

# CGST ACT, 2017

## **BUDGET ANALYSIS 2023-24**

© All right Reserved with Bizsolindia Services Pvt. Ltd.

**CGST Act 2017:**

Section	Existing	Amendment	Bizsol Analysis
<b>10(2)(d)</b>	<p><b>Sec 10. Composition levy:</b></p> <p>(2) The registered person shall be eligible to opt under sub-section (1), if :-</p> <p>(a) save as provided in sub-section (1), he is not engaged in the supply of services;</p> <p>(b) he is not engaged in making any supply of goods or services which are not leviable to tax under this Act;</p> <p>(c) he is not engaged in making any inter-State outward supplies of goods <sup>7</sup>[or services</p> <p>(d) he is not engaged in making any supply of <b>goods or</b> services] through an electronic commerce operator who is required to collect tax at source under <a href="#">section 52</a></p>	<p><b>Sec 10. Composition levy:</b></p> <p>(2) The registered person shall be eligible to opt under sub-section (1), if :-</p> <p>(a) save as provided in sub-section (1), he is not engaged in the supply of services</p> <p>(b) he is not engaged in making any supply of goods or services which are not leviable to tax under this Act;</p> <p>(c) he is not engaged in making any inter-State outward supplies of goods or services;</p> <p>(d) he is not engaged in making any supply of <b>goods-or</b> services through an electronic commerce operator who is required to collect tax at source under <a href="#">section 52</a></p>	<p><b>Registered persons under composition levy now can supply goods through E-com operators. Restriction has been removed.</b></p> <p><b>This is welcome provision as earlier only regular taxpayers were allowed to sell the goods through e-com operators.</b></p> <p><b>However, for service providers there is no change.</b></p> <p><b>Effective Date: To be notified.</b></p>
<b>10(2A)</b>	<p><b>Sec 10. Composition levy:</b></p> <p>(2A) Notwithstanding anything to the contrary contained in this Act, but subject to the provisions of sub-sections (3) and (4) of <a href="#">section 9</a>, a</p>	<p><b>Sec 10. Composition levy:</b></p> <p>(2A) Notwithstanding anything to the contrary contained in this Act, but subject to the provisions of sub-sections (3) and (4) of <a href="#">section 9</a>, a registered person, not eligible</p>	<p><b>Registered persons under composition levy now can supply goods through E-com operators. Restriction has been removed.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>registered person, not eligible to opt to pay tax under sub-section (1) and sub-section (2), whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees, may opt to pay, in lieu of the tax payable by him under sub-section (1) of <a href="#">section 9</a>, an amount of tax calculated at such rate as may be prescribed, but not exceeding three per cent. of the turnover in State or turnover in Union territory, if he is not-</p> <p>(a) engaged in making any supply of <b>goods or</b> services which are not leviable to tax under this Act;</p> <p>(b) engaged in making any inter-State outward supplies of <b>goods or</b> services;</p> <p>(c) engaged in making any supply of <b>goods or</b> services through an electronic commerce operator who is required to collect tax at source under <a href="#">section 52</a>;</p>	<p>to opt to pay tax under sub-section (1) and sub-section (2), whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees, may opt to pay, in lieu of the tax payable by him under sub-section (1) of <a href="#">section 9</a>, an amount of tax calculated at such rate as may be prescribed, but not exceeding three per cent. of the turnover in State or turnover in Union territory, if he is not-</p> <p>(a) engaged in making any supply of <b>goods or</b> services which are not leviable to tax under this Act;</p> <p>(b) engaged in making any inter-State outward supplies of <b>goods or</b> services;</p> <p>(c) engaged in making any supply of <b>goods or</b> services through an electronic commerce operator who is required to collect tax at source under <a href="#">section 52</a>;</p>	<p><b>This is welcome provision as earlier only regular taxpayers were allowed to sell the goods through e-com operators.</b></p> <p><b>However, for service providers there is no change.</b></p> <p><b>Effective Date: To be notified.</b></p>
16(2)	<p><b>Sec 16. Eligibility and conditions for taking input tax credit:</b></p> <p>(2) Notwithstanding anything contained in this section, no</p>	<p><b>Sec 16. Eligibility and conditions for taking input tax credit:</b></p> <p>(2) Notwithstanding anything contained in this section, no registered person shall be</p>	<p><b>If payment is not made to the supplier within period of 180 days from the date of invoice, then instead of outward tax liability, the tax liability has to be</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,-</p> <p>(a) he is in possession of a tax invoice or debit note issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed;</p> <p>(aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;</p> <p>(b) he has received the goods or services or both.</p> <p>Explanation.- For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, services-</p> <p>(i) where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during</p>	<p>entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,-</p> <p>(a) he is in possession of a tax invoice or debit note issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed;</p> <p>(aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;</p> <p>(b) he has received the goods or services or both.</p> <p>Explanation.- For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, services-</p> <p>(i) where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;</p> <p>(ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person;</p>	<p><b>discharged along with interest in terms of Section 50 of CGST Act, 2017.</b></p> <p><b>It will ease out the difficulties faced by the taxpayers for calculation of interest and payment through electronic credit ledger.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>movement of goods, either by way of transfer of documents of title to goods or otherwise;</p> <p>(ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person;</p> <p>(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;</p> <p>(c) subject to the provisions of section 41, 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</p> <p>(d) he has furnished the return under section 39:</p> <p>Provided that where the goods against an invoice are received in lots or instalments, the registered person shall be entitled to take credit upon receipt of the last lot or instalment:</p> <p>Provided further that where a recipient fails to pay to the supplier of goods or services or both, other than the supplies on which tax is</p>	<p>(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;</p> <p>(c) subject to the provisions of section 41, 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</p> <p>(d) he has furnished the return under section 39:</p> <p>Provided that where the goods against an invoice are received in lots or instalments, the registered person shall be entitled to take credit upon receipt of the last lot or instalment:</p> <p>Provided further that where a recipient fails to pay to the supplier of goods or services or both, other than the supplies on which tax is payable on reverse charge basis, the amount towards the value of supply along with tax payable thereon within a period of one hundred and eighty days from the date of issue of invoice by the supplier, an amount equal to the input tax credit availed by the recipient shall be <b>paid by him along with interest payable under section 50</b>, in such manner as may be prescribed:</p> <p>Provided also that the recipient shall be entitled to avail of the credit of input tax on</p>	

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>payable on reverse charge basis, the amount towards the value of supply along with tax payable thereon within a period of one hundred and eighty days from the date of issue of invoice by the supplier, an amount equal to the input tax credit availed by the recipient shall be <b>added to his output tax liability, along with interest thereon</b>, in such manner as may be prescribed:                      Provided also that the recipient shall be entitled to avail of the credit of input tax on payment <b>made by him</b> of the amount towards the value of supply of goods or services or both along with tax payable thereon.</p>	<p>payment <b>made by him to the supplier</b> of the amount towards the value of supply of goods or services or both along with tax payable thereon.</p>	
17(3)	<p><b>Sec 17. Apportionment of credit and blocked credits:</b>                      (3) The value of exempt supply under sub-section (2) shall be such as may be prescribed, and shall include supplies on which the recipient is liable to pay tax on reverse charge basis, transactions in securities, sale of land and,</p>	<p><b>Sec 17. Apportionment of credit and blocked credits:</b>                      (3) The value of exempt supply under sub-section (2) shall be such as may be prescribed, and shall include supplies on which the recipient is liable to pay tax on reverse charge basis, transactions in securities, sale of land and, subject to clause (b) of paragraph 5 of Schedule II, sale of building.</p>	<p><b>Now the exempt supplies for the purpose of reversal under Section 17 (3) read with Rule 42 or Rule 43 will include value of goods supplied from bonded warehouse for home consumption.</b></p> <p><b>As such this amendment should have been avoided since this looses the object of including Sr 8 into Schedule III i.e. sale of warehoused goods.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>subject to clause (b) of paragraph 5 of Schedule II, sale of building.</p> <p>Explanation.- For the purposes of this sub-section, the expression "value of exempt supply" shall not include the value of activities or transactions specified in Schedule III, <b>except those specified in paragraph 5 of the said Schedule;</b></p>	<p>Explanation.- For the purposes of this sub-section, the expression "value of exempt supply" shall not include the value of activities or transactions specified in Schedule III, <b>except -</b></p> <p><b>(i) the value of activities or transactions specified in paragraph 5 of the said Schedule; and</b></p> <p><b>(ii) the value of such activities or transactions as may be prescribed in respect of clause (a) of paragraph 8 of the said Schedule</b></p>	
17(5)(fa)		<p><b>Sec 17. Apportionment of credit and blocked credits:</b></p> <p><b>(fa) goods or services or both received by a taxable person, which are used or intended to be used for activities relating to his obligations under corporate social responsibility referred to in section 135 of the Companies Act, 2013;”.</b></p>	<p><b>New Clause Inserted</b></p> <p><b>Now there is absolute the clarity to overcome the number of decisions of Advance rulings, No ITC can be availed on inputs / input services utilized for CSR activities as obligation under the Companies Act, 2013.</b></p> <p><b>ITC can be availed for CSR carried out on voluntary basis for promotion of company's brand.</b></p>
23	<p><b>Sec 23. Persons not liable for registration:</b></p> <p>(1) The following persons shall not be liable to registration, namely:-</p>	<p><b>Sec 23. Persons not liable for registration:</b></p> <p><b>Notwithstanding anything to the contrary contained in sub-section (1) of section 22 or section 24:</b></p>	<p><b>Exclusivity has been provided for not taking the registration in terms of section 22 and 24 of the CGST Act, 2017.</b></p> <p><b>Retrospective amendment w.e.f. 1<sup>st</sup> July 2017.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>(a) any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under this Act or under the Integrated Goods and Services Tax Act;</p> <p>(b) an agriculturist, to the extent of supply of produce out of cultivation of land.</p> <p>(2) The Government may, on the recommendations of the Council, by notification, specify the category of persons who may be exempted from obtaining registration under this Act.</p>	<p><b>(a) the following persons shall not be liable to registration, namely:</b></p> <p><b>(i) any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under this Act or under the Integrated Goods and Services Tax Act, 2017;</b></p> <p><b>(ii) an agriculturist, to the extent of supply of produce out of cultivation of land;</b></p> <p><b>(b) the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, specify the category of persons who may be exempted from obtaining registration under this Act.”.</b></p>	
37(5)	<p><b>Section 37. Furnishing details of outward supplies. -</b></p>	<p><b>Section 37. Furnishing details of outward supplies:</b></p> <p>(5) A registered person shall not be allowed to furnish the details of outward supplies under sub-section (1) for a tax period after the expiry of a period of three years from the due date of furnishing the said details:</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,</p>	<p><b>New sub-section Inserted</b></p> <p><b>Outward supplies return in the form GSTR-1 can be furnished upto 3 years from the due date of furnishing returns.</b></p> <p><b>Therefore automatically limitation period will be extended from the period of filing the such return.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
		allow a registered person or a class of registered persons to furnish the details of outward supplies for a tax period under sub-section (1), even after the expiry of the said period of three years from the due date of furnishing the said details.	
39(11)	<b>Section 39. Furnishing of returns:</b>	<p><b>Section 39. Furnishing of returns:</b> (11) A registered person shall not be allowed to furnish a return for a tax period after the expiry of a period of three years from the due date of furnishing the said return:</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 for a tax period, even after the expiry of the said period of three years from the due date of furnishing the said return.”.</p>	<p><b>New sub-section Inserted</b></p> <p><b>Monthly return in form GSTR-3B can be furnished upto 3 years from the due date of furnishing returns.</b></p> <p><b>Therefore, automatically limitation period will be extended from the period of filing the such return.</b></p>
44(1)	<p><b>Section 44 : Annual Return :</b></p> <p>Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person shall furnish an annual return which may include a self-</p>	<p><b>Section 44 : Annual Return :</b></p> <p>(1) Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person shall furnish an annual return which may include a self-certified reconciliation statement, reconciling the value of supplies</p>	<p><b>New Sub-Section inserted.</b></p> <p><b>Annual return can be filed upto the period of 3 years from the due date of filing the return. Therefore, automatically limitation period will be extended from the period of filing the such return.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>certified reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year, with the audited annual financial statement for every financial year electronically, within such time and in such form and in such manner as may be prescribed:</p> <p>Provided that the Commissioner may, on the recommendations of the Council, by notification, exempt any class of registered persons from filing annual return under this section:</p> <p>Provided further that nothing contained in this section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.</p>	<p>declared in the return furnished for the financial year, with the audited annual financial statement for every financial year electronically, within such time and in such form and in such manner as may be prescribed:</p> <p>Provided that the Commissioner may, on the recommendations of the Council, by notification, exempt any class of registered persons from filing annual return under this section:</p> <p>Provided further that nothing contained in this section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.</p> <p><b>(2) A registered person shall not be allowed to furnish an annual return under sub-section (1) for a financial year after the expiry of a period of three years from the due date of furnishing the said annual return:</b></p>	

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
		<b>Provided that the Government may, on the recommendations of the Council, by notification, and subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish an annual return for a financial year under sub-section (1), even after the expiry of the said period of three years from the due date of furnishing the said annual return.</b>	
52(15)		<p><b>Section 52. Collection of Tax at Source:</b> (15) The operator shall not be allowed to furnish a statement under sub-section (4) after the expiry of a period of three years from the due date of furnishing the said statement:</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 an operator or a class of operators to furnish a statement under sub-section (4), even after the expiry of the said period of three years from the due date of furnishing the said statement.</p>	<p><b>New Sub-section inserted.</b></p> <p><b>E-Com operator also can file the return within the period 3 years from the due date of filing the return.</b></p> <p><b>Therefore, automatically limitation period will be extended from the period of filing the such return.</b></p>
54(6)	<b>Section 54. Refund of tax:</b>	<p><b>Section 54. Refund of tax:</b></p> <p>(6) Notwithstanding anything contained in sub-section (5), the proper officer may, in</p>	<p><b>Since, there is no provision to take provisional ITC considering the amendment to avail the ITC as reported in</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>(6) Notwithstanding anything contained in sub-section (5), the proper officer may, in the case of any claim for refund on account of zero-rated supply of goods or services or both made by registered persons, other than such category of registered persons as may be notified by the Government on the recommendations of the Council, refund on a provisional basis, ninety per cent. of the total amount so claimed, <b>excluding the amount of input tax credit provisionally accepted</b>, in such manner and subject to such conditions, limitations and safeguards as may be prescribed and thereafter make an order under sub-section (5) for final settlement of the refund claim after due verification of documents furnished by the applicant.</p>	<p>the case of any claim for refund on account of zero-rated supply of goods or services or both made by registered persons, other than such category of registered persons as may be notified by the Government on the recommendations of the Council, refund on a provisional basis, ninety per cent. of the total amount so claimed, <b>excluding the amount of input tax credit provisionally accepted</b>, in such manner and subject to such conditions, limitations and safeguards as may be prescribed and thereafter make an order under sub-section (5) for final settlement of the refund claim after due verification of documents furnished by the applicant.</p>	<p><b>GSTR-2B, corresponding amendment has been made.</b></p>
56	<p><b>Section 56. Interest on delayed refunds:</b></p>	<p><b>Section 56. Interest on delayed refunds:</b>  If any tax ordered to be refunded under sub-section (5) of section 54 to any</p>	<p><b>To safeguard the interest of government at the cost of taxpayer, interest will not be paid from 60 days from the date of filing refund application, but now interest will be</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>If any tax ordered to be refunded under sub-section (5) of section 54 to any applicant is not refunded within sixty days from the date of receipt of application under sub-section (1) of that section, interest at such rate not exceeding six per cent. as may be specified in the notification issued by the Government on the recommendations of the Council shall be payable in respect of such refund <b>from the date immediately after the expiry of sixty days from the date of receipt of application under the said sub-section till the date of refund of such tax:</b></p> <p>Provided that where any claim of refund arises from an order passed by an adjudicating authority or Appellate Authority or Appellate Tribunal or court which has attained finality and the same is not refunded within sixty days from the date of receipt of application filed consequent to such order, interest at such rate not exceeding nine per cent. as may be notified by the Government on the</p>	<p>applicant is not refunded within sixty days from the date of receipt of application under sub-section (1) of that section, interest at such rate not exceeding six per cent. as may be specified in the notification issued by the Government on the recommendations of the Council shall be payable in respect of such refund <b>for the period of delay beyond sixty days from the date of receipt of such application till the date of refund of such tax, to be computed in such manner and subject to such conditions and restrictions as may be prescribed</b></p> <p>Provided that where any claim of refund arises from an order passed by an adjudicating authority or Appellate Authority or Appellate Tribunal or court which has attained finality and the same is not refunded within sixty days from the date of receipt of application filed consequent to such order, interest at such rate not exceeding nine per cent. as may be notified by the Government on the recommendations of the Council shall be payable in respect of such refund from the date immediately after the expiry of sixty days from the date of receipt of application till the date of refund.</p>	<p><b>calculated from the date and the manner which will be specified subsequently.</b></p> <p><b>It is the approach of the government. I Win-I Win, I Lose Still I WIN.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>recommendations of the Council shall be payable in respect of such refund from the date immediately after the expiry of sixty days from the date of receipt of application till the date of refund.</p> <p>Explanation.-For the purposes of this section, where any order of refund is made by an Appellate Authority, Appellate Tribunal or any court against an order of the proper officer under sub-section (5) of section 54, the order passed by the Appellate Authority, Appellate Tribunal or by the court shall be deemed to be an order passed under the said sub-section (5).</p>	<p>Explanation.-For the purposes of this section, where any order of refund is made by an Appellate Authority, Appellate Tribunal or any court against an order of the proper officer under sub-section (5) of section 54, the order passed by the Appellate Authority, Appellate Tribunal or by the court shall be deemed to be an order passed under the said sub-section (5).</p>	
122(AB)		<p><b>Sec 122: Penalty for certain offences:</b></p> <p>(1B) Any electronic commerce operator who:</p> <p>(i) allows a supply of goods or services or both through it by an unregistered person other than a person exempted from registration by a notification issued under this Act to make such supply;</p> <p>(ii) allows an inter-State supply of goods or services or both through it by a person</p>	<p><b>New Sub-Section Inserted.</b></p> <p><b>E-Com operators has to be very careful for supply of goods only from registered person or the person who is allowed to make inter-state supply. Otherwise, penalty will be levied.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
		who is not eligible to make such inter-State supply; or (iii) fails to furnish the correct details in the statement to be furnished under sub-section (4) of section 52 of any outward supply of goods effected through it by a person exempted from obtaining registration under this Act, shall be liable to pay a penalty of ten thousand rupees, or an amount equivalent to the amount of tax involved had such supply been made by a registered person other than a person paying tax under section 10, whichever is higher.	
132(1) (g) (j) (k)	<p><b>Section 132. Punishment for certain offences:</b></p> <p>(1) Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences, namely:- (g) obstructs or prevents any officer in the discharge of his duties under this Act; (j) tampers with or destroys any material evidence or documents; (k) fails to supply any information which he is required to supply</p>	<p><b>Section 132. Punishment for certain offences:</b></p> <p>(1) Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences, namely:- <del>(g) obstructs or prevents any officer in the discharge of his duties under this Act;</del> <del>(j) tampers with or destroys any material evidence or documents;</del> <del>(k) fails to supply any information which he is required to supply under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving</del></p>	<p><b>Clauses Omitted.</b> <b>This is a welcome provision to avoid disputes or methods of harassment, which was made in certain cases.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by him is true) supplies false information; or	<del>which shall be upon him, that the information supplied by him is true)</del> <b>supplies false information; or</b>	
<b>132(1)(l)</b>	<p><b>Section 132. Punishment for certain offences:</b></p> <p>(l) attempts to commit, or abets the commission of any of the offences mentioned in <b>clauses (a) to (k)</b> of this section, shall be punishable-</p> <p>(i) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;</p> <p>(ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or</p>	<p><b>Section 132. Punishment for certain offences:</b></p> <p>(l) attempts to commit, or abets the commission of any of the offences mentioned in <b>clauses (a) to (f) and clauses (h) and (i)</b> of this section, shall be punishable-</p> <p>(i) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;</p> <p>(ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five</p>	<b>This amendment is to align the amendment made in Section 132.</b>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;</p> <p>(iii) in the case of <b>any other offence</b> where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;</p> <p>(iv) in cases where he commits or abets the commission of an offence specified in clause (f) <b>or clause (g) or clause (j)</b>, he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.</p>	<p>hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;</p> <p>(iii) in the case of <b>an offence specified in clause (b)</b>, where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;</p> <p>(iv) in cases where he commits or abets the commission of an offence specified in clause (f) <b>or clause (g) or clause (j)</b>, he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.</p>	
138(1) (a) (b) (c)	<b>Sec 138. Compounding of offences:</b>	<b>Sec 138. Compounding of offences:</b>	<b>Limit of Rs. 1 Cr has been removed for compounding of certain offences.</b>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
<b>(e)</b>	<p>(1) Any offence under this Act may, either before or after the institution of prosecution, be compounded by the Commissioner on payment, by the person accused of the offence, to the Central Government or the State Government, as the case be, of such compounding amount in such manner as may be prescribed:</p> <p>Provided that nothing contained in this section shall apply to-</p> <p><b>(a) a person who has been allowed to compound once in respect of any of the offences specified in clauses (a) to (f) of sub-section (1) of section 132 and the offences specified in clause (l) which are relatable to offences specified in clauses (a) to (f) of the said sub-section;</b></p> <p><b>(b) a person who has been allowed to compound once in respect of any offence, other than those in clause (a), under this Act or under the provisions of any State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act or the Integrated Goods and Services Tax Act in</b></p>	<p>(1) Any offence under this Act may, either before or after the institution of prosecution, be compounded by the Commissioner on payment, by the person accused of the offence, to the Central Government or the State Government, as the case be, of such compounding amount in such manner as may be prescribed:</p> <p>Provided that nothing contained in this section shall apply to-</p> <p><b>“(a) a person who has been allowed to compound once in respect of any of the offences specified in clauses (a) to (f), (h), (i) and (l) of sub-section (1) of section 132.</b></p> <p><del><b>(b) a person who has been allowed to compound once in respect of any offence, other than those in clause (a), under this Act or under the provisions of any State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act or the Integrated Goods and Services Tax Act in respect of supplies of value exceeding one crore rupees;</b></del></p> <p><b>(c) a person who has been accused of committing an offence under clause (b) of sub-section (1) of section 132.</b></p> <p>(d) a person who has been convicted for an offence under this Act by a court;</p>	<p><b>No compounding will be allowed to the offender who is involved in fake invoicing racket. .</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>respect of supplies of value exceeding one crore rupees;                      (c) a person who has been accused of committing an offence under this Act which is also an offence under any other law for the time being in force;                      (d) a person who has been convicted for an offence under this Act by a court;                      (e) a person who has been accused of committing an offence specified in clause (g) or clause (j) or clause (k) of sub-section (1) of section 132; and                      (f) any other class of persons or offences as may be prescribed:</p>	<p><del>(e) a person who has been accused of committing an offence specified in clause (g) or clause (j) or clause (k) of sub-section (1) of section 132; and</del>                      (f) any other class of persons or offences as may be prescribed:</p>	
138(2)	<p><b>Section 138. Compounding of offences:</b></p> <p>(2) The amount for compounding of offences under this section shall be such as may be prescribed, subject to the minimum amount not being less than <b>ten thousand rupees or fifty per cent. of the tax involved, whichever is higher, and the maximum amount not being less than thirty thousand rupees or one hundred and fifty</b></p>	<p><b>Section 138. Compounding of offences:</b></p> <p>(2) The amount for compounding of offences under this section shall be such as may be prescribed, subject to the minimum amount not being less than <b>twenty-five per cent. of the tax involved and the maximum amount not being more than one hundred per cent. of the tax involved.</b></p>	<p><b>Compounding penalty will be min 25% of tax involved and max upto 100% of the tax involved as a rationalization.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<b>per cent. of the tax, whichever is higher.</b>		
158A	<b>Section 158A: Consent based sharing of Information furnished by taxable person.</b>	<p><b>Section 158A : Consent based sharing of Information furnished by taxable person.</b></p> <p>(1) Notwithstanding anything contained in sections 133, 152 and 158, the following details furnished by a registered person may, subject to the provisions of subsection(2), &amp; on the recommendations of the Council, be shared by the common portal with such other systems as may be notified by the Government, in such manner and subject to such conditions as may be prescribed, namely:–</p> <p>(a) particulars furnished in the application for registration under section 25 or in the return filed under section 39 or under section 44;</p> <p>(b) the particulars uploaded on the common portal for preparation of invoice, the details of outward supplies furnished under section 37 and the particulars uploaded on the common portal for generation of documents under section 68;</p> <p>(c) such other details as may be prescribed</p> <p>(2) For the purposes of sharing details under sub-section (1), the consent shall be obtained, of</p>	<p><b>New Section inserted.</b></p> <p><b>The information available on portal can be furnished only against the consent of a taxable person or a recipient except for the provisions under section 133, 152 and 158.</b></p>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
		<p>(a) the supplier, in respect of details furnished under clauses (a), (b) and (c) of sub-section (1); and</p> <p>(b) the recipient, in respect of details furnished under clause (b) of sub-section (1), and under clause (c) of sub-section (1) only where such details include identity information of the recipient, in such form and manner as may be prescribed.</p> <p>(3) Notwithstanding anything contained in any law for the time being in force, no action shall lie against the Government or the common portal with respect to any liability arising consequent to information shared under this section and there shall be no impact on the liability to pay tax on the relevant supply or as per the relevant return.</p>	

- **Amendment made in Schedule 3 to the Section 7 of CGST Act 2017 will be deemed to be retrospective. However any taxpayer will not be eligible for refund if tax is paid by him on such supply which is neither supply of goods or services.**

## BUDGET ANALYSIS 2023-24

# IGST Act 2017

## **BUDGET ANALYSIS 2023-24**

© All right Reserved with Bizsolindia Services Pvt. Ltd.

## IGST Act 2017

Section	Existing	Amendment	Bizsol Analysis
2 (16)	<p><b>Section 2: Definitions:</b></p> <p>(16) “non-taxable online recipient” means any Government, local authority, governmental authority, an individual or any other person not registered and receiving online information and database access or retrieval services in relation to any purpose other than commerce, industry or any other business or profession, located in taxable territory.</p> <p>Explanation - For the purposes of this clause, the expression "governmental authority" means an authority or a board or any other body, -</p> <p>(i) set up by an Act of Parliament or a State Legislature; or</p>	<p><b>Section 2: Definitions:</b></p> <p><b>(16) “non-taxable online recipient” means any unregistered person receiving online information and database access or retrieval services located in taxable territory.</b></p> <p><b>Explanation.—For the purposes of this clause, the expression “unregistered person” includes a person registered solely in terms of clause (vi) of section 24 of the Central Goods and Services Tax Act, 2017.</b></p>	<p><b>Scope of definition has been enhanced to cover all services rendered whether for personal consumption or otherwise.</b></p>

# BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	(ii) established by any Government, with ninety per cent. or more participation by way of equity or control, to carry out any function entrusted 1[to a Panchayat under article 243G or] to a municipality under article 243W of the Constitution;		
2(17)	(17) online information and database access or retrieval services" means services whose delivery is mediated by information technology over the internet or an electronic network and the nature of which renders their supply <b>essentially automated and involving minimal human intervention and</b> impossible to ensure in the absence of information technology and includes electronic services such as,-	(17) online information and database access or retrieval services" means services whose delivery is mediated by information technology over the internet or an electronic network and the nature of which renders their supply <del>essentially automated and involving minimal human intervention and</del> impossible to ensure in the absence of information technology and includes electronic services such as,-  (i) advertising on the internet;  (ii) providing cloud services;	<b>Definition has been enhanced, so as to cover manual or automated services through online information and data access or retrieval services.</b>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>(i) advertising on the internet;</p> <p>(ii) providing cloud services;</p> <p>(iii) provision of e-books, movie, music, software and other intangibles through telecommunication networks or internet;</p> <p>(iv) providing data or information, retrievable or otherwise, to any person in electronic form through a computer network;</p> <p>(v) online supplies of digital content (movies, television shows, music and the like);</p> <p>(vi) digital data storage; and</p> <p>(vii) online gaming;</p>	<p>(iii) provision of e-books, movie, music, software and other intangibles through telecommunication networks or internet;</p> <p>(iv) providing data or information, retrievable or otherwise, to any person in electronic form through a computer network;</p> <p>(v) online supplies of digital content (movies, television shows, music and the like);</p> <p>(vi) digital data storage; and</p> <p>(vii) online gaming;</p>	
12(8)	<b>Section 12. Place of supply of services where location of supplier &amp; recipient is in India:</b>	<b>Section 12. Place of supply of services where location of supplier and recipient is in India:</b>	<b>Now place of supply definition in such case has been amended by way of deleting provision In case where the supplier of services and recipient are service are located in India.</b>

## BUDGET ANALYSIS 2023-24

Section	Existing	Amendment	Bizsol Analysis
	<p>(8) The place of supply of services by way of transportation of goods, including by mail or courier to,-</p> <p>(a) a registered person, shall be the location of such person;</p> <p>(b) a person other than a registered person, shall be the location at which such goods are handed over for their transportation.</p> <p>Provided that where the transportation of goods is to a place outside India, the place of supply shall be the place of destination of such goods.</p>	<p>(8) The place of supply of services by way of transportation of goods, including by mail or courier to,-</p> <p>(a) a registered person, shall be the location of such person;</p> <p>(b) a person other than a registered person, shall be the location at which such goods are handed over for their transportation.</p> <p><del>Provided that where the transportation of goods is to a place outside India, the place of supply shall be the place of destination of such goods.</del></p>	

## BUDGET ANALYSIS 2023-24