



# Lawgics

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## Section 53A of CGST Act, 2017

### 53A. Transfer of certain amounts.

Where any amount has been transferred from the electronic cash ledger under this Act to the electronic cash ledger under the State Goods and Services Tax Act or the Union territory Goods and Services Tax Act, the Government shall, transfer to the State tax account or the Union territory tax account, an amount equal to the amount transferred from the electronic cash ledger, in such manner and within such time as may be prescribed.

## Our Interpretation

Section 53A

### Transfer of Certain Amounts

Section 53A was inserted w.e.f. 01-01-2020 vide Notification No. 01/2020-CT dated 01-01-2020.

This section provides for transfer of any amount from the electronic cash ledger between Centre & State, consequential to the amendment in section 49 of the Act, allowing transfer of an amount from one head to another in electronic cash ledger of a taxpayer. Rule 87(13) and Rule 87(14) are to be read with this section.

As per Rule 87(13), the CBIC has introduced PMT-09 (i.e., a challan) to enable a registered taxpayer to transfer any amount of tax, interest, penalty, etc. that is available in the electronic cash ledger, to the appropriate tax or cess head under IGST, CGST and SGST in electronic cash ledger. Hence, if a taxpayer has wrongly paid CGST instead of SGST, he can rectify the same using PMT-09 by reallocating the amount from the CGST head to the SGST head. The facility to use PMT-09 was made LIVE on the GST Portal on 21-04-2020.

As per Rule 87(14), the PMT-09 got an additional use from 5<sup>th</sup> July 2022 vide Notification No. 14/2022-CT dated 05-07-2022. A taxpayer can transfer the available cash ledger balance from one GSTIN to another GSTIN on the same PAN. A taxpayer can in the capacity of a distinct person transfer the CGST balance in one GSTIN's cash ledger to another GSTIN in the form of CGST or IGST using PMT-09.

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