

CGST ACT, 2017

BUDGET ANALYSIS 2022-23

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CGST Act 2017:

Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
99	16(2)(ba)	Newly Inserted	(ba) the details of input tax credit in respect of the said supply communicated to such registered person under section 38 has not been restricted	It has been made mandatory to avail ITC only in terms of GSTR-2B which has been communicated in terms of Section 38. Further, department may communicate on the portal or GSTR-2B itself, about non-filer of GSTR-3B and such credit also will not be allowed to be taken.
99	16(2)(c)	(c) subject to the provisions of section 41 or section 43A, the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply; and	(c) subject to the provisions of section 41 or section 43A , the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply; and	Now, section 43A has become redundant for the purpose of restricting ITC, since ITC to be availed only in terms of GSTR-2B
99	16(4)	(4) A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such	(4) A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the thirtieth day of November following the end of financial year to which such invoice or debit note pertains or furnishing of the relevant annual return, whichever is earlier.	Date of availing credit has been extended and earlier due date of filing return for the month of Sept has been replaced with 30th Nov.

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		invoice or debit note pertains or furnishing of the relevant annual return, whichever is earlier.		
100	29 (b) 29(c)	<p>Cancellation of Registration :</p> <p>(b) a person paying tax under section 10 has not furnished returns for three consecutive tax periods; or</p> <p>(c) any registered person, other than a person specified in clause (b), has not furnished returns for a continuous period of six months; or</p>	<p>Cancellation of Registration :</p> <p>(b) a person paying tax under section 10 has not furnished the return for a financial year beyond three months from the due date of furnishing the said return or</p> <p>(c) any registered person, other than a person specified in clause (b), has not furnished returns for a such continuous tax period as may be Prescribed ; or</p>	<p>The registration of taxpayer opted for Composition Scheme, if do not file the return beyond three months of the due date, then registration can be suspended / cancelled.</p> <p>Department has been empowered to notify the period of returns if not filed for the purpose of suspension / cancellation of registration.</p>
101	34(2)	<p>Credit and debit notes:</p> <p>(2) Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in the return for the month during which such credit note has been issued but not later than September following the end of the financial year in which such supply was made, or the date of furnishing of the relevant annual return, whichever</p>	<p>Credit and debit notes:</p> <p>(2) Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in the return for the month during which such credit note has been issued but not later than November following the end of the financial year in which such supply was made, or the date of furnishing of the relevant annual return, whichever is earlier, and the tax liability shall be adjusted in such manner as may be prescribed:</p>	<p>Sub-section (2) of section 34 of the CGST Act is being amended so as to provide for an extended time for issuance of credit notes in respect of any supply made in a financial year upto thirtieth day of November of the following financial year.</p>

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		is earlier, and the tax liability shall be adjusted in such manner as may be prescribed:		
102	37(1)	<p>*Section 37. Furnishing details of outward supplies. –</p> <p>(1) Every registered person, other than an Input Service Distributor, a non-resident taxable person and a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected during a tax period on or before the tenth day of the month succeeding the said tax period and such details shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed:</p> <p>Provided that the registered person shall not be allowed to furnish the details of outward</p>	<p>*Section 37. Furnishing details of outward supplies. –</p> <p>(1) Every registered person, other than an Input Service Distributor, a non-resident taxable person and a person paying tax under the provisions of section 10 or section 51 or section 52, subject to such conditions and restrictions and in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected during a tax period on or before the tenth day of the month succeeding the said tax period and such details shall, subject to such conditions and restrictions, within such time and in such manner as may be prescribed, be communicated to the recipient of the said supplies.</p> <p>Provided that the registered person shall not be allowed to furnish the details of outward supplies during the period from the eleventh day to the fifteenth day of the month succeeding the tax period:</p>	<p>Perhaps, department have reconciled that GSTN could not design the system the way it was envisaged in the law and hence law has been changed, so as to make the suitable rules what system can be designed for control.</p>

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		<p>supplies during the period from the eleventh day to the fifteenth day of the month succeeding the tax period:</p> <p>Provided further that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:</p> <p>Provided also that any extension of time limit notified by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.</p>	<p>Provided further that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:</p> <p>Provided further that also that any extension of time limit notified by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.</p>	
102	37(2)	(2) Every registered person who has been communicated the details under sub-section (3) of section 38 or the details pertaining to inward supplies of Input Service Distributor under sub-section (4) of section 38, shall either accept or reject the details so	Omitted	

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		communicated, on or before the seventeenth day, but not before the fifteenth day, of the month succeeding the tax period and the details furnished by him under sub-section (1) shall stand amended accordingly.		
102	37(3)	<p>(3) Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period:</p> <p>Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under</p>	<p>(3) Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period:</p> <p>Provided that no rectification of error or omission in respect of the details the thirtieth day of November for the month of September following the end of the financial year to which such details pertain,</p>	

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		section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier.	or furnishing of the relevant annual return, whichever is earlier.	
102	37(4)	Newly Inserted	<p>(4) A registered person shall not be allowed to furnish the details of outward supplies under sub-section (1) for a tax period, if the details of outward supplies for any of the previous tax periods has not been furnished by him:</p> <p>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.</p>	<p>If GSTR-1 for earlier period is not filed then, no GSTR-1 for subsequent period can be filed.</p> <p>Though earlier GST Portal was controlling the same without authority of law, it has been regularized by changing the law.</p>
103	38	38. Furnishing details of inward supplies.--	<p>38. Furnishing details of inward supplies.</p> <p>(1) The details of outward supplies furnished by the registered persons under</p>	<p>You need to select supplier for availing the credit who will be meeting following criteria:</p>

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		<p>(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52, shall verify, validate, modify or delete, if required, the details relating to outward supplies and credit or debit notes communicated under sub-section (1) of section 37 to prepare the details of his inward supplies and credit or debit notes and may include therein, the details of inward supplies and credit or debit notes received by him in respect of such supplies that have not been declared by the supplier under sub-section (1) of section 37.</p> <p>(2) Every registered person, other than an Input Service Distributor or a nonresident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, the details of inward supplies of taxable goods or</p>	<p>sub-section (1) of section 37 and of such other supplies as may be prescribed, and an autogenerated statement containing the details of input tax credit shall be made available electronically to the recipients of such supplies in such form and manner, within such time, and subject to such conditions and restrictions as may be prescribed.</p> <p>(2) The auto-generated statement under sub-section (1) shall consist of :</p> <p>(a) details of inward supplies in respect of which credit of input tax may be available to the recipient; and</p> <p>(b) details of supplies in respect of which such credit cannot be availed, whether wholly or partly, by the recipient, on account of the details of the said supplies being furnished under sub-section (1) of section 37,</p> <p>(i) by any registered person within such period of taking registration as may be prescribed; or</p> <p>(ii) by any registered person, who has defaulted in payment of tax and where such default has continued for such period as may be prescribed; or</p> <p>(iii) by any registered person, the output tax</p>	<ol style="list-style-type: none"> 1) He will upload GSTR-1 regularly without any failure 2) He will file GSTR-3B regularly without any failure 3) He will not avail any excess credit 4) GST tax liability as per GSTR-1 and GSTR-3B is matched 5) He pays the taxes including defaults 6) His registration should be valid. <p>If such suppliers fails to do above, then GSTR-2B will restrict the credit reflected in inward supply against such suppliers.</p>

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		<p>services or both, including inward supplies of goods or services or both on which the tax is payable on reverse charge basis under this Act and inward supplies of goods or services or both taxable under the Integrated Goods and Services Tax Act or on which integrated goods and services tax is payable under section 3 of the Customs Tariff Act, 1975 (51 of 1975), and credit or debit notes received in respect of such supplies during a tax period after the tenth day but on or before the fifteenth day of the month succeeding the tax period in such form and manner as may be prescribed:</p> <p>Provided that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:</p> <p>Provided further that any extension of time limit notified by</p>	<p>payable by whom in accordance with the statement of outward supplies furnished by him under the said subsection during such period, as may be prescribed, exceeds the output tax paid by him during the said period by such limit as may be prescribed; or</p> <p>(iv) by any registered person who, during such period as may be prescribed, has availed credit of input tax of an amount that exceeds the credit that can be availed by him in accordance with clause (a), by such limit as may be prescribed; or</p> <p>(v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of subsection (12) of section 49 subject to such conditions and restrictions as may be prescribed; or</p> <p>(vi) by such other class of persons as may be prescribed.”.</p>	

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		<p>the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.</p> <p>(3) The details of supplies modified, deleted or included by the recipient and furnished under sub-section (2) shall be communicated to the supplier concerned in such manner and within such time as may be prescribed.</p> <p>(4) The details of supplies modified, deleted or included by the recipient in the return furnished under sub-section (2) or sub-section (4) of section 39 shall be communicated to the supplier concerned in such manner and within such time as may be prescribed.</p> <p>(5) Any registered person, who has furnished the details under sub-section (2) for any tax period and which have remained unmatched under section 42 or</p>		

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		<p>section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in the tax period during which such error or omission is noticed in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period:</p> <p>Provided that no rectification of error or omission in respect of the details furnished under subsection (2) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier.</p>		
104	39(5), (7) , (9) (10)	<p>Section 39. Furnishing of returns.</p> <p>(5) Every registered non-resident taxable person shall, for every calendar month or part thereof,</p>	<p>Section 39. Furnishing of returns.</p> <p>(5) Every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form and</p>	Section 39 of the CGST Act is being amended so as to:

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		<p>furnish, in such form and manner as may be prescribed, a return, electronically, within twenty days after the end of a calendar month or within seven days after the last day of the period of registration specified under sub-section (1) of section 27, whichever is earlier.</p> <p>(7) Every registered person who is required to furnish a return under sub-section (1), other than the person referred to in the proviso thereto, or sub-section (3) or sub-section (5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return:</p> <p>Provided that every registered person furnishing return under the proviso to subsection (1) shall pay to the Government, the tax due taking into account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other</p>	<p>manner as may be prescribed, a return, electronically, within thirteen days after the end of a calendar month or within seven days after the last day of the period of registration specified under sub-section (1) of section 27, whichever is earlier.</p> <p>(7) Every registered person who is required to furnish a return under sub-section (1), other than the person referred to in the proviso thereto, or sub-section (3) or sub-section (5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return:</p> <p>“Provided that every registered person furnishing return under the proviso to sub-section (1) shall pay to the Government, in such form and manner, and within such time, as may be prescribed,— (a) an amount equal to the tax due taking into</p>	<p>(i) provide that the non-resident taxable person shall furnish the return for a month by thirteenth day of the following month;</p> <p>(ii) 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;</p> <p>(iii) provide for an extended time upto thirtieth day of November of the following financial year, for rectification of errors in the return furnished under section 39;</p> <p>(iv) provide for furnishing of details of outward supplies of a tax period under sub-section (1) of section 37 as a condition for furnishing the return under section 39 for the said tax period.</p>

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		<p>particulars during a month, in such form and manner, and within such time, as may be prescribed:</p> <p>(9) Subject to the provisions of sections 37 and 38, if any registered person after furnishing a return under sub-section (1) or sub-section (2) or sub-section (3) or subsection (4) or sub-section (5) discovers any omission or incorrect particulars therein, other than as a result of scrutiny, audit, inspection or enforcement activity by the tax authorities, he shall rectify such omission or incorrect particulars in the return to be furnished for the month or quarter during which such omission or incorrect particulars 3[in such form and manner as may be prescribed], subject to payment of interest under this Act:</p> <p>Provided that no such rectification of any omission or incorrect particulars shall be allowed after the due date for furnishing of</p>	<p>account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other particulars during a month; or (b) in lieu of the amount referred to in clause (a), an amount determined in such manner and subject to such conditions and restrictions as may be prescribed.</p> <p>(9) Where any registered person after furnishing a return under sub-section (1) or sub-section (2) or sub-section (3) or subsection (4) or sub-section (5) discovers any omission or incorrect particulars therein, other than as a result of scrutiny, audit, inspection or enforcement activity by the tax authorities, he shall rectify such omission or incorrect particulars in the return to be furnished for the month or quarter during which such omission or incorrect particulars 3[in such form and manner as may be prescribed], subject to payment of interest under this Act:</p>	

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		<p>return for the month of September or second quarter following 4[the end of the financial year to which such details pertain], or the actual date of furnishing of relevant annual return, whichever is earlier.</p> <p>(10) A registered person shall not be allowed to furnish a return for a tax period if the return for any of the previous tax periods has not been furnished by him.</p>	<p>Provided that no such rectification of any omission or incorrect particulars shall be allowed after the thirtieth day of November following 4[the end of the financial year to which such details pertain], or the actual date of furnishing of relevant annual return, whichever is earlier.</p> <p>(10) A registered person shall not be allowed to furnish a return for a tax period if the return for any of the previous tax periods “or the details of outward supplies under sub-section (1) of section 37 for the said tax period has not been furnished by him:</p> <p>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 return, even if he has not furnished the returns for one or more previous tax periods or has not furnished the details of outward supplies under subsection (1) of section 37 for the said tax period.</p>	

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105	41	<p>Section 41. Claim of input tax credit and provisional acceptance thereof.</p> <p>(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed, be entitled to take the credit of eligible input tax, as self-assessed, in his return and such amount shall be credited on a provisional basis to his electronic credit ledger.</p> <p>(2) The credit referred to in sub-section (1) shall be utilised only for payment of self-assessed output tax as per the return referred to in the said sub-section.</p>	<p>Section 41. Claim of input tax credit and provisional acceptance thereof. -</p> <p>(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed, be entitled to avail the credit of eligible input tax, as self-assessed, in his return and such amount shall be credited to his electronic credit ledger.</p> <p>(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:</p> <p>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.</p>	<p>Section 41 of the CGST Act is being substituted so as to do away with the concept of “claim” of eligible input tax credit on a “provisional” basis and to provide for availment of self-assessed input tax credit subject to such conditions and restrictions as may be prescribed.</p> <p>In case supplier do not pay the tax to the government, recipient will have to reverse the ITC alongwith interest and avail the re-credit after supplier pays the tax to the government.</p>
106	42, 43 & 43A	<p>* Section 42. Matching, reversal and reclaim of input tax credit. –</p>	<p>Omitted</p>	<p>Sections 42, 43 and 43A of the CGST Act are being omitted so as to do away with two-way communication process in return filing.</p>

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		<p>(1) The details of every inward supply furnished by a registered person (hereafter in this section referred to as the "recipient") for a tax period shall, in such manner and within such time as may be prescribed, be matched-</p> <p>(a) with the corresponding details of outward supply furnished by the corresponding registered person (hereafter in this section referred to as the -"supplier") in his valid return for the same tax period or any preceding tax period;</p> <p>(b) with the integrated goods and services tax paid under section 3 of the Customs Tariff Act, 1975 in respect of goods imported by him; and</p> <p>(c) for duplication of claims of input tax credit.</p> <p>(2) The claim of input tax credit in respect of invoices or debit notes relating to inward supply that match with the details of</p>		<p>Due to above amendment, these provisions have become redundant.</p>

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		<p>corresponding outward supply or with the integrated goods and services tax paid under section 3 of the Customs Tariff Act, 1975 (51 of 1975) in respect of goods imported by him shall be finally accepted and such acceptance shall be communicated, in such manner as may be prescribed, to the recipient.</p> <p>(3) Where the input tax credit claimed by a recipient in respect of an inward supply is in excess of the tax declared by the supplier for the same supply or the outward supply is not declared by the supplier in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed.</p> <p>(4) The duplication of claims of input tax credit shall be communicated to the recipient in such manner as may be prescribed.</p>		

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		<p>(5) The amount in respect of which any discrepancy is communicated under sub-section (3) and which is not rectified by the supplier in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the recipient, in such manner as may be prescribed, in his return for the month succeeding the month in which the discrepancy is communicated.</p> <p>(6) The amount claimed as input tax credit that is found to be in excess on account of duplication of claims shall be added to the output tax liability of the recipient in his return for the month in which the duplication is communicated.</p> <p>(7) The recipient shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5), if the supplier declares the details of the invoice or debit note in his valid return</p>		

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		<p>within the time specified in sub-section (9) of section 39.</p> <p>(8) A recipient in whose output tax liability any amount has been added under sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 on the amount so added from the date of availing of credit till the corresponding additions are made under the said sub-sections.</p> <p>(9) Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section (8) shall be refunded to the recipient by crediting the amount in the corresponding head of his electronic cash ledger in such manner as may be prescribed:</p> <p>1[Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the supplier.]</p>		

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		<p>(10) The amount reduced from the output tax liability in contravention of the provisions of sub-section (7) shall be added to the output tax liability of the recipient in his return for the month in which such contravention takes place and such recipient shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of section 50.</p> <p>* Section 43. Matching, reversal and reclaim of reduction in output tax liability.-</p> <p>(1) The details of every credit note relating to outward supply furnished by a registered person (hereafter in this section referred to as the "supplier") for a tax period shall, in such manner and within such time as may be prescribed, be matched-</p> <p>(a) with the corresponding reduction in the claim for input tax credit by the corresponding registered person (hereafter in this</p>		

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		<p>section referred to as the "recipient") in his valid return for the same tax period or any subsequent tax period; and</p> <p>(b) for duplication of claims for reduction in output tax liability.</p> <p>(2) The claim for reduction in output tax liability by the supplier that matches with the corresponding reduction in the claim for input tax credit by the recipient shall be finally accepted and communicated, in such manner as may be prescribed, to the supplier.</p> <p>(3) Where the reduction of output tax liability in respect of outward supplies exceeds the corresponding reduction in the claim for input tax credit or the corresponding credit note is not declared by the recipient in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed.</p>		

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		<p>(4) The duplication of claims for reduction in output tax liability shall be communicated to the supplier in such manner as may be prescribed.</p> <p>(5) The amount in respect of which any discrepancy is communicated under sub-section (3) and which is not rectified by the recipient in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the supplier, in such manner as may be prescribed, in his return for the month succeeding the month in which the discrepancy is communicated.</p> <p>(6) The amount in respect of any reduction in output tax liability that is found to be on account of duplication of claims shall be added to the output tax liability of the supplier in his return for the month in which such duplication is communicated.</p>		

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		<p>(7) The supplier shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5) if the recipient declares the details of the credit note in his valid return within the time specified in sub-section (9) of section 39.</p> <p>(8) A supplier in whose output tax liability any amount has been added under sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 in respect of the amount so added from the date of such claim for reduction in the output tax liability till the corresponding additions are made under the said sub-sections.</p> <p>(9) Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section (8) shall be refunded to the supplier by crediting the amount in the corresponding head of his electronic cash ledger in</p>		

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		<p>such manner as may be prescribed:</p> <p>1[Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the recipient.]</p> <p>(10) The amount reduced from output tax liability in contravention of the provisions of sub-section (7) shall be added to the output tax liability of the supplier in his return for the month in which such contravention takes place and such supplier shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of section 50.</p> <p>1[*Section43A. — Procedure for furnishing return and availing input tax credit. —</p> <p>(1) Notwithstanding anything contained in sub-section (2) of section 16, section 37 or section 38, every registered person shall in the returns furnished under</p>		

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		<p>sub-section (1) of section 39 verify, validate, modify or delete the details of supplies furnished by the suppliers.</p> <p>(2) Notwithstanding anything contained in section 41, section 42 or section 43, the procedure for availing of input tax credit by the recipient and verification thereof shall be such as may be prescribed.</p> <p>(3) The procedure for furnishing the details of outward supplies by the supplier on the common portal, for the purposes of availing input tax credit by the recipient shall be such as may be prescribed.</p> <p>(4) The procedure for availing input tax credit in respect of outward supplies not furnished under sub-section (3) shall be such as may be prescribed and such procedure may include the maximum amount of the input tax credit which can be so availed, not</p>		

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
		<p>exceeding twenty per cent. of the input tax credit available, on the basis of details furnished by the suppliers under the said sub-section.</p> <p>(5) The amount of tax specified in the outward supplies for which the details have been furnished by the supplier under sub-section (3) shall be deemed to be the tax payable by him under the provisions of the Act.</p> <p>(6) The supplier and the recipient of a supply shall be jointly and severally liable to pay tax or to pay the input tax credit availed, as the case may be, in relation to outward supplies for which the details have been furnished under sub-section (3) or sub-section (4) but return thereof has not been furnished.</p> <p>(7) For the purposes of sub-section (6), the recovery shall be made in such manner as may be prescribed and such procedure may provide for non-recovery of</p>		

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
		<p>an amount of tax or input tax credit wrongly availed not exceeding one thousand rupees.</p> <p>(8) The procedure, safeguards and threshold of the tax amount in relation to outward supplies, the details of which can be furnished under sub-section (3) by a registered person,-</p> <p>(i) within six months of taking registration;</p> <p>(ii) who has defaulted in payment of tax and where such default has continued for more than two months from the due date of payment of such defaulted amount,</p> <p>shall be such as may be prescribed.]</p>		
107	47	<p>* Section 47. Levy of late fee. -</p> <p>(1) Any registered person who fails to furnish the details of outward or inward supplies required under section 37 or</p>	<p>* Section 47. Levy of late fee. -</p> <p>(1) Any registered person who fails to furnish the details of outward or inward supplies required under section 37 or section-38 or returns required under</p>	<p>There is no need to pay late fees, since ITC is restricted based on GSTR-2B only.</p> <p>If TCS return is filed late, then late fees will be levied.</p>

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
		<p>section 38 or returns required under section 39 or section 45 by the due date shall pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum amount of five thousand rupees.</p> <p>(2) Any registered person who fails to furnish the return required under section 44 by the due date shall be liable to pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum of an amount calculated at a quarter per cent. of his turnover in the State or Union territory.</p>	<p>section 39 or section 45 or section 52 by the due date shall pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum amount of five thousand rupees.</p> <p>(2) Any registered person who fails to furnish the return required under section 44 by the due date shall be liable to pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum of an amount calculated at a quarter per cent. of his turnover in the State or Union territory.</p>	
108	48	<p>* Section 48. Goods and services tax practitioners. -</p> <p>(1) The manner of approval of goods and services tax practitioners, their eligibility conditions, duties and obligations, manner of removal and other conditions relevant for their functioning shall be such as may be prescribed.</p>	<p>* Section 48. Goods and services tax practitioners. -</p> <p>(1) The manner of approval of goods and services tax practitioners, their eligibility conditions, duties and obligations, manner of removal and other conditions relevant for their functioning shall be such as may be prescribed.</p>	<p>Necessary corrections have been done, since there is no requirement of filing the inward supply details.</p>

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
		<p>(2) A registered person may authorise an approved goods and services tax practitioner to furnish the details of outward supplies under section 37, the details of inward supplies under section 38 and the return under section 39 or section 44 or section 45 1[and to perform such other functions] in such manner as may be prescribed.</p> <p>(3) Notwithstanding anything contained in sub-section (2), the responsibility for correctness of any particulars furnished in the return or other details filed by the goods and services tax practitioners shall continue to rest with the registered person on whose behalf such return and details are furnished.</p>	<p>(2) A registered person may authorise an approved goods and services tax practitioner to furnish the details of outward supplies under section 37, the details of inward supplies under section 38 and the return under section 39 or section 44 or section 45 1[and to perform such other functions] in such manner as may be prescribed.</p> <p>(3) Notwithstanding anything contained in sub-section (2), the responsibility for correctness of any particulars furnished in the return or other details filed by the goods and services tax practitioners shall continue to rest with the registered person on whose behalf such return and details are furnished.</p>	
109	49 (2), (4), 10, 12	(2) The input tax credit as self-assessed in the return of a registered person shall be credited to his electronic credit ledger, in accordance with section 41 or section 43A, to be maintained in	(2) The input tax credit as self-assessed in the return of a registered person shall be credited to his electronic credit ledger, in accordance with section 41 or section 43A , to be maintained in such manner as may be prescribed.	<p>It is the welcome provision.</p> <p>Section 49 of the CGST Act is being amended so as to:</p>

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
		<p>such manner as may be prescribed.</p> <p>(4) The amount available in the electronic credit ledger may be used for making any payment towards output tax under this Act or under the Integrated Goods and Services Tax Act in such manner and subject to such conditions and within such time as may be prescribed.</p> <p>(10) 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 this Act, to the electronic cash ledger for integrated tax, central tax, State tax, Union territory tax or cess, in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act.</p>	<p>(4) The amount available in the electronic credit ledger may be used for making any payment towards output tax under this Act or under the Integrated Goods and Services Tax Act in such manner and subject to such conditions and restrictions and within such time as may be prescribed.</p> <p>(10) 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 this Act, to the electronic cash ledger for,— (a) integrated tax, central tax, State tax, Union territory tax or cess; or (b) integrated tax or central tax of a distinct person as specified in sub-section (4) or, as the case may be, subsection (5) of section 25, in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act:</p>	<p>(i) provide for prescribing restrictions for utilizing the amount available in the electronic credit ledger;</p> <p>(ii) allow 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;</p> <p>(iii) provide for prescribing the maximum proportion of output tax liability which may be discharged through the electronic credit ledger.</p> <p>However, there is likelihood that there may be restriction imposed in future to restrict the utilization of ITC for tax payment, as it was done in earlier Cenvat Credit period.</p>

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
			<p>Provided that no such transfer under clause (b) shall be allowed if the said registered person has any unpaid liability in his electronic liability register.</p> <p>“(12) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, subject to such conditions and restrictions, specify such maximum proportion of output tax liability under this Act or under the Integrated Goods and Services Tax Act, 2017 which may be discharged through the electronic credit ledger by a registered person or a class of registered persons, as may be prescribed.”.</p>	
110	50(3)	Interest on delayed payment of tax (3) A taxable person who makes an undue or excess claim of input tax credit under sub-section (10)	Where the input tax credit has been wrongly availed and utilised, the registered person shall pay interest on such input tax	Interest on wrong availment of credit only will be applicable only if it utilized. The provision will be effective from 1st July 2017.

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
	54(10)	<p>and Organisation notified under the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), Consulate or Embassy of foreign countries or any other person or class of persons, as notified under section 55, entitled to a refund of tax paid by it on inward supplies of goods or services or both, may make an application for such refund, in such form and manner as may be prescribed, before the expiry of six months from the last day of the quarter in which such supply was received.</p> <p>(10) Where any refund is due under sub-section (3) to a registered person who has defaulted in furnishing any return or who is required to pay any tax, interest or penalty, which has not been stayed by any court, Tribunal or Appellate Authority by the specified date,</p>	<p>(Privileges and Immunities) Act, 1947 (46 of 1947), Consulate or Embassy of foreign countries or any other person or class of persons, as notified under section 55, entitled to a refund of tax paid by it on inward supplies of goods or services or both, may make an application for such refund, in such form and manner as may be prescribed, before the expiry of two years from the last day of the quarter in which such supply was received.</p> <p>(10) Where any refund is due to a registered person who has defaulted in furnishing any return or who is required to pay any tax, interest or penalty, which has not been stayed by any court, Tribunal or Appellate Authority by the specified date</p>	<p>supply was received for specified organisations.</p> <p>The omission of sub-section (3) extends the scope of withholding of or recovery from refunds in respect of all types of refund.</p>

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
		Newly Inserted	In Explanation, after clause (2)(b), (ba) in case of zero-rated supply of goods or services or both to a Special Economic Zone developer or a Special Economic Zone unit where a refund of tax paid is available in respect of such supplies themselves, or as the case may be, the inputs or input services used in such supplies, the due date for furnishing of return under section 39 in respect of such supplies;".	The relevant date for applying for refund claim for supplies made to SEZ has been classified.
113	168	Power to issue instructions or directions.- (2) The Commissioner specified in clause (91) of section 2, sub-section (3) of section 5, clause (b) of sub-section (9) of section 25, sub-sections (3) and (4) of section 35, sub-section (1) of section 37, sub-section (2) of section 38 , sub-section (6) of section 39, 1[2[section 44] , sub-sections (4) and (5) of section 52], 3[sub-section (1) of section 143, except the second proviso thereof], 4[****]clause (l) of sub-section (3) of section 158 and section 167 shall mean a Commissioner or Joint Secretary	Power to issue instructions or directions.- (2) The Commissioner specified in clause (91) of section 2, sub-section (3) of section 5, clause (b) of sub-section (9) of section 25, sub-sections (3) and (4) of section 35, sub-section (1) of section 37, sub-section (6) of section 39, 1[2[section 44] , sub-sections (4) and (5) of section 52], 3[sub-section (1) of section 143, except the second proviso thereof], 4[****]clause (l) of sub-section (3) of section 158 and section 167 shall mean a Commissioner or Joint Secretary posted in the Board and such Commissioner or Joint Secretary shall exercise the powers specified in the said sections with the approval of the Board.	Since, provisions of Section 38 have been amended and w.r.t. restriction of ITC, circular under 168 will not have any relevance.

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Finance Bill Clause	Section	Existing	Amendment	Bizsol Analysis
		posted in the Board and such Commissioner or Joint Secretary shall exercise the powers specified in the said sections with the approval of the Board.		
114	Section 146 of CGST Act r/w section 20 of IGST Act			Notification No. 9/2018 – Central Tax, dated the 23rd January, 2018, is being amended so as to notify www.gst.gov.in , retrospectively, with effect from 22nd June, 2017, as the Common Goods and Services Tax Electronic Portal, for all functions provided under Central Goods and Services Tax Rules, 2017, other than those provided for e-way bill and for generation of invoices under sub-rule (4) of rule 48 of the CGST Rules.
115	Section 50 (1) & (3) Section 54(12) Section 56 Of CGST Act			Notification No. 13/2017 – Central Tax, dated the 28th June, 2017, is being amended retrospectively, with effect from the 1 st day of July, 2017, so as to notify rate of interest under subsection (3) of section 50 of the CGST Act as 18%.

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**Same provision has been applicable for
IGST Act & UTGST Act 2017**

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