electronic cash ledger for central tax or integrated tax of a distinct person in PMT-09 on the GST portal. Thus, transfer under SGST head is not allowed.</p>

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