



Lawgics

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Section 97 of CGST Act, 2017



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97. Application for advance ruling.

(1) An applicant desirous of obtaining an advance ruling under this Chapter may make an application in such form and manner

and accompanied by such fee as may be prescribed, stating the question on which the advance ruling is sought.

(2) The question on which the advance ruling is sought under this Act, shall be in respect of,—

- (a) classification of any goods or services or both;
- (b) applicability of a notification issued under the provisions of this Act;
- (c) determination of time and value of supply of goods or services or both;
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;
- (e) determination of the liability to pay tax on any goods or services or both;
- (f) whether applicant is required to be registered;
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

Rule 104 –Form and manner of application to the Authority for Advance Ruling

(1) An application for obtaining an advance ruling under sub-section (1) of section 97 shall be made on the common portal in FORM GST ARA-01 and shall be accompanied by a fee of five thousand rupees, to be deposited in the manner specified in section 49.

(2) The application referred to in sub-rule (1), the verification contained therein and all the relevant documents accompanying such application shall be signed in the manner specified in rule 26.

Our Interpretation

Section 97
read with
Rule 104

This section specifies the matters in respect of which an advance ruling can be sought and prescribes the form and manner in which an application for advance ruling may be filed.

An applicant who wants to seek an advance ruling should make an application online in ARA-01 together with a fee of Rs. 5000/-stating the question on which such a ruling is sought.

The said fee of Rs. 5,000/- shall be paid by the applicant under the CGST Act and the respective State GST Act utilising the amount in the Electronic Cash Ledger.

The application shall be digitally signed through Digital Signature Certificate (DSC) or Electronic Verification Code (EVC).

The questions or issues in respect of which an advance ruling is sought must be direct and specific. The facts brought out in the application should be pertinent to the issue at hand.

The advance ruling can be sought on the following subject matters:

- (a) Classification of any goods or services or both;
- (b) Applicability of notification issued under the GST law;
- (c) Determining the time and value of supply of goods or services or both;
- (d) Input credit admissibility of tax paid or deemed to be paid;
- (e) Determination of liability to pay tax on any goods or services or both;
- (f) Requirement for registration by an applicant;
- (g) Whether any particular thing done by the applicant amounts to or results in supply of goods or services or both.

Thus, the Authority for Advance Ruling (AAR) will not admit questions or matters which fall outside the purview of the above-stated issues. The matters relating to determination of place of supply are beyond the scope of matters to be decided by the AAR. This emanates from the fact that the ruling given by the AAR will be applicable only within the jurisdiction of the concerned state or union territory and not beyond.

The advance ruling cannot be sought on matters such as those relating to:

- (a) Transitional credits
- (b) E-way bill requirements
- (c) Anti-Profiteering issues
- (d) Restraining officers from initiating a proceeding under the Act

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