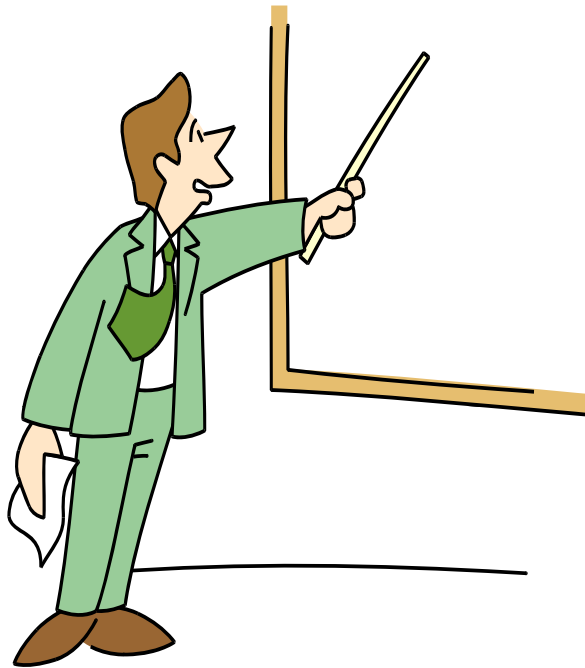


# STUDY CIRCLE MEETING



Organized by

**J. B. NAGAR CPE STUDY CIRCLE  
OF WIRC OF ICAI**

**PRESENTED BY**



**RAJIV LUTHIA**

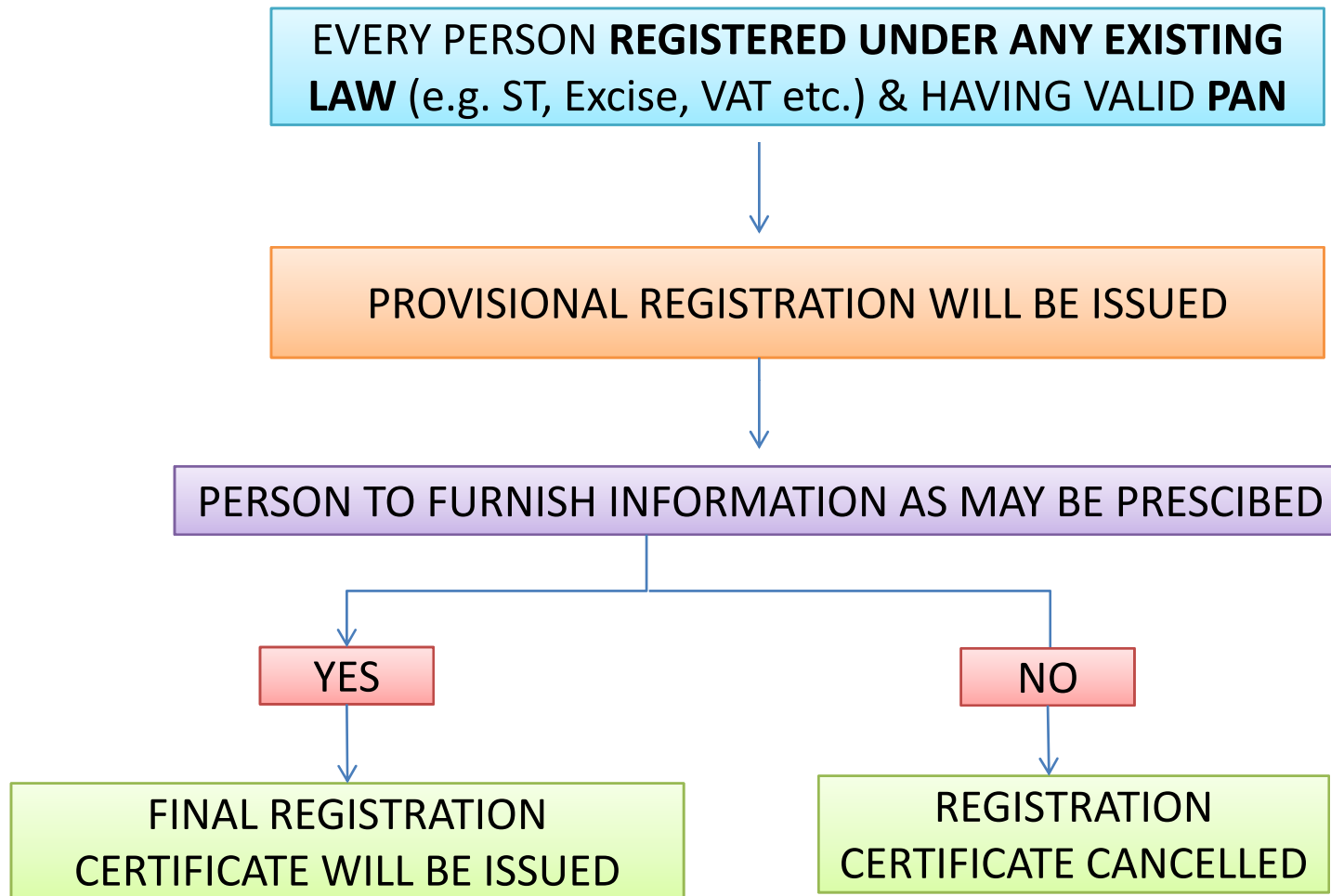
AN INVESTMENT IN KNOWLEDGE PAYS THE BEST RETURN

# COVERAGE

- **IMPORTANT TRANSITIONAL PROVISION**
- **RELATED TRANSITIONAL RULES**

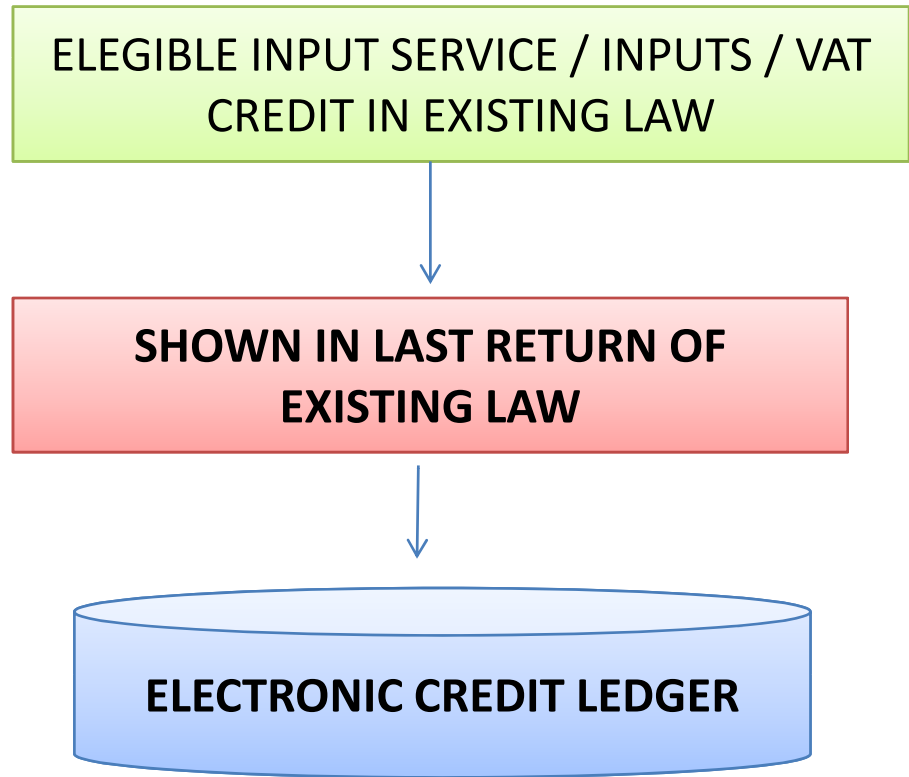


# MIGRATION OF EXISTING TAX PAYER ..Section 139



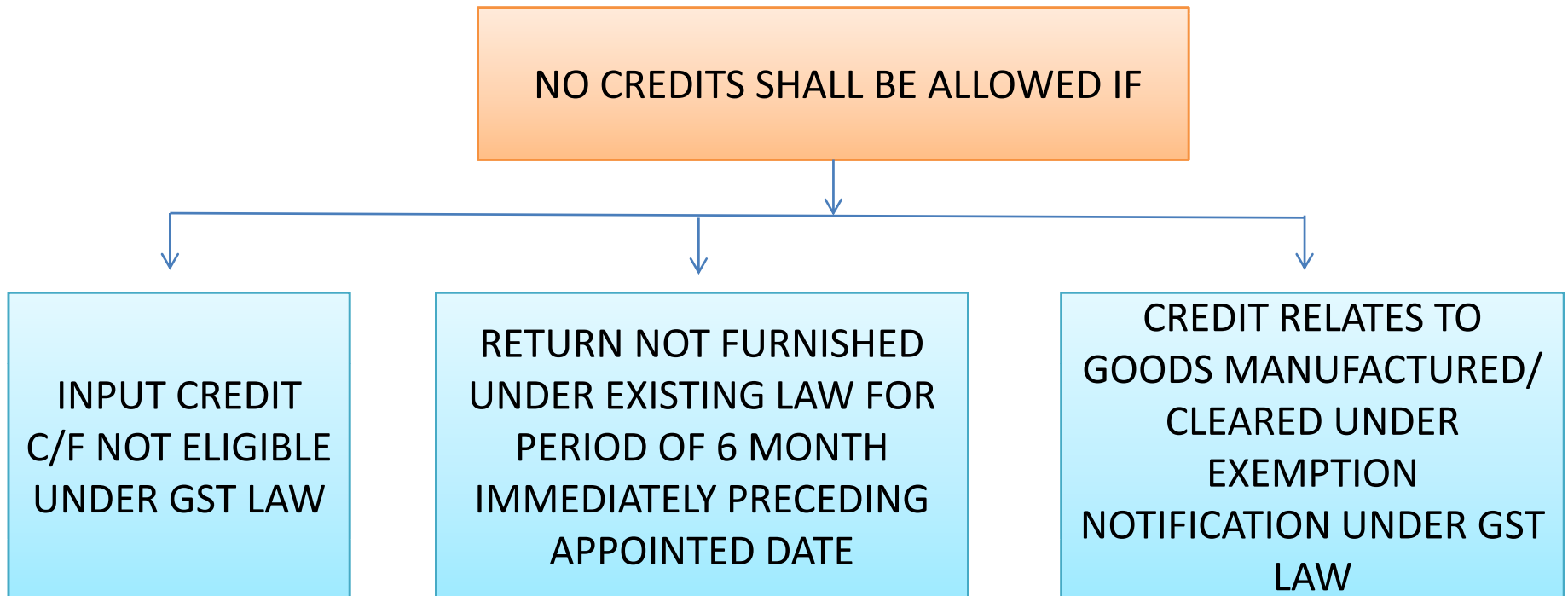
Certificate deemed to have not been issued if registration cancelled by person not liable under GST ( **on account of Threshold or non compulsory registration**)

# CENVAT in earlier returns...Section 140 (1)

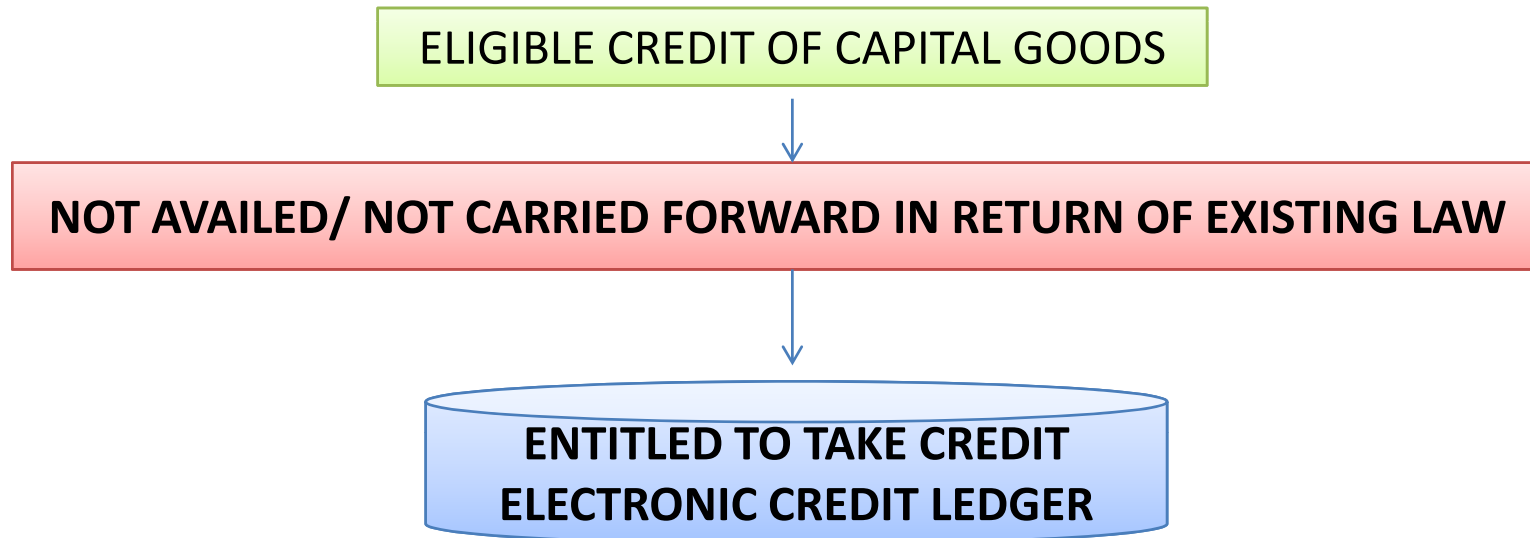


- Person opting for Composition Scheme (Section 10) under GST shall not be entitled to above
- Every registered Person entitled to carry forward of tax credit under section 140 to submit application in form **GST TRAN -01** within 60 days from appointed date – (Rule 2)

# CENVAT in earlier returns...Section 140 (1)



# CENVAT in earlier returns...Section 140 (2)



- Registered Person not allowed to take credit unless credit was admissible under existing law as well GST law
- The term “unavailed CENVAT credit” defined in explanation to section 140(2)
- The registered assessee to specify following particulars in Form **GST TRANS -01** for **every item of capital goods**
  - Amount of Tax availed as credit under existing law till appointed date
  - Amount of tax yet to be availed by way of credit under existing law till appointed date

# Credit of eligible duties/ taxes in respect of inputs held in stock to be allowed in certain situation. Sec 140(3)

REGISTER TAXABLE PERSON IN GST REGIME

Not liable to register in earlier law

Currently Engaged in manufacture of exempted goods/ provision of service

Provider of Works contract service who was availing benefit u/n 26/2012

1<sup>st</sup> Stages/2<sup>nd</sup> stage dealer or registered importer

Entitled to take credit of eligible duties & taxes in respect of **inputs held in stock**, semi-finished goods or finished goods subject to following condition

Inputs/goods are used or intended to be used for making taxable supplies

Eligible for input credit on such Input under GST

Possession of eligible Invoice evidencing payment of duty under existing law

Such Invoice were issued not earlier than 12 months

Supplier of service is not eligible for any abatement under GST

# Credit of eligible duties/ taxes in respect of inputs held in stock to be allowed in certain situation. Rule 3

PERSON REGISTERED UNDER GST & NOT REGISTERED UNDER CURRENT LAW

ENTITLED TO CREDIT OF 40% OF CENTRAL TAX APPLICABLE ON GOODS AFTER GST

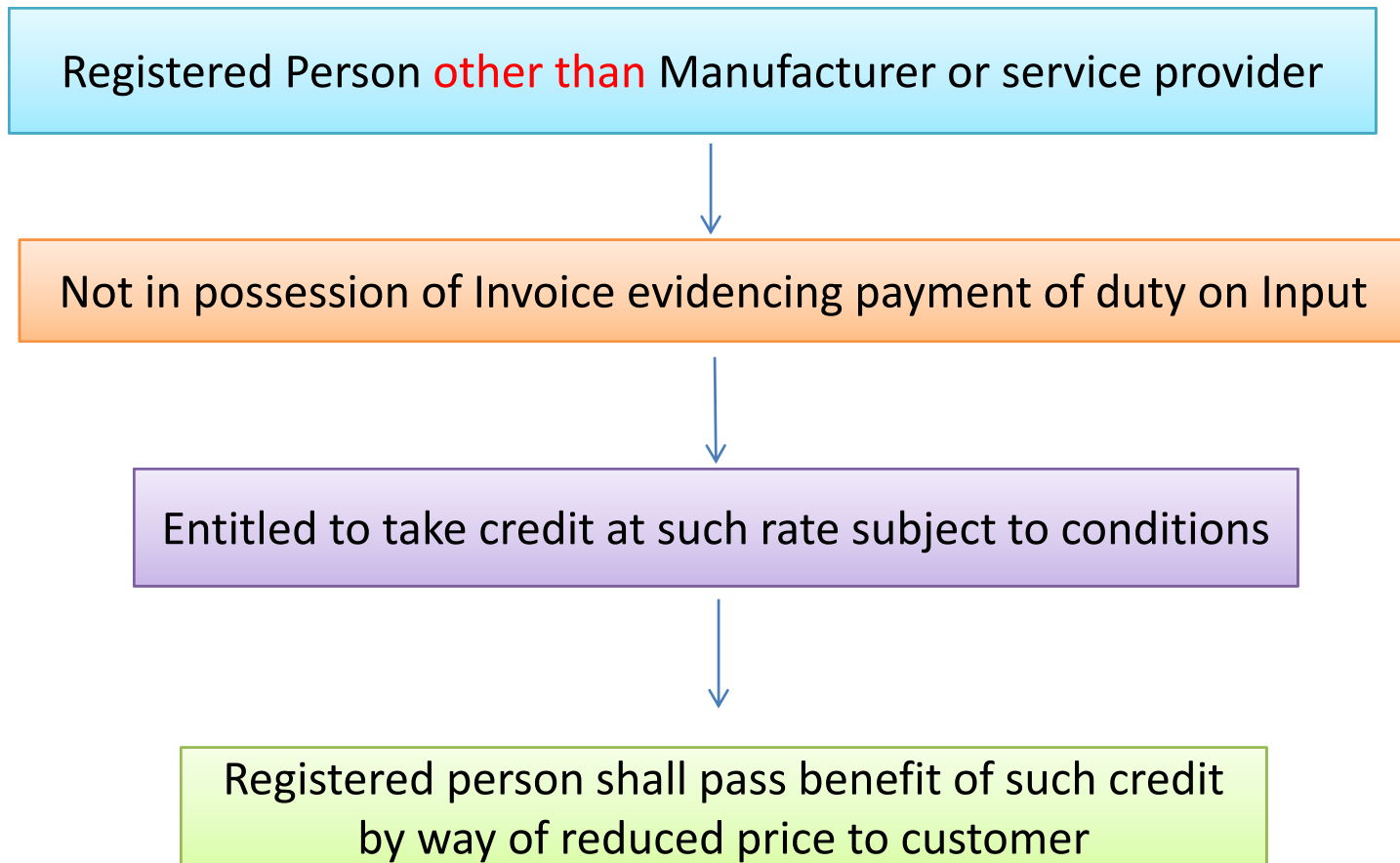
INPUT CREDIT WILL BE CREDITED **AFTER TAX** IS PAID ON SUCH “SUPPLY” UNDER GST

- **Conditions:**

- This scheme available for “6 tax period” from appointed date.
- Such goods where not exempt/NIL rated under current law
- Document of procurement of goods is available with registered person
- The registered person to submit stock statement in form GST TRAN for 6 tax period
- The Stock of goods stored is easily identifiable
- Such credit will be in form GST PMT -02 on GSTN portal



# Credit of eligible duties/ taxes in respect of inputs held in stock to be allowed in certain situation. Sec 140(3)



# Credit of eligible duties/ taxes on Inputs in certain situation. Sec 140 (4)

REGISTER TAXABLE PERSON IN GST LAW

Engaged in manufacturer of  
Taxable as well Exempted goods  
under Excise law

Provider of Exempted as well  
Taxable Service under Service  
tax law

- Entitled to take
    - Amount of CENVAT credit carried forward in last return under earlier law;
- AND
- Amount of CENVAT credit of eligible duties in respect of Inputs held in stock, semi-finished goods or finished goods relating to exempted goods/service in accordance with Section 140(3)

# Credit of eligible duties/ taxes in respect of inputs/input service to be allowed in certain situation. Sec 140 (5)

REGISTER TAXABLE PERSON in GST

- Entitled to take
  - Credit of eligible duties & taxes on Inputs or Input Service received on or after appointed date,  

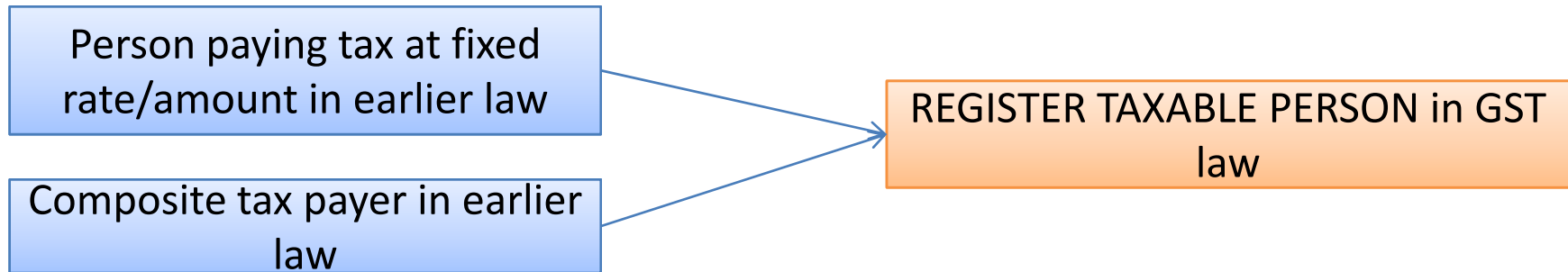
But
  - Duty or tax in respect of which has been paid before appointed date; subject to condition

Invoice is recorded in books of account within 30 days (or extended period of 30 days) from appointed date

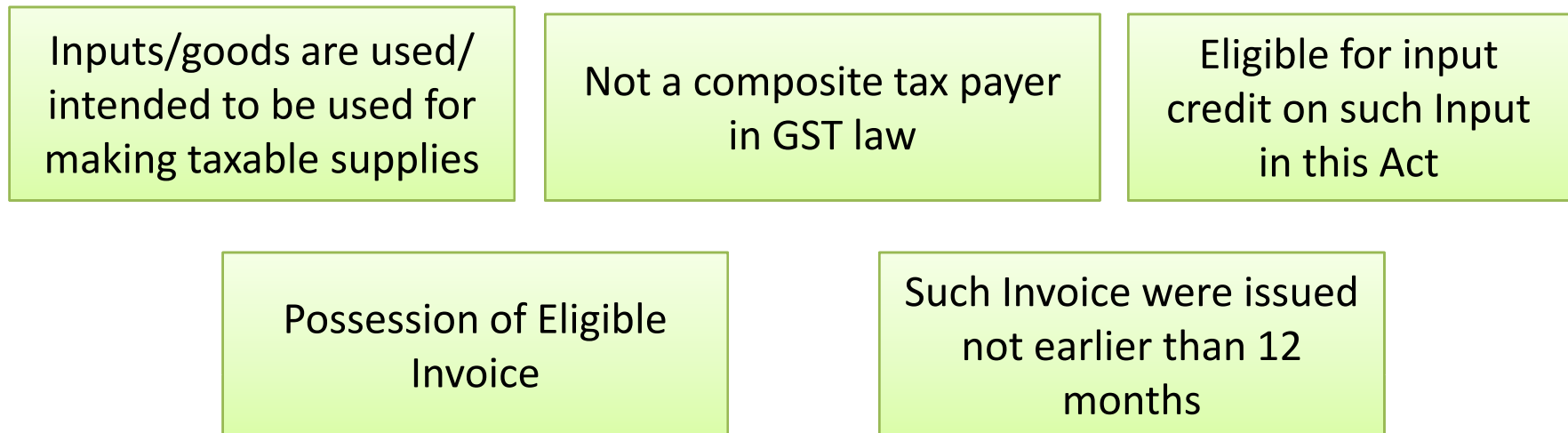
A statement in manner prescribed has been furnished in respect of said credit

Every registered taxable person availing benefit u/s 140(5) to submit additional details as provided in Rule 2(c)

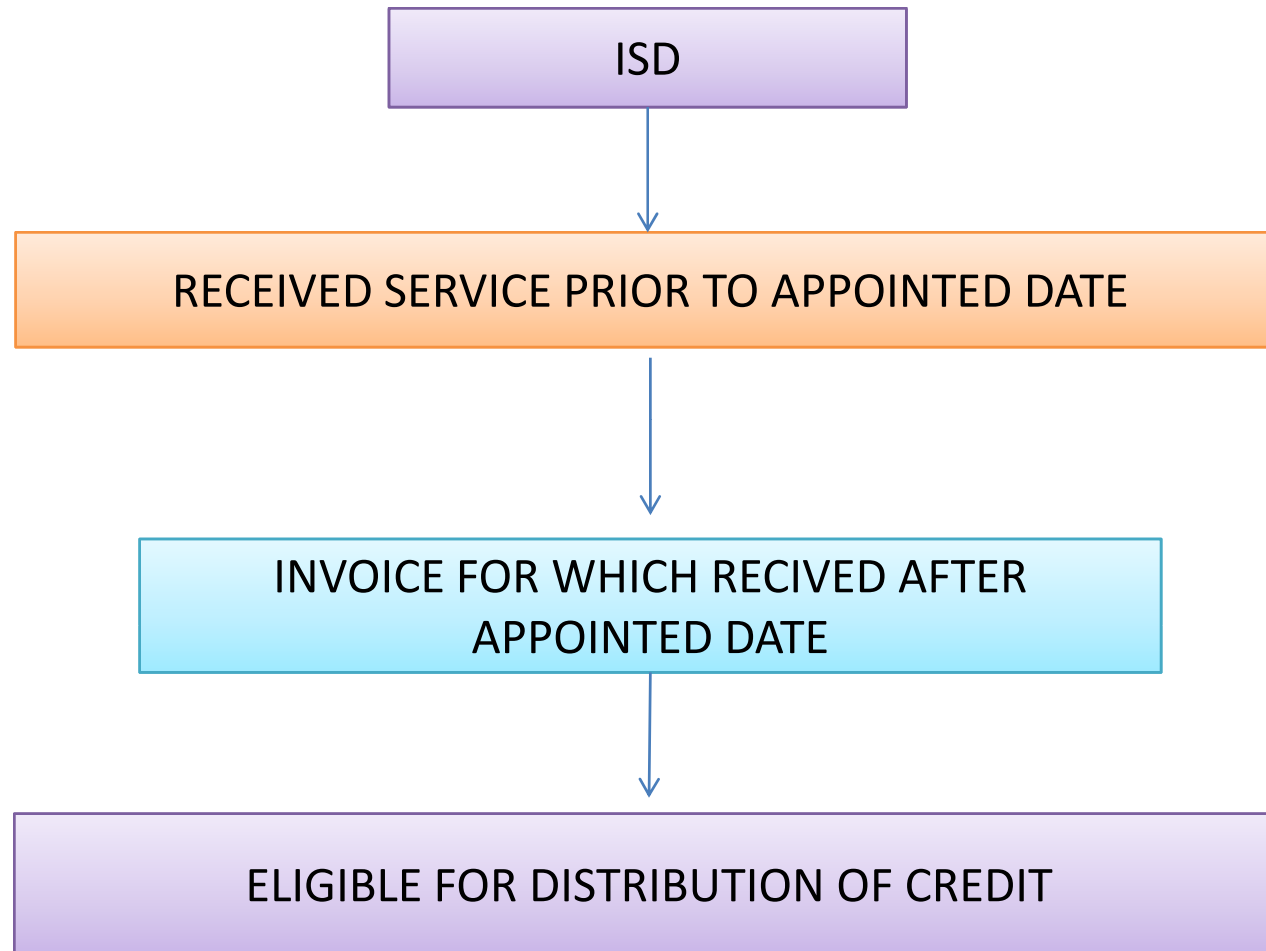
# Credit of eligible duties/ taxes in respect of inputs held in stock to be allowed in certain situation. Sec 140 (6)



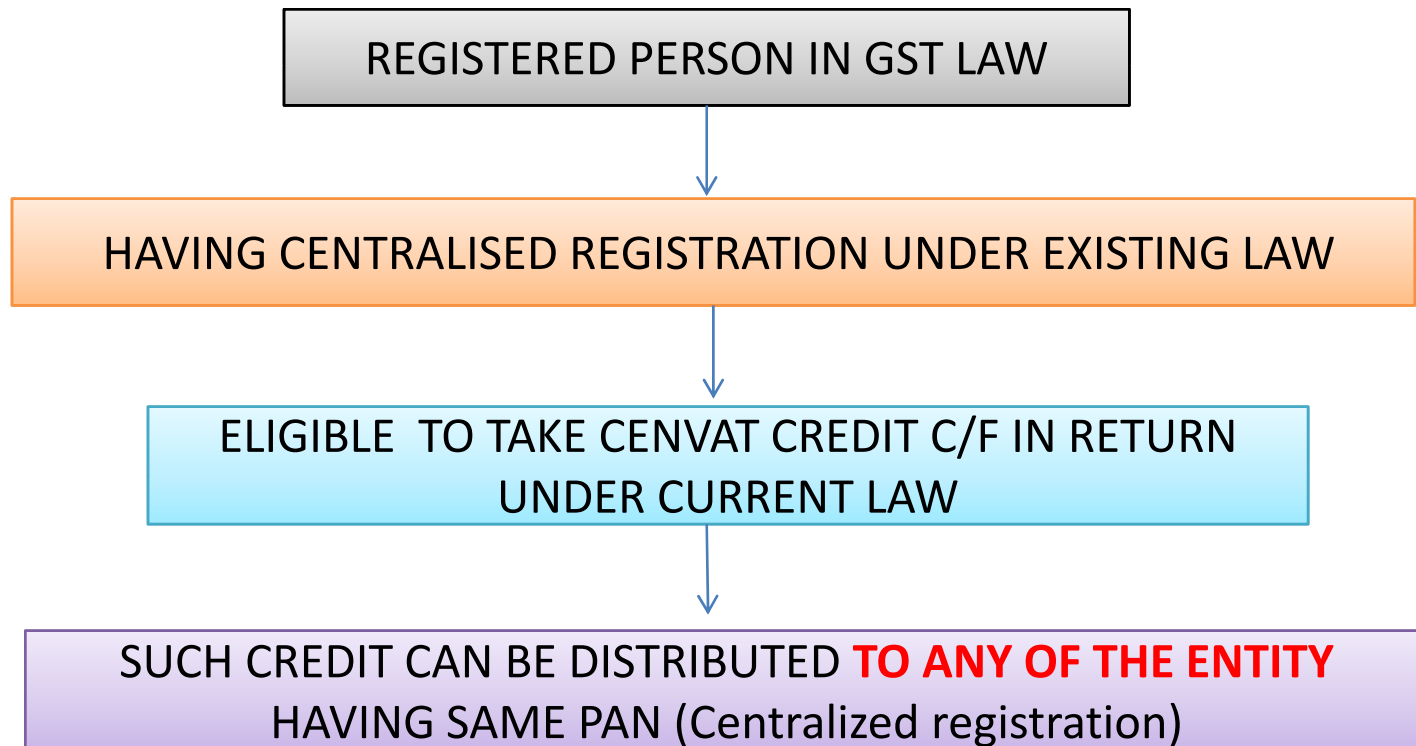
Entitled to take credit of eligible duties & taxes in respect of inputs held in stock, semi-finished goods or finished goods subject to following condition



# Input Tax credit by ISD...Section 140(7)



# CENTRALISED REGISTRATION...Section 140(8)



- Provided registered person furnished his return for the period immediately preceding the appointed day **within three months** of the appointed day.
- Such credit shall be allowed subject to the condition that the said return is either an original return or a revised return where the credit has been reduced from that claimed earlier
- Provided such credit is admissible in GST

# Non Payment to Input service provider

## Section 140(9)

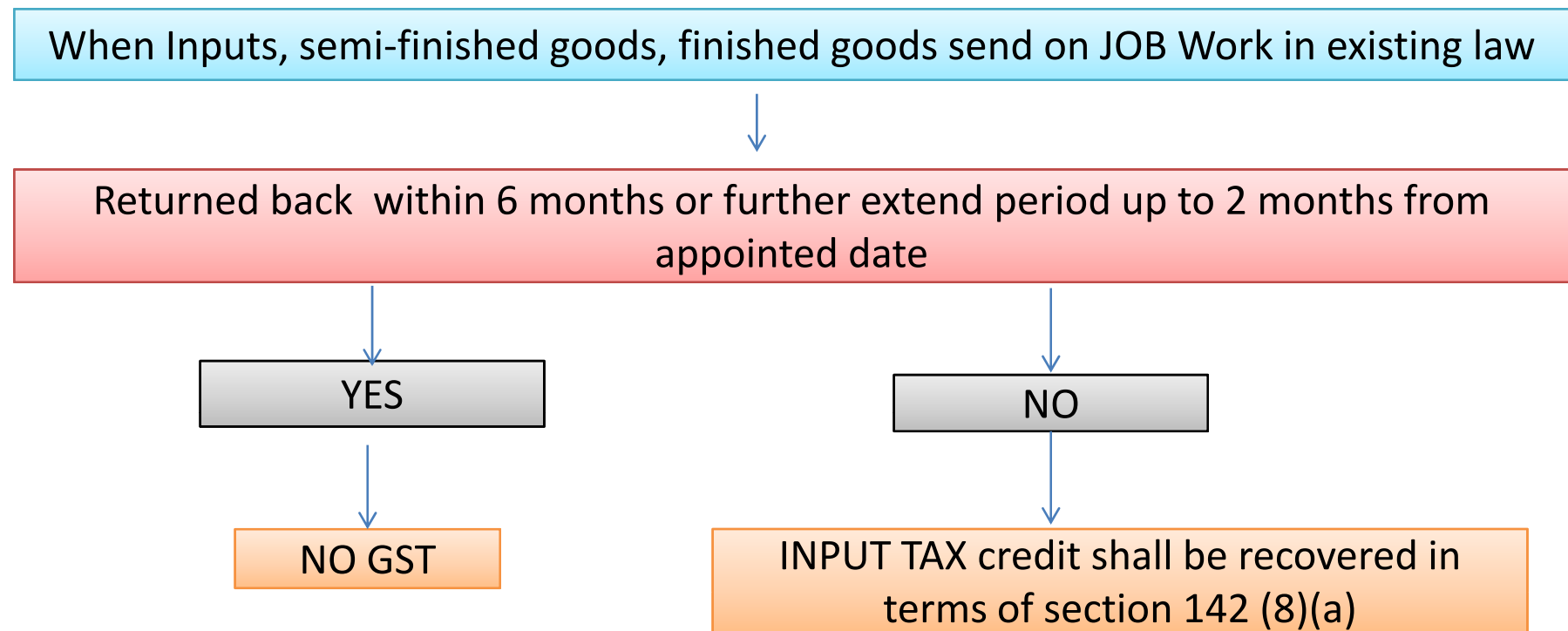
CENVAT CREDIT OF INPUT SERVICE AVAILED & REVERSED UNDER SECTION 4(7) OF CCR,2004 (**Non payment within 3 months**)

CAN BE ALLOWED TO TAKE CREDIT IN GST LAW

PROVIDED SUCH PAYMENT IS MADE WITHIN 3 MONTHS OF APPOINTED DATE

- The registered assessee to specify following particulars in Form GST TRANS - 01 for **every item of stock of goods**

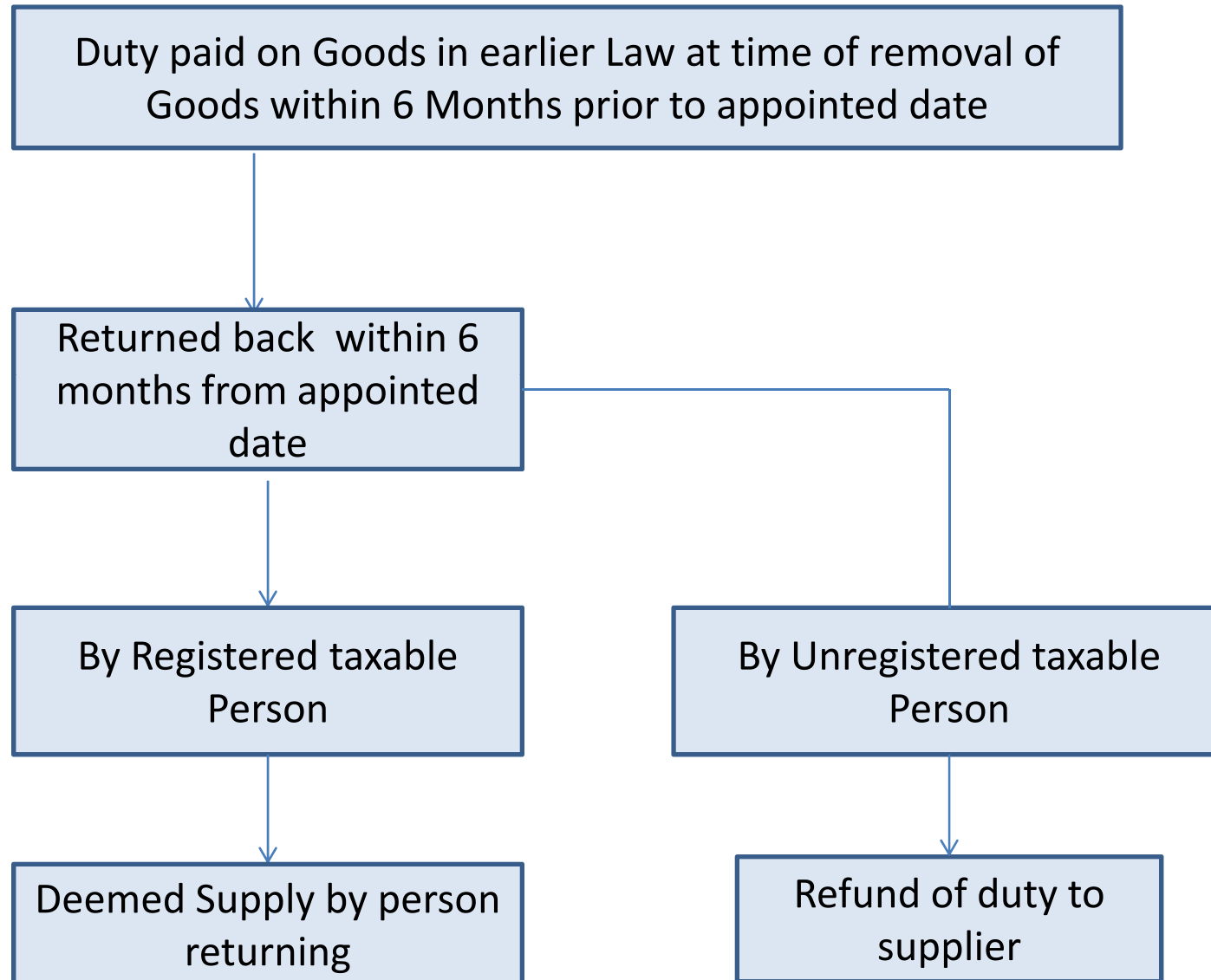
# JOB WORK RELATED PROVISION... Section 141(1)



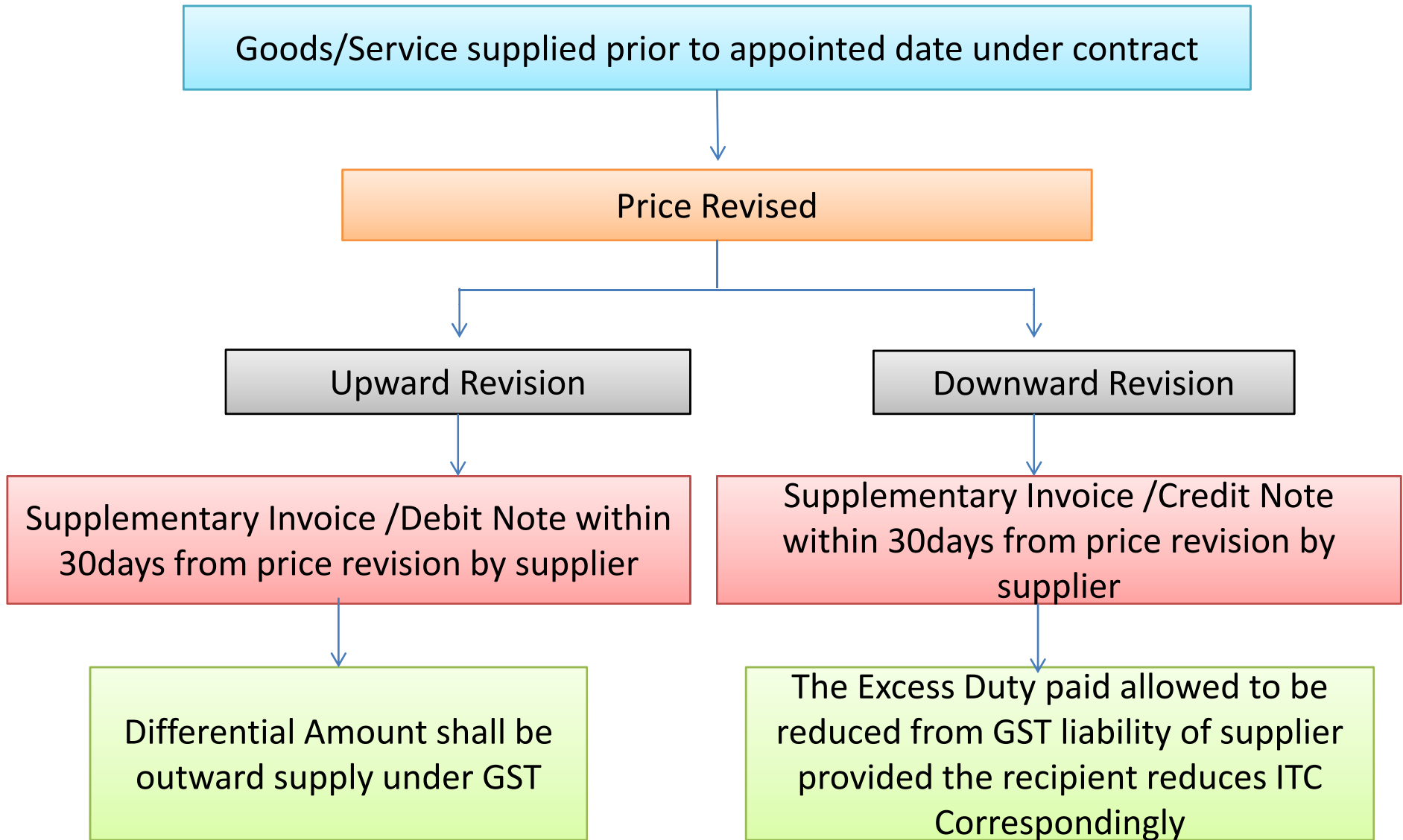
- **Similar Provision for**
  - **Semi-Finished Goods Sent on Job work & returned**
  - **Finished Goods Send for carrying certain process like testing**
- Every principal supplying goods to Job worker **shall** submit an application electronically in **FORM GST TRAN-1**, specifying, stock of goods /CG held by him on appointed day, details of stock/CG held by him as a principal at place/places of business of his agents/branch, separately agent-wise/branch-wise.



# Transitional provisions... Section 142(1)



# Transitional provisions... Section 142(2)



# Pending refund claims to be disposed off under earlier law... Section 142 (3)

Refunds claims for CENVAT credit, duty, tax, interest or other amount filed before , on or after appointment date for amount due under existing law

Shall be disposed off in accordance with the provision of existing law

Amount accruing to him shall be paid in cash

- If refund of CENVAT credit is fully or partially rejected, the amount so rejected shall lapsed
- No refund shall be allowed of any amount of CENVAT credit where the balance of the said amount as on the appointed day has been carried forward under this Act

# Pending refund claims to be disposed off under earlier law... Section 142 (4)

Refunds claims filed after appointment date for refund of tax paid under existing law in respect of goods or service exported before, on or after the appointment date



Shall be disposed off in accordance with the provision of existing law

- If refund of CENVAT credit is fully or partially rejected, the amount so rejected shall lapsed
- No refund shall be allowed of any amount of CENVAT credit where the balance of the said amount as on the appointed day has been carried forward under this Act

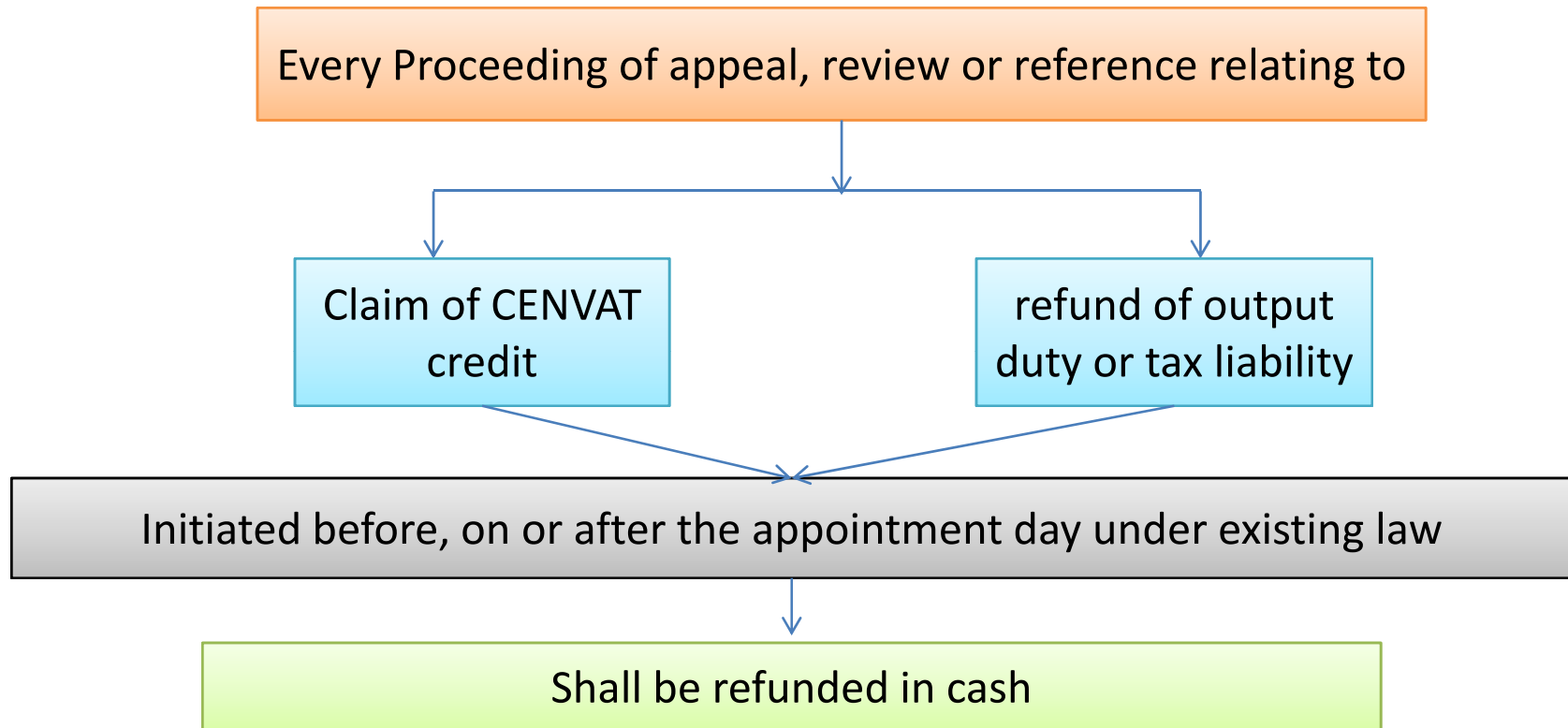
# Pending refund claims to be disposed off under earlier law... Section 142 (5)

Refunds claims filed after appointed date for refund of tax paid under existing law **in respect of Service not provided**

Shall be disposed off in accordance with the provision of existing law

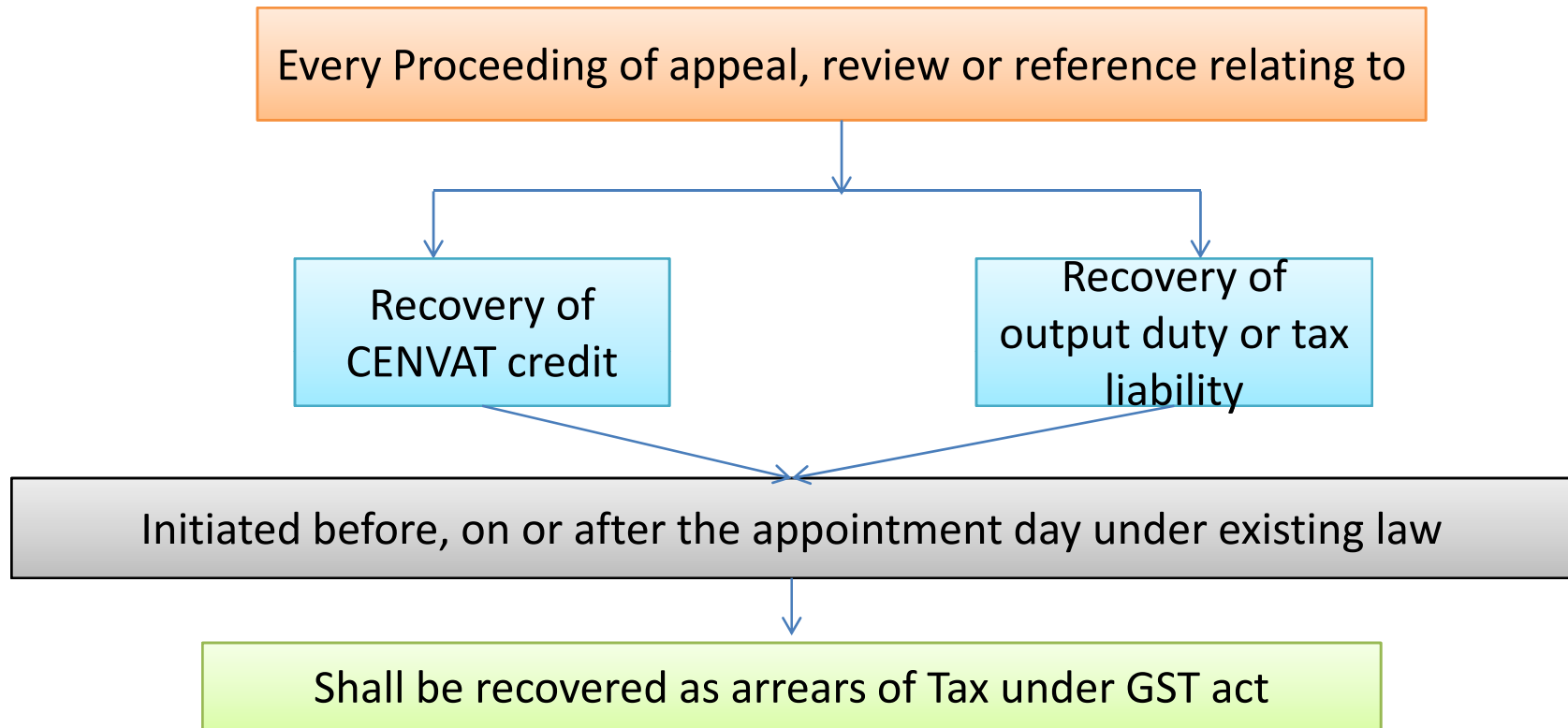
Amount accruing to him shall be paid in cash

# Pending refund claims to be disposed off under earlier law... Section 142 (6 & 7)



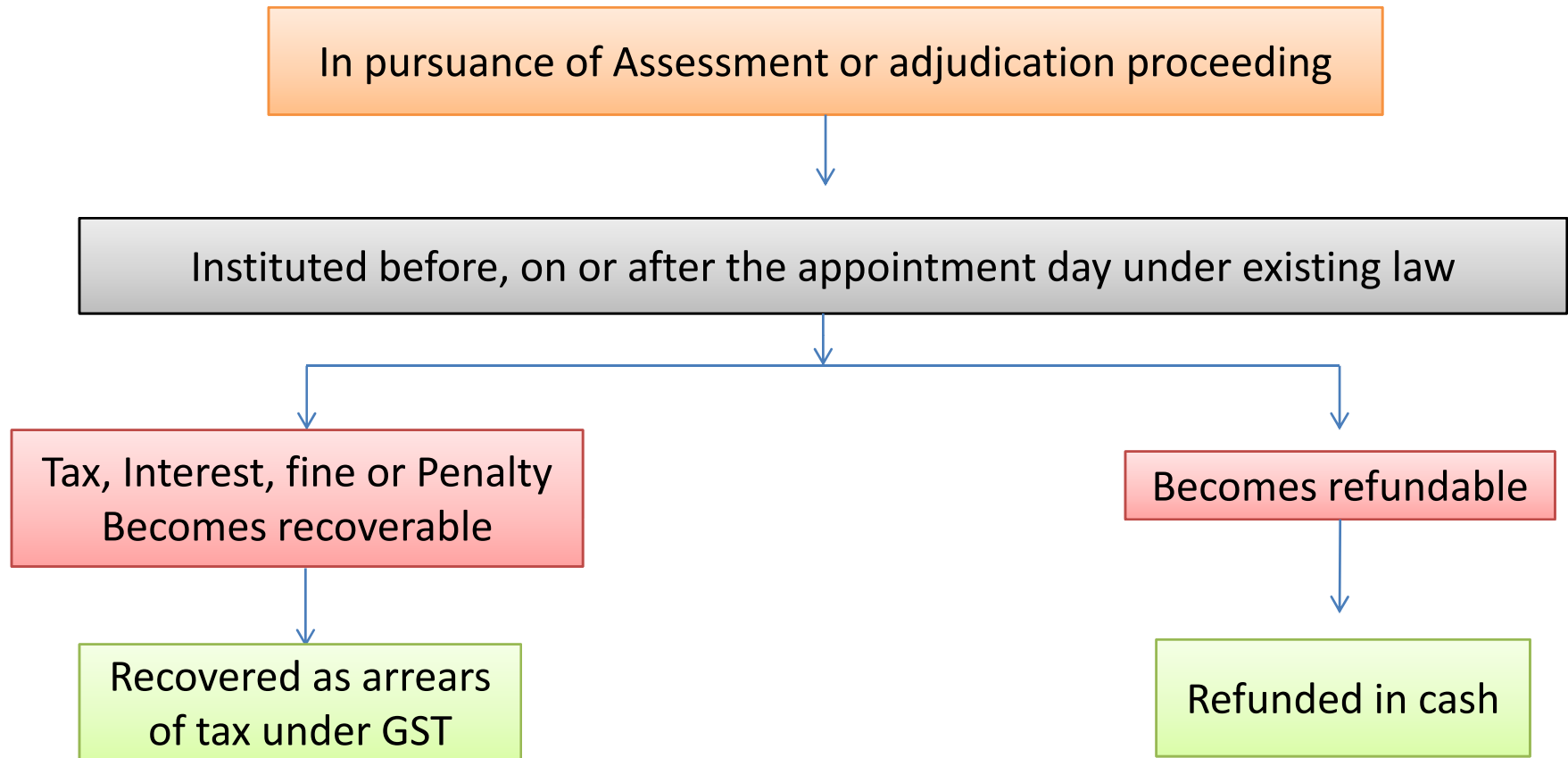
- The amount if rejected shall lapsed
- No refund shall be allowed of any amount of CENVAT credit where the balance of the said amount as on the appointed day has been carried forward under this Act

# Pending refund claims to be disposed off under earlier law... Section 142 (6 & 7)



- The amount so recovered shall not be eligible for input tax credit

# Pending refund claims to be disposed off under earlier law... Section 142 (8)

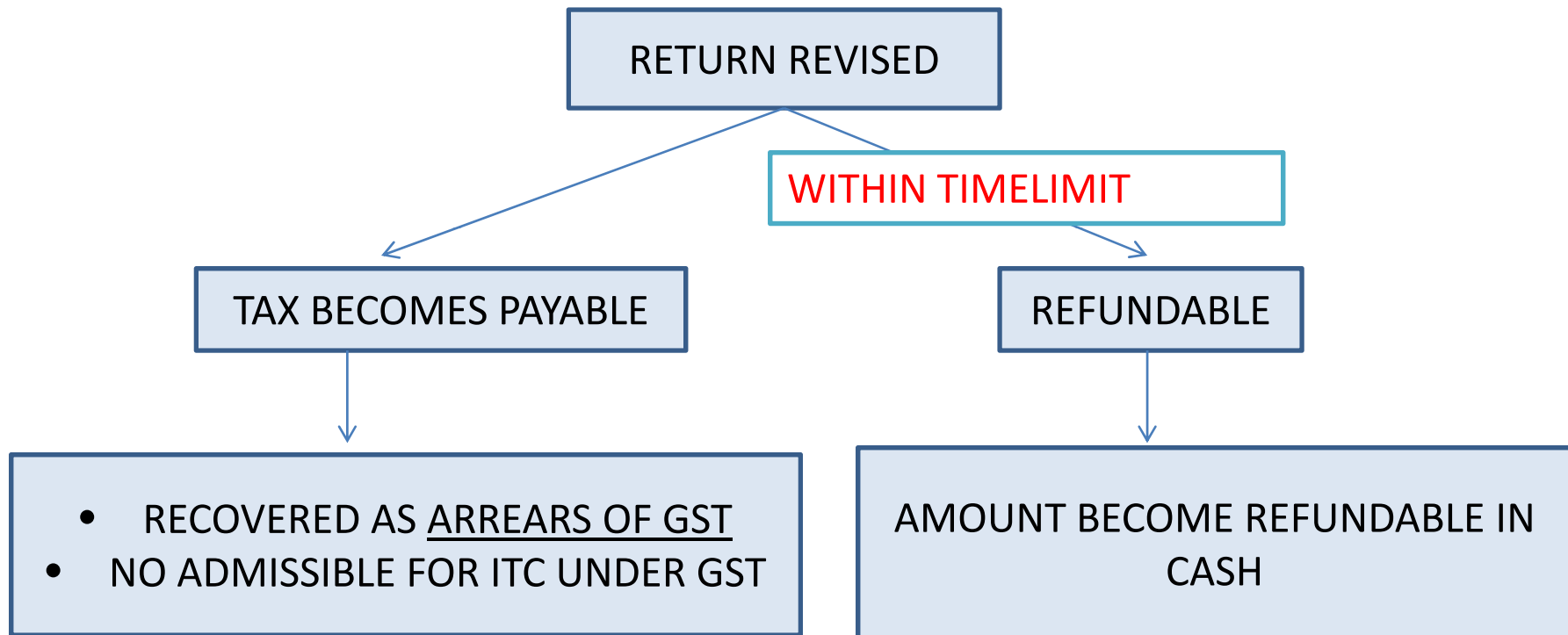


- Refund amount so recovered shall not be eligible for input tax credit
- The amount so rejected shall lapsed



# OTHER ASPECT – Section 142 (9)

- Revision of return filed under existing law



# NO GST IF TAX ALREADY PAID UNDER CURRENT REGIME – SECTION 142(11)

NO TAX PAYABLE ON  
GOODS UNDER GST



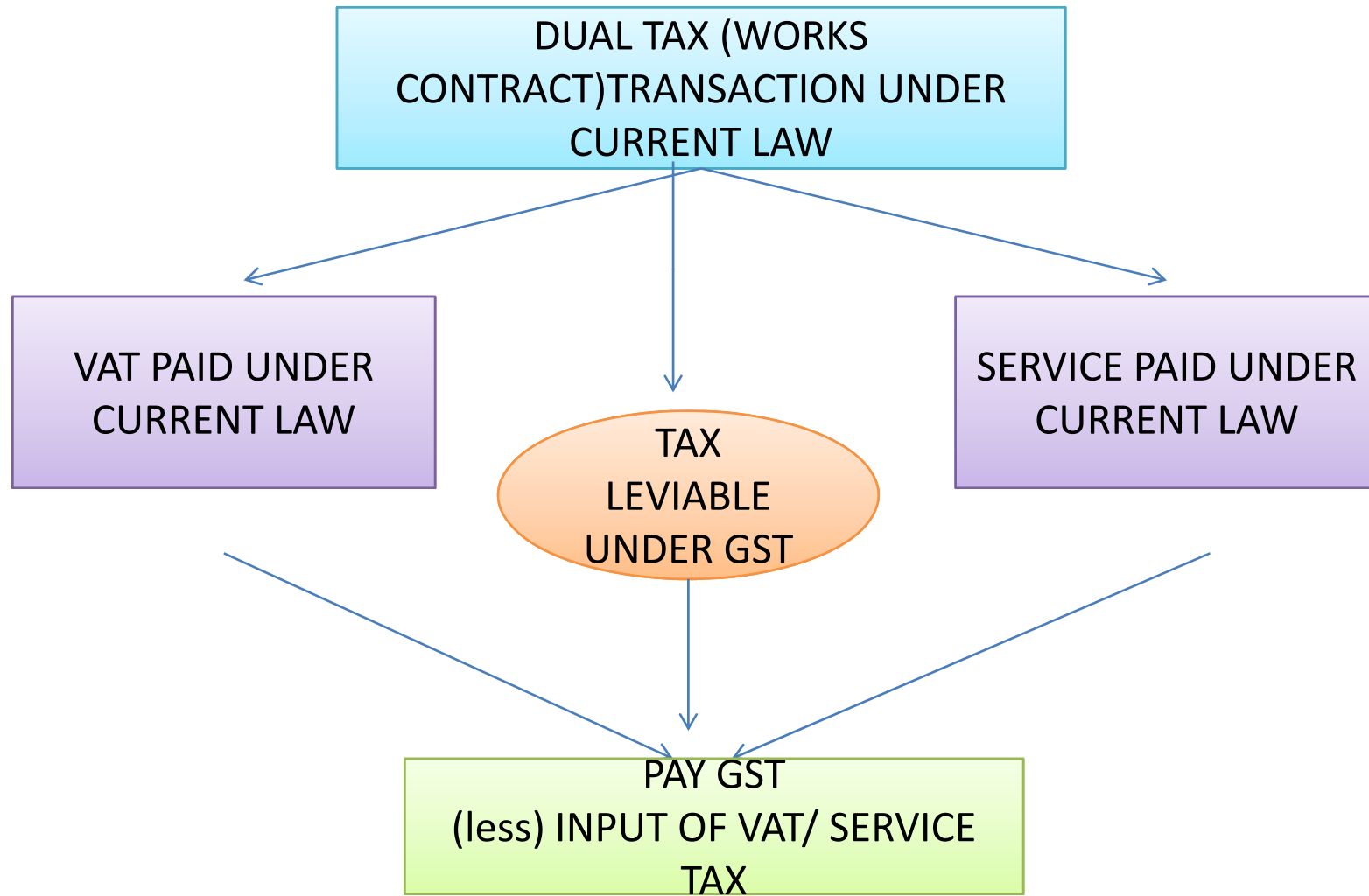
TO THE EXTENT TAX WAS  
LEVIABLE ON SAID GOODS  
UNDER STATE VAT

NO TAX PAYABLE ON  
SERVICES UNDER GST

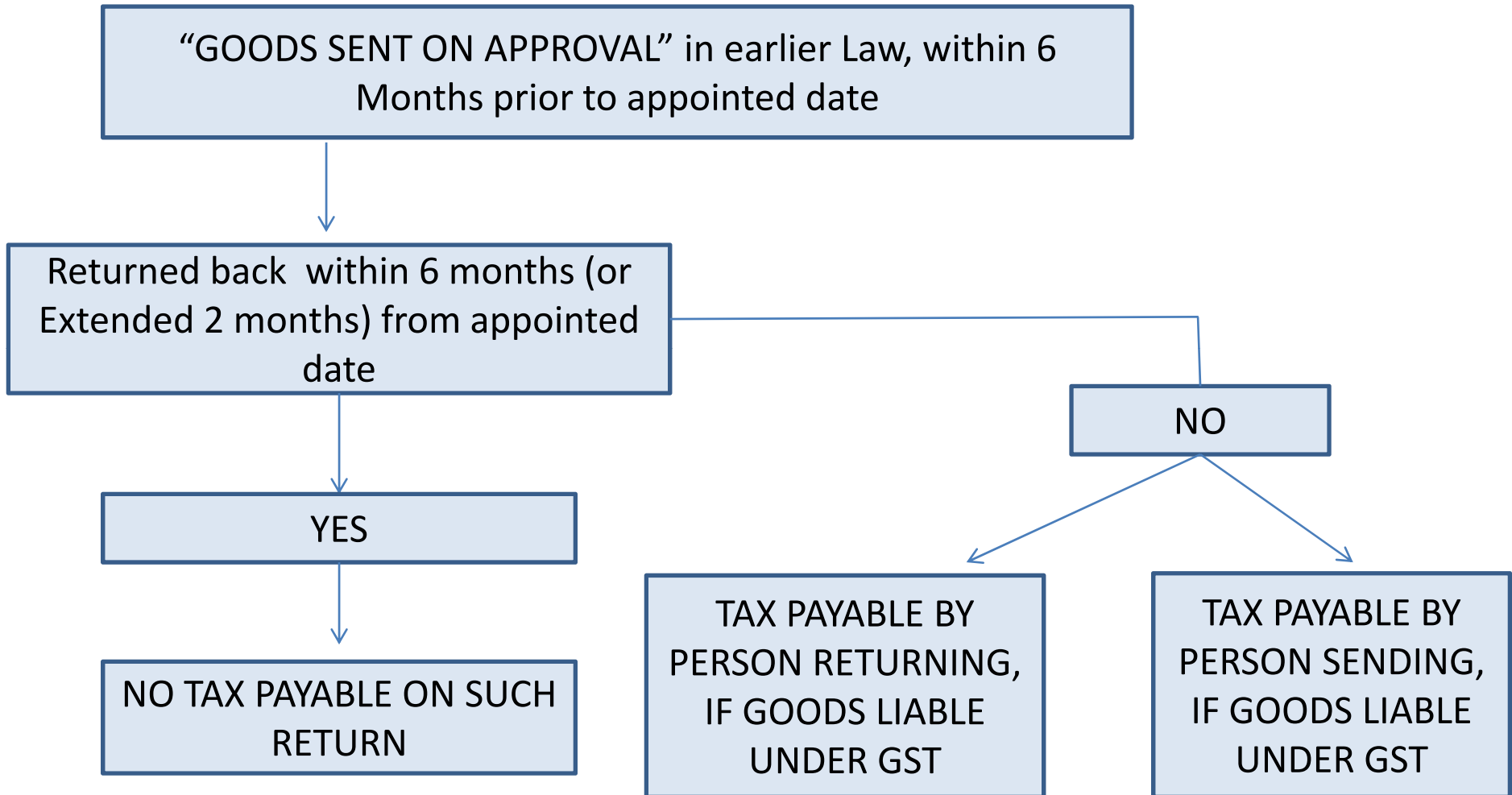


TO THE EXTENT TAX WAS  
LEVIABLE ON SAID SERVICES  
UNDER SERVICE TAX LAW

# NO GST IF TAX ALREADY PAID UNDER CURRENT REGIME – SECTION 142(11)



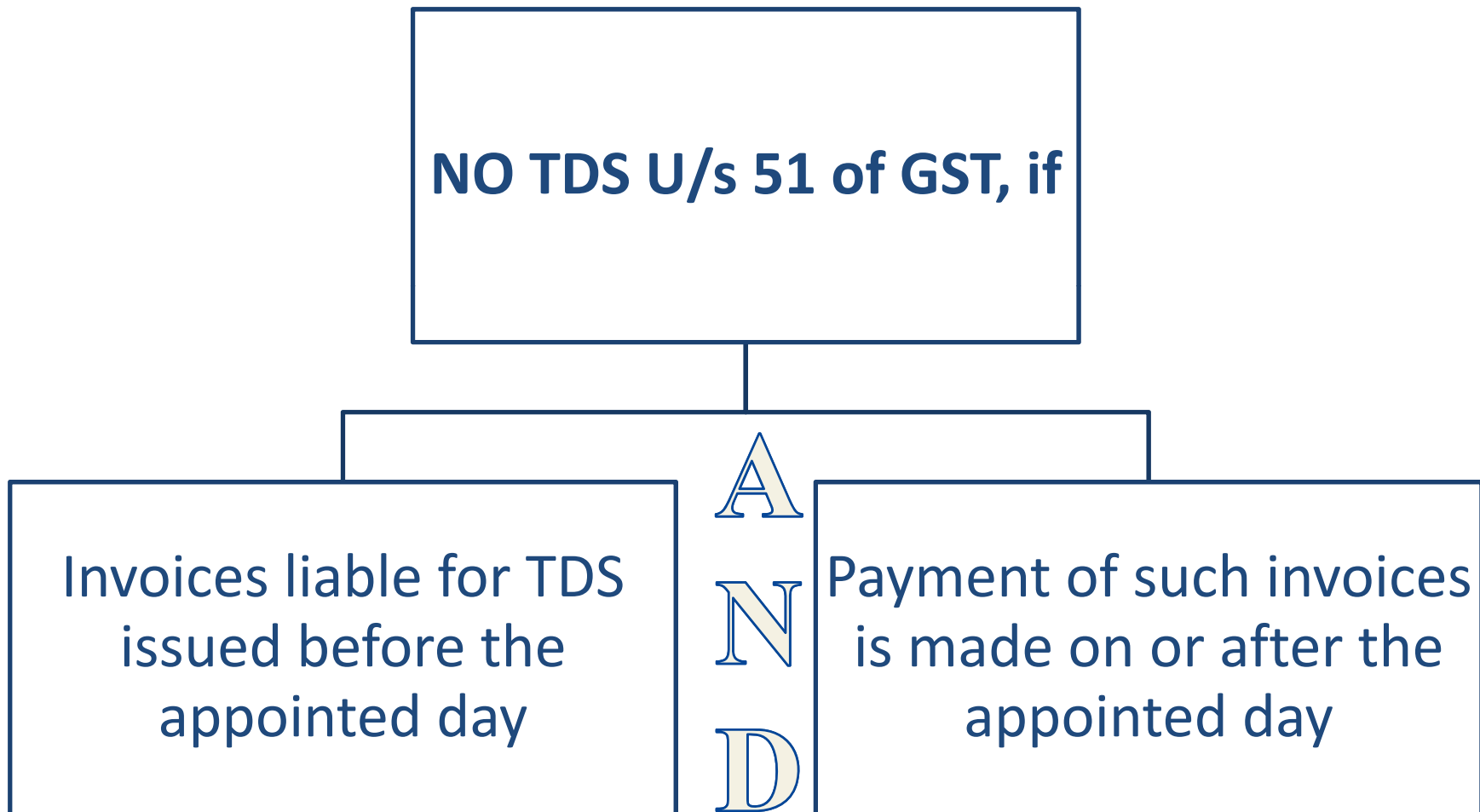
# Goods sent on Approval...Section 142(12)



Every Person shall within 60 days from the appointment day submit details of Goods <sup>28</sup> send on approval under earlier law in **FORM GST TRAN -1**

CA RAJIV LUTHIA

# Deduction of tax at source – Section 142(13)



WITH KNOWLEDGE..... WE KNOW THE WORDS,  
BUT WITH EXPERIENCE..... WE KNOW THE MEANING



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