



Finance Act 2022

GST Amendments

Prepared by

GST Expert - CS K K Agrawal

AMENDMENTS

Clauses	Amendments	
100.	Amendment of section 16.	Effective from 01.10.2022
101.	Amendment of section 29.	Effective from 01.10.2022
102.	Amendment of section 34.	Effective from 01.10.2022
103.	Amendment of section 37.	Effective from 01.10.2022
104.	Substitution of new section for section 38.	Effective from 01.10.2022
105.	Amendment of section 39.	Effective from 01.10.2022
106.	Substitution of new section for section 41.	Effective from 01.10.2022
107.	Omission of sections 42, 43 and 43A.	Effective from 01.10.2022
108.	Amendment of section 47.	Effective from 01.10.2022
109.	Amendment of section 48.	Effective from 01.10.2022
110.	Amendment of section 49.	Effective from 01.10.2022 except clause (c) effective from 05.07.2017
111.	Amendment of section 50.	Effective from 05.07.2017
112.	Amendment of section 52.	Effective from 01.10.2022
113.	Amendment of section 54.	Effective from 01.10.2022
114.	Amendment of section 168.	Effective from 01.10.2022
115.	Amendment of notification issued under section 146 of Central Goods and Services Tax Act read with section 20 of Integrated Goods and Services Tax Act, retrospectively.	
116.	Amendment of notification issued under sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.	
117.	Retrospective exemption from, or levy or collection of, central tax in certain cases.	
118.	Retrospective effect to notification issued under sub-section (2) of section 7 of Central Goods and Services Tax Act.	

**SECTION 16(2)**

Old	New
<p>Notwithstanding anything contained in this section, no 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 ^{recipient} unless,—</p> <p>(a) he ^{recipient} is in possession of a tax invoice ^[including e invoice] or debit note ^[including E Debit Note] issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed. ^{Bill of entry, ISD invoice}</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 ^{GSTR 1} and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37 ^{GSTR 2B}] ^{Effective from 01.01.2022}</p> <p>(b) he ^{recipient} has actually received ^{possession and control} the goods or services or both. ^{right to receive vs actual receive}</p> <p>Explanation ^{Bill to ship to model} .—</p> <p>[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>Provided that where the goods against an invoice are received in lots or installments, the registered person shall be entitled to take credit upon receipt of the last lot or installment. ^{Goods received in lots}</p> <p>(c) subject to the provisions of section 41, the tax charged ^{Rule 36} 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 ^{Supplier / Recipient}; and</p> <p>(d) he ^{recipient} has furnished the return under section 39. ^{GSTR 3B}</p>	<p>Notwithstanding anything contained in this section, no 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 ^{recipient} unless,—</p> <p>(a) he ^{recipient} is in possession of a tax invoice ^[including e invoice] or debit note ^[including E Debit Note] issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed. ^{Bill of entry, ISD invoice}</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 ^{GSTR 1} and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37 ^{GSTR 2B}] ^{Effective from 01.01.2022}</p> <p>(b) he ^{recipient} has actually received ^{possession and control} the goods or services or both. ^{right to receive vs actual receive}</p> <p>Explanation ^{Bill to ship to model} .—</p> <p>[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>Provided that where the goods against an invoice are received in lots or installments, the registered person shall be entitled to take credit upon receipt of the last lot or installment. ^{Goods received in lots}</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.] ^{FB 2022}</p> <p>(c) subject to the provisions of section 41, the tax charged ^{Rule 36} 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 ^{Supplier / Recipient}; and</p> <p>(d) he ^{recipient} has furnished the return under section 39. ^{GSTR 3B}</p>

**SECTION 29**

Old	New
<p>(2) The proper officer may cancel the registration of a person from such date, including any retrospective date ^{loss of ITC}, as he may deem fit, where, ^{also read rule 21} _____</p> <p>(a) a registered person has contravened such provisions of the Act or the rules made thereunder as may be prescribed; or</p> <p>(b) a person paying tax under section 10 ^{Composition Levy} has not furnished [returns for 3 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 6 months]; or</p> <p>(d) any person who has taken voluntary registration under section 25(3) has not commenced business within 6 months from the date of registration; or</p> <p>(e) registration has been obtained by means of fraud, wilful misstatement or suppression of facts:</p> <p>Provided that the proper officer shall not cancel the registration without giving the person an opportunity of being heard.</p> <p>[Provided further that during pendency of the proceedings relating to cancellation of registration, the proper officer may suspend the registration for such period and in such manner as may be prescribed ^{Rule 21A}.]</p>	<p>(2) The proper officer may cancel the registration of a person from such date, including any retrospective date ^{loss of ITC}, as he may deem fit, where, ^{also read rule 21} _____</p> <p>(a) a registered person has contravened such provisions of the Act or the rules made thereunder as may be prescribed; or</p> <p>(b) a person paying tax under section 10 ^{Composition Levy} 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 [such continuous tax period as may be prescribed]; or</p> <p>(d) any person who has taken voluntary registration under section 25(3) has not commenced business within 6 months from the date of registration; or</p> <p>(e) registration has been obtained by means of fraud, wilful misstatement or suppression of facts:</p> <p>Provided that the proper officer shall not cancel the registration without giving the person an opportunity of being heard.</p> <p>[Provided further that during pendency of the proceedings relating to cancellation of registration, the proper officer may suspend the registration for such period and in such manner as may be prescribed ^{Rule 21A}.]</p>

SECTION 34

Old	New
<p><u>FILING OF RETURN IN CASE OF CREDIT NOTES</u></p> <p>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</p> <p><small>Supplier: GSTR 1 Table 9B & GSTR 3B Table 3.1 Recipient: GSTR 3B Table 4B others</small></p> <p>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 is earlier, and the tax liability shall be adjusted in such manner as may be prescribed.</p> <p>Provided that no reduction in output tax liability of the supplier shall be permitted, if the incidence of tax and interest on such supply has been passed on to any other person.</p>	<p><u>FILING OF RETURN IN CASE OF CREDIT NOTES</u></p> <p>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</p> <p><small>Supplier: GSTR 1 Table 9B & GSTR 3B Table 3.1 Recipient: GSTR 3B Table 4B others</small></p> <p>for the month during which such credit note has been issued but not later than [30th 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>Provided that no reduction in output tax liability of the supplier shall be permitted, if the incidence of tax and interest on such supply has been passed on to any other person.</p>

**SECTION 37**

Old	New
<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 u/s 39(1) 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. <small>GSTR 1 cannot be amended</small></p> <p>[Provided further that the rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September, 2018 till the due date for furnishing the details under subsection (1) for the month of March, 2019 or for the quarter January, 2019 to March, 2019]</p>	<p>(3) Any registered person, who has furnished the details under sub-section (1) for any tax period [***], 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 u/s 39(1) shall be allowed after [30th November] following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier. <small>GSTR 1 cannot be amended beyond 30th November</small></p> <p>[Provided further that the rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September, 2018 till the due date for furnishing the details under subsection (1) for the month of March, 2019 or for the quarter January, 2019 to March, 2019]</p>
--	<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>

**SECTION 38**

Old	New insertion
Title: Furnishing details of inward supplies did not produce whole section 38 here. Please read from bare act.	Title: Communication of details of inward supplies and input tax credit. (1) The details of outward supplies furnished by the registered persons under sub-section (1) of section 37 and of such other supplies as may be prescribed, and an auto generated 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. (2) The auto-generated statement under sub-section (1) shall consist of— (a) details of inward supplies in respect of which credit of input tax may be available to the recipient; and (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,— (i) by any registered person within such period of taking registration as may be prescribed; or (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 (iii) by any registered person, the output tax 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 (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 (v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of section 49 subject to such conditions and restrictions as may be prescribed; or (vi) by such other class of persons as may be prescribed.”.

SECTION 39

Old	New
(5) Every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form ^{GSTR 5} and manner as may be prescribed ^{Rule 63} , a return, electronically, within [20] days after the end of a calendar month or within 7 days after the last day of the period of registration specified under section 27(1), whichever is earlier.	(5) Every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form ^{GSTR 5} and manner as may be prescribed ^{Rule 63} , a return, electronically, within [13] days after the end of a calendar month or within 7 days after the last day of the period of registration specified under section 27(1), whichever is earlier.



<p>(7) Every registered person who is required to furnish a return under section 39(1) ^{GSTR 3B}, other than the person referred to in the proviso thereto, or section 39(3) ^{TDS GSTR 7} or section 39(5) ^{N RTP GSTR 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, 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 particulars during a month, in such form and manner, and within such time, as may be prescribed.</p> <p>Provided further that every registered person furnishing return under sub-section (2) shall pay to the Government, the tax due taking into account turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, and such other particulars during a quarter, in such form and manner, and within such time, as may be prescribed.</p>	<p>(7) Every registered person who is required to furnish a return under section 39(1) ^{GSTR 3B}, other than the person referred to in the proviso thereto, or section 39(3) ^{TDS GSTR 7} or section 39(5) ^{N RTP GSTR 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,—</p> <p>(a) an amount equal to 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 particulars during a month; or</p> <p>(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>Provided further that every registered person furnishing return under sub-section (2) shall pay to the Government, the tax due taking into account turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, and such other particulars during a quarter, in such form and manner, and within such time, as may be prescribed.</p>
<p>(7) [Subject to the provisions of S 37 and 38], if any registered person after furnishing a return under S 39(1) ^{Normal person} or 39(2) ^{Composition person} or 39(3) ^{TDS: GSTR 7} or 39(4) ^{ISD: GSTR 6} or 39(5) ^{N RTP: GSTR 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 are noticed], 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 return for the month of September or second quarter] following the end of the financial year to which such details pertains, or the actual date of furnishing of relevant annual return, whichever is earlier.</p>	<p>(7) [Where], if any registered person after furnishing a return under S 39(1) ^{Normal person} or 39(2) ^{Composition person} or 39(3) ^{TDS: GSTR 7} or 39(4) ^{ISD: GSTR 6} or 39(5) ^{N RTP: GSTR 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 are noticed], 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 [30th November] following the end of the financial year to which such details pertains, or the actual date of furnishing of relevant annual return, whichever is earlier.</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.	(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 or the details of outward supplies under sub-section (1) of section 37 for the said tax period has not been furnished by him: 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;
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SECTION 41

Old	New
<u>CLAIM OF INPUT TAX CREDIT AND PROVISIONAL ACCEPTANCE THEREOF</u> (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 ^{GSTR 3B} and such amount shall be credited [on a provisional basis] to his electronic credit ledger ^{PMT-02} (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.	<u>AVAILMENT OF INPUT TAX CREDIT</u> (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. (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: 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

SECTION 47

Old	New
<u>LEVY OF LATE FEE</u> (1) Any registered person who fails to furnish the details of outward [or inward] supplies required under section 37 ^{outward supply return} [or section 38] ^{Inward supply return} or returns required under section 39 ^{GSTR 3B/4/5/6/7} or section 45 ^{Final Return} by the due date shall pay a late fee of ₹ 100 for every day during which such failure continues subject to a maximum amount of ₹ 5,000.	<u>LEVY OF LATE FEE</u> (1) Any registered person who fails to furnish the details of outward [****] supplies required u/s 37 ^{outward supply return} [**] ^{Inward supply return} or returns required under section 39 ^{GSTR 3B/4/5/6/7} or section 45 ^{Final Return} [or section 52 ^{GSTR 7 TCS return}] by the due date shall pay a late fee of ₹ 100 for every day during which such failure continues subject to a maximum amount of ₹ 5,000.

**SECTION 49**

Old	New
(4) Utilisation of ITC: The amount available in the electronic credit ledger may be used for making any payment towards tax ^{Normal} payable under the provisions of the Act or the rules made thereunder in such manner and subject to such conditions [****] and within such time as may be prescribed.	(4) Utilisation of ITC: The amount available in the electronic credit ledger may be used for making any payment towards tax ^{Normal} payable under the provisions of the Act or the rules made thereunder in such manner and subject to such conditions and restrictions and within such time as may be prescribed.
(10) A registered person may, on the common portal, transfer any amount of tax ^{I[C]SIC} , interest ^{I[C]SIC} , penalty, fee ^{I[C]S} 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 ^{PMT-09} 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.	(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: 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.”

SECTION 50

Old	New
(3) A taxable person who makes an undue or excess claim of input tax credit under section 42(10) ^{matching} or undue or excess reduction in output tax liability under section 43(10) ^{matching} , shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate ^{24% p.a.} not exceeding 24%, as may be notified by the Government on the recommendations of the Council.	(3) Where the input tax credit has been wrongly availed and utilised, the registered person shall pay interest on such input tax credit wrongly availed and utilised, at such rate not exceeding twenty-four per cent. ^{18% p.a.} as may be notified by the Government, on the recommendations of the Council, and the interest shall be calculated, in such manner as may be prescribed.
Rate of Interest: 24% p.a.	Rate of Interest: 18% p.a. w.e.f. 01.07.2017

**SECTION 52**

Old	New
<p>(6) If any operator after furnishing a statement under sub-section (4) 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 statement to be furnished for the month during which such omission or incorrect particulars are noticed, subject to payment of interest, as specified in section 50(1):</p> <p>Provided that no such rectification of any omission or incorrect particulars shall be allowed after the [due date for furnishing of statement for the month of September] ^{10th Oct} following the end of the financial year or the actual date of furnishing of the relevant annual statement, whichever is earlier.</p>	<p>(6) If any operator after furnishing a statement under sub-section (4) 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 statement to be furnished for the month during which such omission or incorrect particulars are noticed, subject to payment of interest, as specified in section 50(1):</p> <p>Provided that no such rectification of any omission or incorrect particulars shall be allowed after the [30th November] following the end of the financial year or the actual date of furnishing of the relevant annual statement, whichever is earlier.</p>

SECTION 54

Old	New
<p>(1) Any person ^{RD / URD} claiming refund ^{Explanation 1} of any tax and interest, if any, paid on such tax or any other amount ^{under protest} paid by him, may make an application before the expiry of 2 years from the relevant date ^{Explanation 2} in such ^{RFD 01/shipping bill} and manner as may be prescribed ^{Rule 89-LUT, 96A-IGST paid}</p> <p>Provided that a registered person, claiming refund of any balance in the electronic cash ledger ^{no time limit} in accordance with the provisions of section 49(6), may claim such refund in [the return furnished under section 39 ^{GSTR 3B} in such] ^{FB 2022} manner as may be prescribed.</p>	<p>(1) Any person ^{RD / URD} claiming refund ^{Explanation 1} of any tax and interest, if any, paid on such tax or any other amount ^{under protest} paid by him, may make an application before the expiry of 2 years from the relevant date ^{Explanation 2} in such ^{RFD 01/shipping bill} and manner as may be prescribed ^{Rule 89-LUT, 96A-IGST paid}</p> <p>Provided that a registered person, claiming refund of any balance in the electronic cash ledger ^{no time limit} in accordance with the provisions of section 49(6), may claim such refund in [such form ^{RFD 01} and] manner as may be prescribed.</p>
<p>(2) A specialised agency of the United Nations Organisation or any Multilateral Financial Institution and Organisation notified under the United Nations (Privileges and Immunities) Act, 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 and manner as may be prescribed ^{R 95, 95A}, before the expiry of [6 months] ^{18 months by NN 20/2018 CT} from the last day of the quarter in which such supply was received.</p>	<p>(2) A specialised agency of the United Nations Organisation or any Multilateral Financial Institution and Organisation notified under the United Nations (Privileges and Immunities) Act, 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 and manner as may be prescribed ^{R 95, 95A}, before the expiry of [2 years] from the last day of the quarter in which such supply was received.</p>
<p>Explanation 2: Relevant Date</p> <p>--</p>	<p>Explanation 2: Relevant Date</p> <p>(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.</p>



THE FINANCE BILL, 2022

EXTRACT OF PROPOSALS RELATING TO GST ONLY

noting by GST Expert - CS K K Agrawal

Changes in

- a. CGST
- b. IGST
- c. UTGST
- d. Schedule

Note on Clauses

Memorandum explaining clause

(AS INTRODUCED IN LOK SABHA)



CLAUSES

Total 23 clauses

19 amendments

Central Goods and Services Tax

99. Amendment of section 16.
100. Amendment of section 29.
101. Amendment of section 34.
102. Amendment of section 37.
103. Substitution of new section for section 38.
104. Amendment of section 39.
105. Substitution of new section for section 41.
106. Omission of sections 42, 43 and 43A.
107. Amendment of section 47.
108. Amendment of section 48.
109. Amendment of section 49.
110. Amendment of section 50.
111. Amendment of section 52.
112. Amendment of section 54.
113. Amendment of section 168.
114. Amendment of notification issued under section 146 of Central Goods and Services Tax Act read with section 20 of Integrated Goods and Services Tax Act, retrospectively.
115. Amendment of notification issued under sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.
116. Retrospective exemption from, or levy or collection of, central tax in certain cases.
117. Retrospective effect to notification issued under sub-section (2) of section 7 of Central Goods and Services Tax Act.

3 amendments

Integrated Goods and Services Tax

118. Amendment of notification issued under section 20 of Integrated Goods and Services Tax read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.
119. Retrospective exemption from, or levy or collection of, integrated tax in certain cases.
120. Retrospective effect to notification issued under clause (i) of section 20 of Integrated Goods and Services Tax read with sub-section (2) of section 7 of Central Goods and Services Tax Act.



CLAUSES

3 amendments

Union Territory Goods and Services Tax

121. Amendment of notification issued under section 21 of Union Territory Goods and Services Tax Act read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.
122. Retrospective exemption from, or levy or collection of, Union territory tax in certain cases.
123. Retrospective effect to notification issued under clause (i) of section 21 of Union Territory Goods and Services Tax Act read with sub-section (2) of section 7 of Central Goods and Services Tax Act.

THE FIFTH SCHEDULE

THE SIXTH SCHEDULE.

THE SEVENTH

SCHEDULE. THE EIGHTH

SCHEDULE.

*Central Goods and Services Tax*

Amendment of section 16. **99.** In the Central Goods and Services Tax Act, 2017 12 of 2017. (hereinafter referred to as the Central Goods and Services Tax Act), in section 16, —

(a) in sub-section (2),—

(i) after clause (b), the following clause shall be inserted, namely:—

“(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;”;

(ii) in clause (c), the words, figures and letter “or section 43A” shall be omitted;

Now officer can restrict ITC as per Section 38. S 38 says if supplier defaults in any of the provisions then recipient cannot claim credit.

Correctly deleted since ANX 1, 2 or 3 not being implemented

Now credit can be claimed till 30th Nov. Suppose Oct return is filed after 20th Nov but on or before 30th Nov ITC shall be available

(b) in sub-section (4), for the words and figures “due date of furnishing of the return under section 39 for the month of September”, the words “thirtieth day of November” shall be substituted.

Amendment of section 29. **100.** In section 29 of the Central Goods and Services Tax Act, in sub-section (2), —

(a) in clause (b), for the words “returns for three consecutive tax periods”, the words “the return for a financial year beyond three months from the due date of furnishing the said return” shall be substituted;

(b) in clause (c), for the words “a continuous period of six months”, the words “such continuous tax period as may be prescribed” shall be substituted.

Cancellation of registration of Composition levy
Suppose if GSTR 4 is not filed till 31-7 regd. can be canceled. Regd cannot be canceled of not paying tax in CMP 08

Cancellation of regd of regular person. The period shall be prescribed in rules

Time limit for issuance of CN
Invoice of FY 1 can be issued till 30th Nov of FY2

101. In section 34 of the Central Goods and Services Tax Act, in sub-section (2), for the word “September”, the words “the thirtieth day of November” shall be substituted.

Amendment of section 37. **102.** In section 37 of the Central Goods and Services Tax Act,—

(a) in sub-section (1), —

(i) after the words “shall furnish, electronically,”, the words “subject to such conditions and restrictions and” shall be inserted;

(ii) for the words “shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed”, the words “shall, subject

Filing of GSTR 1 shall be subject certain conditions and restrictions

GSTR 2B communication shall be subject to conditions and restrictions



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” shall be substituted;

Referring to Rule 42 and Rule 43 omitted (iii) the first proviso shall be omitted;

Cosmetic change (iv) in the second proviso, for the words “Provided further that”, the words “Provided that” shall be substituted;

Cosmetic change (v) in the third proviso, for the words “Provided also that”, the words “Provided further that” shall be substituted;

Referring to that GSTR 1 cannot be updated for a period (b) sub-section (2) shall be omitted;

(c) in sub-section (3),—

matching reference deleted (i) the words and figures “and which have remained unmatched under section 42 or section 43” shall be omitted;

GSTR 1 can be amended or updated till 30th Nov (ii) in the first proviso, for the words and figures “furnishing of the return under section 39 for the month of September”, the words “the thirtieth day of November” shall be substituted;

(d) after sub-section (3), the following sub-section shall be inserted, namely:—

Henceforth only continuous filing of GSTR 1 allowed “(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:

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.”.

Substitution of new section for section 38.

103. For section 38 of the Central Goods and Services Tax Act, the following section shall be substituted, namely:—



WHOLE Section 38 substituted

Communication of details of inward supplies and input tax credit.

GSTR 1 to GSTR 2B

“38. (1) The details of outward supplies furnished by the registered persons under sub-section (1) of section 37 and of such other supplies as may be prescribed, and an auto-generated 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. **Rule 60**

(2) The auto-generated statement under sub-section (1) shall consist of—

(a) details of inward supplies in respect of which credit of input tax may be available to the recipient; and

(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,—

i. Credit might be restricted if purchased from newly registered person. May be they will restrict credit for revised invoice / fly by night operator / fake invoice

ii. Default in payment of tax or non filing of GSTR 3B for specified period. May be they shall come out with certain changes in portal where recipient shall know automatic whether his supplier is filing his 3B or not.

iii. Tax paid as per 3B is less than tax as shown in GSTR 1. Rules shall be there where certain percentage and time for correction shall be prescribed. and whose tax not paid 2 invoice out of 100 invoices

iv. Credit availed by supplier in 3B is more than what is reflected in 2B. Ye kya baat hui

v. Section 49(12) inserted in this budget. It says minimum tax is required to be paid in cash. Just like Rule 86B but with may be minimum exceptions.

Supplier

(i) by any registered person within such period of taking registration as may be prescribed; or

(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

GSTR 1

(iii) by any registered person, the output tax payable by whom in accordance with the statement of outward supplies furnished by him under the said sub-section 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

(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

(v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of section 49 subject to such conditions and restrictions as may be prescribed; or

(vi) by such other class of persons as may be prescribed.”.



Amendment of
section 39.

104. In section 39 of the Central Goods and Services Tax Act,—

NRTP | GSTR 5

(a) in sub-section (5), for the word “twenty”, the word “thirteen” shall be substituted;

(b) in sub-section (7), for the first proviso, the following proviso shall be substituted, namely: —

QRMP scheme

- Self assessment basis
- 35% basis

“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 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.”;

(c) in sub-section (9), —

3B,4,5,6,7

GSTR 3B - Regular / CTP
GSTR 4 : Composition
GSTR 7 : TDS
GSTR 6 : ISD
GSTR 5 : NRTP

All the above return can be
rectified till 30.11

(i) for the words and figures “Subject to the provisions of sections 37 and 38, if”, the word “Where” shall be substituted;

(ii) in the proviso, for the words “the due date for furnishing of return for the month of September or second quarter”, the words “the thirtieth day of November” shall be substituted;

39(10). Now if any return not
furnished for previous tax period
cannot be filed for current periods.

Since GSTR 1 is not a return this
amendment has been inserted to
link filing of GSTR 1 with 3B, It
means if GSTR 3B not filed
GSTR 1 cannot be filed.

In Section 37(4) GSTR 1 need
to be filed sequentially.

(d) in sub-section (10), for the words “has not been furnished by him”, the following shall be substituted, namely:—

“or the details of outward supplies under sub-section (1) of section 37 for the said tax period has not been furnished by him:

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 sub-section (1) of section 37 for the said tax period.”.

Substitution of new section for section 41.

105. For section 41 of the Central Goods and Services Tax Act, the following section shall be substituted, namely:—

Availment of input tax credit.

“41. (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.

Welcome step Hope reclaim time period is not applicable

(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:

Hope there is no time limit of re-availment

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.”. *Rules will come*

Omission of sections 42, 43 and 43A.

106. Sections 42, 43 and 43A of the Central Goods and Services Tax Act shall be omitted. *matching and new return omitted*

Amendment of section 47.

107. In section 47 of the Central Goods and Services Tax Act, in sub-section (1), —

Late fees on inward supply i.e. GSTR 2 need not be filed therefore no late fees

(a) the words “or inward” shall be omitted;

(b) the words and figures “or section 38” shall be omitted;

Late fees on GSTR 8 TCS return introduced. ECO

(c) after the words and figures “section 39 or section 45”, the words and figures “or section 52” shall be inserted.

GST Practitioners

Amendment of section 48.

108. In section 48 of the Central Goods and Services Tax Act, in sub-section (2), the words and figures “, the details of inward supplies under section 38” shall be omitted.

Amendment of section 49.

109. In section 49 of the Central Goods and Services Tax Act,—

ANX 1,2,3 omitted

(a) in sub-section (2), the words, figures and letter “or section 43A” shall be omitted;

use of credit shall also be subjected to restrictions

(b) in sub-section (4), after the words “subject to such conditions”, the words “and restrictions” shall be inserted;

PMT 09

(c) for sub-section (10), the following sub-section shall be substituted, namely:—



“(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

Welcome step: But wait for procedure to come

(b) integrated tax or central tax of a distinct person as specified in sub-section (4) or, as the case may be, sub-section (5) of section 25,

Transfer from cash ledger to same PAN but distinct person possible subject to condition that transferor do not have any unpaid liability.

Now TDS and TCS goes to cash now it can be utilised in same umbrella of PAN

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:

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.”;

(d) after sub-section (11), the following sub-section shall be inserted, namely:—

Paving the way for minimum payment of tax in cash

“(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.”.

13 of 2017.

Amendment of section 50.

110. In section 50 of the Central Goods and Services Tax Act, for sub-section (3), the following sub-section shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2017, namely:—

Welcome step

Now interest shall be levied only if excess ITC or undue ITC is utilised

“(3) Where the input tax credit has been wrongly availed and utilised, the registered person shall pay interest on such input tax credit wrongly availed and utilised, at such rate not exceeding twenty-four per cent. as may be notified by the Government, on the recommendations of the Council, and the interest shall be calculated, in such manner as may be prescribed.”.

Amendment of section 52.

111. In section 52 of the Central Goods and Services Tax Act, in sub-section (6), in the proviso, for the words “due date for

Amendment in GSTR 8 by 30th Nov



furnishing of statement for the month of September”, the words “thirtieth day of November” shall be substituted.

Amendment of section 54.

112. In section 54 of the Central Goods and Services Tax Act, —

Refund from electronic cash ledger can be filed in RFD 01

(a) in sub-section (1), in the proviso, for the words and figures “the return furnished under section 39 in such”, the words “such form and” shall be substituted;

Refund by UIN now extended to 2 years from the end of last day of qtr in which supply was received

(b) in sub-section (2), for the words “six months”, the words “two years” shall be substituted;

Now PO can withheld any type of refund whether of ITC or of other tax liability.

(c) in sub-section (10), the words, brackets and figure “under sub-section (3)” shall be omitted;

(d) in the *Explanation*, in clause (2), after sub-clause (b), the following sub-clause shall be inserted, namely:—

Relevant date where supply is made to SEZ unit or developer

RD is due date for furnishing of return i.e. 3B of such supplies + 2 years

“(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;”.

Amendment of section 168.

113. In section 168 of the Central Goods and Services Tax Act, in sub-section (2), the words, brackets and figures “sub-section (2) of section 38,” shall be omitted.

Amendment of notification issued under section 146 of Central Goods and Services Tax Act read with section 20 of Integrated Goods and Services Tax Act, retrospectively.

114. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 58(E), dated the 23rd January, 2018, issued by the Central Government on the recommendations of the Council, under section 146 of the Central Goods and Services Tax Act, 2017 read with section 20 of the Integrated Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Fifth Schedule, on and from the date specified in column (3) of that Schedule.

12 of 2017.
13 of 2017.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under section 146 of the Central Goods and Services Tax Act, 2017 read with section 20 of the

12 of 2017.
13 of 2017.



Integrated Goods and Services Tax Act, 2017, retrospectively, at all material times.

Rate of interest in case of wrong utilisation of ITC shall be 18% p.a. instead of 24% p.a. w.e.f. 01.07.2017

Amendment of notification issued under sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.

115. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 661(E), dated the 28th June, 2017, issued by the Central Government on the recommendations of the Council, under sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Sixth Schedule, on and from the date specified in column (3) of that Schedule.

12 of 2017.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, retrospectively, at all material times.

12 of 2017.

Retrospective exemption from, or levy or collection of, central tax in certain cases.

116. (1) Notwithstanding anything contained in the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 673(E), dated the 28th June, 2017 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (1) of section 9 of the Central Goods and Services Tax Act, 2017, no central tax shall be levied or collected in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period commencing from the 1st day of July, 2017 and ending with the 30th day of September, 2019 (both days inclusive).

12 of 2017.

(2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.

Retrospective effect to notification issued under sub-section (2) of section 7 of Central Goods and Services Tax Act.

117. (1) Subject to the provisions of sub-section (2), the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 746(E), dated the 30th September, 2019 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (2) of section 7 of the Central Goods and Services Tax Act, 2017, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.

12 of 2017.

1. Services by way of any activity in relation to a function entrusted to a Panchayat under article 243G of the Constitution [or to a Municipality under article 243W of the Constitution

NO supply

2. Service by way of grant of alcoholic liquor licence, against consideration in the form of licence fee or application fee or by whatever name it is called."



(2) No refund shall be made of all such central tax which has been collected, but which would not have been so collected, had the notification referred to in sub-section (1) been in force at all material times.

Integrated Goods and Services Tax

Amendment
of notification
issued
under section 20
of Integrated
Goods and
Services Tax
Act, 2017 read
with sub-
sections (1) and
(3) of section 50,
sub-section (12)
of section 54 and
section 56 of
Central Goods
and Services Tax
Act,
retrospectively.

118. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 698 (E), dated the 28th June, 2017, issued by the Central Government on the recommendations of the Council, under section 20 of the Integrated Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the **Seventh Schedule**, on and from the date specified in column (3) of that Schedule.

13 of 2017.

12 of 2017.

Rate of interest in case of wrong utilisation of ITC shall be 18% p.a. instead of 24% p.a. w.e.f. 01.07.2017

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under section 20 of the Integrated Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, retrospectively, at all material times.

13 of 2017.

12 of 2017.

Retrospective
exemption from,
or levy or
collection of,
integrated tax in
certain cases.

119. (1) Notwithstanding anything contained in the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 666(E), dated the 28th June, 2017 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (1) of section 5 of the Integrated Goods and Services Tax Act, 2017, no integrated tax shall be levied or collected in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period commencing from the 1st day of July, 2017 and ending with the 30th day of September, 2019 (both days inclusive).

13 of 2017.

(2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.



Retrospective effect to notification issued under clause (i) of section 20 of Integrated Goods and Services Tax Act read with sub-section (2) of section 7 of Central Goods and Services Tax Act.

120. (1) Subject to the provisions of sub-section (2), the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 745(E), dated the 30th September, 2019 issued by the Central Government on the recommendations of the Council, in exercise of the powers under clause (i) of section 20 of the Integrated Goods and Services Tax Act, 2017, read with sub-section (2) of section 7 of the Central Goods and Services Tax Act, 2017, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.

13 of 2017.

12 of 2017.

(2) No refund shall be made of all such integrated tax which has been collected, but which would not have been so collected, had the notification referred to in sub-section (1) been in force at all material times.

Union Territory Goods and Services Tax

Amendment of notification issued under section 21 of Union Territory Goods and Services Tax Act read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.

121. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 747 (E), dated the 30th June, 2017, issued by the Central Government on the recommendations of the Council, under section 21 of the Union Territory Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the **Eighth Schedule**, on and from the date specified in column (3) of that Schedule.

14 of 2017.

12 of 2017.

Rate of interest in case of wrong utilisation of ITC shall be 18% p.a. instead of 24% p.a. w.e.f. 01.07.2017

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under section 21 of the Union Territory Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, retrospectively, at all material times.

14 of 2017.

12 of 2017.

Retrospective exemption from or levy or collection of, Union territory

122. (1) Notwithstanding anything contained in the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 710(E), dated the 28th June, 2017 issued by the Central Government, on the



tax in certain cases. recommendations of the Council, in exercise of the powers under sub-section (1) of section 7 of the Union Territory Goods and Services Tax Act, 2017, no Union territory tax shall be levied or collected in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period commencing from the 1st day of July, 2017 and ending with the 30th day of September, 2019 (both days inclusive). 14 of 2017.

(2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.

Retrospective effect to notification issued under clause (i) of section 21 of Union Territory Goods and Services Tax Act read with sub-section (2) of section 7 of Central Goods and Services Tax Act. **123.** (1) Subject to the provisions of sub-section (2), the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 747(E), dated the 30th September, 2019 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under clause (i) of section 21 of the Union Territory Goods and Services Tax Act, 2017, read with sub-section (2) of section 7 of the Central Goods and Services Tax Act, 2017, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017. 14 of 2017. 12 of 2017.

(2) No refund shall be made of all such Union territory tax which has been collected, but which would not have been so collected, had the notification referred to in sub-section (1) been in force at all material times.



THE FIFTH SCHEDULE

[See section 114(1)]

Notification number and date	Amendment	Date of effect of amendment
(1)	(2)	(3)
G.S.R 58 (E), dated the 23 rd January, 2018 [No.349 /58/ 2017-GST (Pt), dated 23 rd January, 2018]	In the said notification, in paragraph 1, for the words “furnishing of returns and computation and settlement of Integrated tax”, the following shall be substituted, namely:— “furnishing of returns and computation and settlement of integrated tax and save as otherwise provided in the notification number G.S.R. 925 (E), dated the 13 th December, 2019, all functions provided under the Central Goods and Services Tax Rules, 2017.”.	22 nd June, 2017.



THE SIXTH SCHEDULE

[See section 115(1)]

Notification number and date	Amendment	Date of effect of amendment
(1)	(2)	(3)
G.S.R 661 (E), dated the 28 th June, 2017 [No. 349/72/2017-GST, dated 28 th June, 2017]	In the said notification, in the Table, against serial number 2, in column (3), for the figures “24”, the figures “18” shall be substituted.	1 st July, 2017.

Rate of interest in case of wrong utilisation of ITC shall be 18% w.e.f. 01.07.2017



THE SEVENTH SCHEDULE

[See section 118(1)]

Notification number and date	Amendment	Date of effect of amendment
(1)	(2)	(3)
G.S.R. 698(E), dated the 28 th June, 2017 [No.349/72/2017-GST, dated the 28 th June, 2017]	In the said notification, in the Table, against serial number 2, in column (3), for the figures “24”, the figures “18” shall be substituted.	1 st July, 2017.

Rate of interest in case of wrong utilisation of ITC shall be 18% w.e.f. 01.07.2017



THE EIGHTH SCHEDULE

[See section 121(1)]

Notification number and date	Amendment	Date of effect of amendment
(1)	(2)	(3)
G.S.R. 747 (E), dated the 30 th June, 2017 [No. S031011/25/20170ST-I-DoR, dated the 30 th June, 2017]	In the said notification, in the Table, against serial number 2, in column (3), for the figures and words “24 per cent.”, the figures and words “18 per cent.” shall be substituted.	1 st July, 2017.

Rate of interest in case of wrong utilisation of ITC shall be 18% w.e.f. 01.07.2017



NOTES ON CLAUSES

Central Goods and Services Tax

Clause 99 seeks to amend section 16 of the Central Goods and Services Tax Act, 2017 by inserting a new clause (ba) in sub-section (2) thereof, so as to provide that input tax credit with respect to a supply may be availed only when such credit has not been restricted in the details communicated to the registered person under section 38.

It further seeks to amend sub-section (4) so as to provide that a registered person shall not be entitled to take input tax credit in respect of any invoice or debit note after the thirtieth day of November following the end of the financial year to which such invoice or debit note pertains, or furnishing of the relevant annual return, whichever is earlier.



Clause 100 seeks to amend clause (b) of sub-section (2) of section 29 of the Central Goods and Services Tax Act so as to provide that the registration of a person paying tax under section 10 is liable to be cancelled if the return for a financial year has not been furnished beyond three months from the due date of furnishing of the said return.

It further seeks to amend clause (c) of the said sub-section (2) so as to provide for prescribing continuous tax periods for which return has not been furnished, which would make a registration liable for cancellation, in respect of any registered person, other than a person specified in clause (b) thereof.

Clause 101 seeks to amend sub-section (2) of section 34 of the Central Goods and Services Tax Act so as to provide for thirtieth day of November following the end of the financial year, or the date of furnishing of the relevant annual return, whichever is earlier, as the last date for issuance of credit notes in respect of any supply made in a financial year.

Clause 102 seeks to amend sub-section (1) of section 37 of the Central Goods and Services Tax Act so as to provide for prescribing conditions and restrictions for furnishing the details of outward supply and the conditions and restrictions as well as manner and time for communication of the details of such outward supplies to concerned recipients.

It further seeks to omit sub-section (2) and first proviso to sub-section (1) so as to do away with two-way communication process in return filing.

It also seeks to amend sub-section (3) so as to remove reference to unmatched details under section 42 or section 43, as the said sections are proposed to be omitted, and to provide for thirtieth day of November following the end of the financial year or furnishing of the relevant annual return, whichever is earlier, as the last date for rectification of errors or omission in respect of details of outward supplies furnished under sub-section (1).

It also seeks to insert sub-section (4) so as to provide for tax period-wise sequential filing of details of outward supplies under sub-section (1).

Clause 103 seeks to substitute a new section for section 38 of the Central Goods and Services Tax Act. Sub section (1) seeks to provide for prescribing such other supplies as well as the manner, time, conditions and restrictions for communication of details of inward supplies and input tax credit to the recipient by means of an auto-generated statement and to do away with two-way communication process in return filing.

Sub-section (2) seeks to provide for the details of inward supplies in respect of which input tax credit may be availed and the details of supplies on which input tax credit cannot be availed by the recipient.

Clause 104 seeks to amend sub-section (5) of section 39 of the Central Goods and Services Tax Act so as to provide that the non-resident taxable person shall furnish the return for a month within thirteen days after the end of the 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.



It further seeks to substitute the first proviso to sub-section (7) so as to 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.

It also seeks to amend sub-section (9) by removing reference of section 37 and section 38 and to amend the proviso to said sub-section (9) so as to provide for thirtieth day of November following the end of the financial year, or the date of furnishing of the relevant annual return, whichever is earlier, as the last date for the rectification of errors in the return furnished under section 39.

It also seeks to amend sub-section (10) so as to 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.

Clause 105 seeks to substitute a new section for section 41 of the Central Goods and Services Tax Act 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.

Clause 106 seeks to omit section 42 of the Central Goods and Services Tax Act relating to matching, reversal and reclaiming of input tax credit so as to do away with the concept of “claim” of eligible input tax credit on a “provisional” basis and subsequent matching, reversals and reclaim of such credit. It further seeks to omit section 43 relating to matching, reversal and reclaim of reduction in output tax liability so as to do away with two-way communication process in return filing. It also seeks to omit section 43A.

Clause 107 seeks to amend sub-section (1) of section 47 of the Central Goods and Services Tax Act so as to provide for levy of late fee for delayed filing of return under section 52 and to remove reference of section 38 as there is no requirement of furnishing details of inward supplies by the registered person under the said section 38.

Clause 108 seeks to amend sub-section (2) of section 48 of the Central Goods and Services Tax Act so as to remove reference to section 38 therefrom as there is no requirement of furnishing details of inward supplies by the registered person under the said section 38.

Clause 109 seeks to amend sub-section (4) of section 49 of the Central Goods and Services Tax Act so as to provide for prescribing restrictions for utilizing the amount available in the electronic credit ledger.

It further seeks to amend sub-section (10) so as to allow transfer of amount available in electronic cash ledger under the Central Goods and Services Tax Act of a registered person to the electronic cash ledger under the said Act or the Integrated Goods and Services Tax Act of a distinct person.

It also seeks to insert sub-section (12) so as to provide for prescribing the maximum proportion of output tax liability which may be discharged through the electronic credit ledger.



Clause 110 seeks to substitute a new sub-section for sub-section (3) of section 50 of the Central Goods and Services Tax Act, retrospectively, with effect from the 1st July, 2017, so as to provide for levy of interest on input tax credit wrongly availed and utilised, and to provide for prescribing manner of calculation of interest in such cases.

Clause 111 seeks to amend proviso to sub-section (6) of section 52 of the Central Goods and Services Tax Act so as to provide for thirtieth day of November following the end of the financial year, or the date of furnishing of the relevant annual return, whichever is earlier, as the last date upto which the rectification of errors shall be allowed in the statement furnished under sub-section (4).

Clause 112 seeks to amend proviso to sub-section (1) of section 54 of the Central Goods and Services Tax Act so as to explicitly provide that claim of refund of any balance in the electronic cash ledger shall be made in such form and manner as may be prescribed.

It further seeks to amend sub-section (2) so as to align it with sub-section (1) by providing time limit of two years from the last day of the quarter in which the supply was received for claiming refund of tax paid on inward supplies of goods or services or both by the person specified in the said sub-section.

It also seeks to amend sub-section (10) so as to extend the scope of the said sub-section to all types of refund claims.

It also seeks to insert a new sub-clause (ba) in clause (2) of *Explanation* in order to provide clarity regarding the relevant date for filing refund claim in respect of supplies made to a Special Economic Zone developer or a Special Economic Zone unit.

Clause 113 o seeks to amend sub-section (2) of section 168 of the Central Goods and Services Tax Act so as to remove reference to section 38 therefrom.

Clause 114 seeks to amend notification number G.S.R. 58(E), dated the 23rd January, 2018 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, save as otherwise provided in the notification issued *vide* number G.S.R. 925 (E), dated the 13th December, 2019.

Clause 115 seeks to amend notification number G.S.R. 661(E), dated the 28th June, 2017, so as to notify rate of interest under sub-section (3) of section 50 of the Central Goods and Services Tax Act as 18%, retrospectively, with effect from the 1st day of July, 2017.

Clause 116 seeks to provide retrospective exemption from central tax in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period from the 1st day of July, 2017 upto the 30th day of September, 2019 (both days inclusive).

It further seeks to provide that no refund shall be made of the said tax which has already been collected.



Clause 117 seeks to give retrospective effect to the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 746(E), dated the 30th September, 2019 with effect from the 1st day of July, 2017.

It further seeks to provide that no refund shall be made of the central tax which has already been collected.

Integrated Goods and Services Tax

Clause 118 seeks to amend notification number G.S.R. 698(E), dated the 28th June, 2017, so as to notify rate of interest under sub-section (3) of section 50 of the Central Goods and Services Tax Act as 18%, retrospectively, with effect from the 1st day of July, 2017.

Clause 119 seeks to provide retrospective exemption from integrated tax in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period from the 1st day of July, 2017 upto the 30th day of September, 2019 (both days inclusive).

It further seeks to provide that no refund shall be made of the said tax which has already been collected.

Clause 120 seeks to give retrospective effect to the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 745(E), dated the 30th September, 2019 with effect from the 1st day of July, 2017.

It further seeks to provide that no refund shall be made of the integrated tax which has already been collected.

Union Territory Goods and Services Tax

Clause 121 seeks to amend notification number G.S.R. 747(E), dated the 30th June, 2017, so as to notify rate of interest under sub-section (3) of section 50 of the Central Goods and Services Tax Act as 18%, retrospectively, with effect from the 1st day of July, 2017.

Clause 122 seeks to provide retrospective exemption from Union territory tax in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period from the 1st day of July, 2017 upto the 30th day of September, 2019 (both days inclusive).

It further seeks to provide that no refund shall be made of the said tax which has already been collected.

Clause 123 seeks to give retrospective effect to the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 747(E), dated the 30th September, 2019 with effect from the 1st day of July, 2017.

It further seeks to provide that no refund shall be made of the Union territory tax which has already been collected.



MEMORANDUM REGARDING DELEGATED LEGISLATION

Indirect Taxes

Clause 100 seeks to amend clause (c) of sub-section (2) of section 29 of the Central Goods and Services Tax Act so as to provide by rules continuous tax periods for which return has not been furnished, which would make a registration liable for cancellation, in respect of any registered person, other than a person specified in clause (b) thereof.

Clause 103 seeks to substitute a new section for section 38 of the Central Goods and Services Tax Act. Sub-section (1) seeks to empower the Central Government to make rules to specify other supplies as well as the manner, time, conditions and restrictions for communication of details of inward supplies and input tax credit to the recipient by means of an auto-generated statement and to do away with two-way communication process in return filing.



Clause 105 seeks to substitute a new section for section 41 of the Central Goods and Services Tax Act 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 provided by rules.

Clause 109 seeks to amend section 49 of the Central Goods and Services Tax Act to insert sub-section (12) so as to empower the Central Government to make rules to specify maximum proportion of output tax liability which may be discharged through the electronic credit ledger.

Clause 110 seeks to substitute a new sub-section for sub-section (3) of section 50 of the Central Goods and Services Tax Act so as to provide for levy of interest on input tax credit wrongly availed and utilised, and to provide by rules the manner of calculation of interest in such cases.

2. The matters in respect of which rules or regulations may be made or notifications or order may be issued in accordance with the provisions of the Bill are matters of procedure and detail and it is not practicable to provide for them in the Bill itself.
3. The delegation of legislative power is, therefore, of a normal character.



सत्यमेव जयते

GOVERNMENT OF INDIA

**MEMORANDUM
EXPLAINING THE PROVISIONS
IN
THE FINANCE BILL, 2022**

(Clauses referred to are clauses in the Bill)



Goods and Service Tax

Note: (a) CGST Act means Central Goods and Services Tax Act, 2017

(b) IGST Act means Integrated Goods and Services Tax Act, 2017

(c) UTGST Act means Union Territory Goods and Services Tax Act, 2017

Amendments carried out in the Finance Bill, 2022, vide clause 99 to 113 will come into effect from a date to be notified, as far as possible, concurrently with the corresponding amendments to the similar Acts passed by the States & Union territories with legislature. Amendments carried out in the Finance Bill, 2022, vide clause 114 to 123 will come into effect on the date of its enactment.

I. AMENDMENTS IN THE CGST ACT, 2017:

S. No.	Amendment	Clause of the Finance Bill, 2022
1.	<p>A new clause (ba) to sub-section (2) of section 16 of the CGST Act is being inserted to provide that input tax credit with respect to a supply can be availed only if such credit has not been restricted in the details communicated to the taxpayer under section 38.</p> <p>Further, sub-section (4) of section 16 of the CGST Act is being amended so as to provide for an extended time for availment of input tax credit by a registered person in respect of any invoice or debit note pertaining to a financial year upto thirtieth day of November of the following financial year.</p>	[99]
2.	<p>Clause (b) and (c) of sub-section (2) of section 29 of the CGST Act are being amended so as to provide that the registration of a person is liable for cancellation, where -</p> <p>(i) 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 of the said return;</p> <p>(ii) a person, other than those paying tax under section 10, has not furnished returns for such continuous tax period as may be prescribed.</p>	[100]
3.	<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>	[101]
4.	<p>Section 37 of the CGST Act is being amended so as to:</p> <p>(i) provide for prescribing conditions and restrictions for furnishing the details of outward supply and for</p>	[102]



	<p>communication of the details of such outward supplies to concerned recipients;</p> <p>(ii) do away with two-way communication process in return filing;</p> <p>(iii) provide for an extended time upto thirtieth day of November of the following financial year for rectification of errors in respect of details of outward supplies furnished under sub-section (1);</p> <p>(iv) provide for tax period-wise sequential filing of details of outward supplies under sub-section (1).</p>	
5.	Section 38 of the CGST Act is being substituted for prescribing the manner as well as conditions and restrictions for communication of details of inward supplies and input tax credit to the recipient by means of an auto-generated statement and to do away with two-way communication process in return filing.	[103]
6.	<p>Section 39 of the CGST Act is being amended so as to:</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>	[104]
7.	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.	[105]
8.	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.	[106]



9.	Section 47 of the CGST Act is being amended so as to provide for levy of late fee for delayed filing of return under section 52. Further, reference to section 38 is being removed consequent to the amendment in section 38 of the CGST Act.	[107]
10.	Consequent to the amendment in section 38 of the CGST Act, sub-section (2) of section 48 of the CGST Act is being amended so as to remove reference to section 38 therefrom.	[108]
11.	Section 49 of the CGST Act is being amended so as to: (i) provide for prescribing restrictions for utilizing the amount available in the electronic credit ledger; (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; (iii) provide for prescribing the maximum proportion of output tax liability which may be discharged through the electronic credit ledger.	[109]
12.	Sub-section (3) of section 50 of the CGST Act is being substituted retrospectively, with effect from the 1st July, 2017, so as to provide for levy of interest on input tax credit wrongly availed and utilized.	[110]
13.	Sub-section (6) of section 52 of the CGST Act is being amended so as to provide for an extended time upto thirtieth day of November of the following financial year for rectification of errors in the statement furnished under sub-section (4).	[111]
14.	Section 54 of the CGST Act is being amended so as to: (i) explicitly provide that refund claim of any balance in the electronic cash ledger shall be made in such form and manner as may be prescribed; (ii) provide the time limit for claiming refund of tax paid on inward supplies of goods or services or both under section 55 as two years from the last day of the quarter in which the said supply was received; (iii) extend the scope of withholding of or recovery from refunds in respect of all types of refund; (iv) provide clarity regarding the relevant date for filing refund claim in respect of supplies made to a Special Economic Zone	[112]



	developer or a Special Economic Zone unit by way of insertion of a new sub-clause (ba) in clause (2) of Explanation thereto.	
15.	Consequent to the amendment in section 38 of the CGST Act, sub-section (2) of section 168 of the CGST Act is being amended so as to remove reference to section 38 therefrom.	[113]
16.	Notification No. 9/2018 – Central Tax, dated the 23 rd January, 2018, is being amended so as to notify www.gst.gov.in, retrospectively, with effect from 22 nd 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.	[114]
17.	Notification No. 13/2017 – Central Tax, dated the 28 th June, 2017, is being amended retrospectively, with effect from the 1 st day of July, 2017, so as to notify rate of interest under sub-section (3) of section 50 of the CGST Act as 18%.	[115]

II. AMENDMENTS IN THE IGST ACT, 2017:

S. No.	Amendment	Clause of the Finance Bill, 2022
1.	Notification No. 6/2017 – Integrated Tax, dated the 28 th June, 2017, is being amended retrospectively, with effect from the 1 st day of July, 2017, so as to notify rate of interest under sub-section (3) of section 50 of the CGST Act as 18%.	[118]

III. AMENDMENTS IN THE UTGST ACT, 2017:

S. No.	Amendment	Clause of the Finance Bill, 2022
1.	Notification number 10/2017 – Union Territory Tax, dated the 30 th June, 2017, is being amended retrospectively, with effect from the 1 st day of July, 2017, so as to notify rate of interest under sub-section (3) of section 50 of the CGST Act as 18%.	[121]



IV. RETROSPECTIVE AMENDMENTS OF GST RATE NOTIFICATIONS:

S. No.	Amendment	Clause of the Finance Bill, 2022
1.	Central Tax, Union Territory Tax and Integrated Tax on supply of unintended waste generated during the production of fish meal (falling under heading 2301), except fish oil, is being exempted during the period commencing from the 1st day of July, 2017, and ending with the 30 th day of September, 2019 (both days inclusive), subject to the condition that if said tax has been collected, the same would not be eligible for refund.	[116,119,122]
2.	Service by way of grant of alcoholic liquor license, against consideration in the form of license fee or application fee or by whatever name it is called by the State Governments, has been declared as an activity or transaction which shall be treated neither as a supply of goods nor a supply of service <i>vide</i> notification No. 25/2019- Central Tax (R) dated 30.09.2019, notification No. 24/2019- Integrated Tax (R) dated 30.09.2019 and notification No. 25/2019- Union Territory Tax (R) dated 30.09.2019. These notifications have been given retrospective effect from 01.07.2017. However, no refund shall be made of tax which has been collected, but which would not have been so collected, had the said notifications been in force at all material times.	[117,120,123]



रजिस्ट्री सं० डी० एल०—(एन)04/0007/2003—22

REGISTERED NO. DL—(N)04/0007/2003—22



भारत का राजपत्र The Gazette of India

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असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 6] नई दिल्ली, बुधवार, मार्च 30, 2022/चैत्र 9, 1944 (शक)
No. 6] NEW DELHI, WEDNESDAY, MARCH 30, 2022/CHAITRA 9, 1944 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 30th March, 2022 / Chaitra 9, 1944 (Saka)

The following Act of Parliament received the assent of the President on the 30th March, 2022 and is hereby published for general information:—

THE FINANCE ACT, 2022 No. 6 OF 2022

[30th March, 2022.]

An Act to give effect to the financial proposals of the Central Government for the financial year 2022-2023.

BE it enacted by Parliament in the Seventy-third Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance Act, 2022.

(2) Save as otherwise provided in this Act,—

(a) sections 2 to 85 shall come into force on the 1st day of April, 2022;

(b) sections 100 to 114 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Short title and
commencement.



Wherever made effective w.e.f. 01.10.2022 is given refer NN 18/2022 CT dated 28.09.2022

Wherever made effective w.e.f. 05.07.2022 is given refer NN 09/2022 CT dated 05.07.2022

Central Goods and Services Tax

12 of 2017.

100. In the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the Central Goods and Services Tax Act), in **section 16**,—

Amendment
of section 16.

**MADE EFFECTIVE
FROM 01.10.2022**

(a) in sub-section (2),—

(i) after clause (b), the following clause shall be inserted, namely:—

“(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;”;

(ii) in clause (c), the words, figures and letter “or section 43A” shall be omitted;

last date of claim of credit

(b) in sub-section (4), for the words and figures “due date of furnishing of the return under section 39 for the month of September”, the words “**thirtieth day of November**” shall be substituted.

**MADE EFFECTIVE
FROM 01.10.2022**

101. In **section 29** of the Central Goods and Services Tax Act, in sub-section (2),—

Amendment
of section 29.

(a) in clause (b), for the words “returns for three consecutive tax periods”, the words “the return for a financial year beyond three months from the due date of furnishing the said return” shall be substituted; **cancellation of registration**

**composition levy
GSTR 4**

(b) in clause (c), for the words “a continuous period of six months”, the words “such continuous tax period as may be prescribed” shall be substituted.

**MADE EFFECTIVE
FROM 01.10.2022**

102. In section 34 of the Central Goods and Services Tax Act, in sub-section (2), for the word “September”, the words “the thirtieth day of November” shall be substituted.

Amendment
of section 34.

Credit note

**GSTR 1**

Amendment
of section 37.

**MADE EFFECTIVE
FROM 01.10.2022**

103. In **section 37** of the Central Goods and Services Tax Act,—

(a) in sub-section (1), —

(i) after the words “shall furnish, electronically,”, the words “subject to such conditions and restrictions and” shall be inserted;

(ii) for the words “shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed”, the words “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” shall be substituted;

(iii) the first proviso shall be omitted;

(iv) in the second proviso, for the words “Provided further that”, the words “Provided that” shall be substituted;

(v) in the third proviso, for the words “Provided also that”, the words “Provided further that” shall be substituted;

(b) sub-section (2) shall be omitted;

(c) in sub-section (3),—

(i) the words and figures “and which have remained unmatched under section 42 or section 43” shall be omitted;

(ii) in the first proviso, for the words and figures “furnishing of the return under section 39 for the month of September”, the words “the thirtieth day of November” shall be substituted;

(d) after sub-section (3), the following sub-section shall be inserted, namely:—

“(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:

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. ”.

Substitution of
new section
for section 38.

104. For section 38 of the Central Goods and Services Tax Act, the following section shall be substituted, namely:— **GSTR 2B**

Communication
of details of
inward supplies
and input tax
credit.

“38. (1) The details of outward supplies furnished by the registered persons under sub-section (1) of section 37 and of such other supplies as may be prescribed, and an auto-generated 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.

(2) The auto-generated statement under sub-section (1) shall consist of—

(a) details of inward supplies in respect of which credit of input tax may be available to the recipient; and

(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,—

(i) by any registered person within such period of taking registration as may be prescribed; or

**MADE EFFECTIVE
FROM 01.10.2022**



(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

(iii) by any registered person, the output tax payable by whom in accordance with the statement of outward supplies furnished by him under the said sub-section 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

(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

(v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of section 49 subject to such conditions and restrictions as may be prescribed; or

(vi) by such other class of persons as may be prescribed. ”.

105. In section 39 of the Central Goods and Services Tax Act,—

Amendment
of section 39.

(a) in sub-section (5), for the word “twenty”, the word “thirteen” shall be substituted; **N RTP GSTR 5**

(b) in sub-section (7), for the first proviso, the following proviso shall be substituted, namely:—

“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 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. ”;

(c) in sub-section (9), —

(i) for the words and figures “Subject to the provisions of sections 37 and 38, if”, the word “Where” shall be substituted;

(ii) in the proviso, for the words “the due date for furnishing of return for the month of September or second quarter”, the words “the thirtieth day of November” shall be substituted;

(d) in sub-section (10), for the words “has not been furnished by him”, the following shall be substituted, namely:—

“or the details of outward supplies under sub-section (1) of section 37 for the said tax period has not been furnished by him:

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 sub-section (1) of section 37 for the said tax period. ”.

**MADE EFFECTIVE
FROM 01.10.2022**



Substitution of new section for section 41.

Availment of input tax credit.

MADE EFFECTIVE FROM 01.10.2022

106. For section 41 of the Central Goods and Services Tax Act, the following section shall be substituted, namely:—

“41. (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.

(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:

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.”

Omission of sections 42, 43 and 43A.

Amendment of section 47.

MADE EFFECTIVE FROM 01.10.2022

107. Sections 42, 43 and 43A of the Central Goods and Services Tax Act shall be omitted. MADE EFFECTIVE FROM 01.10.2022 all matching concept removed

108. In section 47 of the Central Goods and Services Tax Act, in sub-section (1),—

(a) the words “or inward” shall be omitted; Late fees

(b) the words and figures “or section 38” shall be omitted;

(c) after the words and figures “section 39 or section 45”, the words and figures “or section 52” shall be inserted.

GST Practitioners

Amendment of section 48.

Amendment of section 49.

Payment of tax

MADE EFFECTIVE FROM 01.07.2017

109. In section 48 of the Central Goods and Services Tax Act, in sub-section (2), the words and figures “, the details of inward supplies under section 38” shall be omitted.

MADE EFFECTIVE FROM 01.10.2022

110. In section 49 of the Central Goods and Services Tax Act,—

(a) in sub-section (2), the words, figures and letter “or section 43A” shall be omitted; MADE EFFECTIVE FROM 01.10.2022

(b) in sub-section (4), after the words “subject to such conditions”, the words “and restrictions” shall be inserted; MADE EFFECTIVE FROM 01.10.2022

(c) for sub-section (10), the following sub-section shall be substituted, namely:—

“(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, sub-section (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:

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.”;

(d) after sub-section (11), the following sub-section shall be inserted, namely:—

“(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.”.



**MADE EFFECTIVE
FROM 01.07.2017**

111. In **section 50** of the Central Goods and Services Tax Act, for sub-section (3), the following sub-section shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2017, namely:—

Amendment
of section 50.

“(3) Where the input tax credit has been wrongly availed and utilised, the registered person shall pay interest on such input tax credit wrongly availed and utilised, at such rate not exceeding twenty-four per cent. as may be notified by the Government, on the recommendations of the Council, and the interest shall be calculated, in such manner as may be prescribed.”.

**MADE EFFECTIVE
FROM 01.10.2022**

112. In **section 52** of the Central Goods and Services Tax Act, in sub-section (6), in the proviso, for the words “due date for furnishing of statement for the month of September”, the words “thirtieth day of November” shall be substituted. **TCS**

Amendment
of section 52.

**MADE EFFECTIVE
FROM 01.10.2022**

113. In **section 54** of the Central Goods and Services Tax Act, — **Refund**

Amendment
of section 54.

(a) in sub-section (1), in the proviso, for the words and figures “the return furnished under section 39 in such”, the words “such form and” shall be substituted;

(b) in sub-section (2), for the words “six months”, the words “two years” shall be substituted;

(c) in sub-section (10), the words, brackets and figure “under sub-section (3)” shall be omitted;

(d) in the *Explanation*, in clause (2), after sub-clause (b), the following sub-clause shall be inserted, namely:—

“(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;”.

**MADE EFFECTIVE
FROM 01.10.2022**

114. In section 168 of the Central Goods and Services Tax Act, in sub-section (2), the words, brackets and figures “sub-section (2) of section 38,” shall be omitted.

Amendment of
section 168.

115. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 58(E), dated the 23rd January, 2018, issued by the Central Government on the recommendations of the Council, under section 146 of the Central Goods and Services Tax Act, 2017 read with section 20 of the Integrated Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Fifth Schedule, on and from the date specified in column (3) of that Schedule.

Amendment
of notification
issued under
section 146 of
Central Goods
and Services
Tax Act read
with section
20 of
Integrated
Goods and
Services Tax
Act,
retrospectively.

12 of 2017.

13 of 2017.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under section 146 of the Central Goods and Services Tax Act, 2017 read with section 20 of the Integrated Goods and Services Tax Act, 2017, retrospectively, at all material times.

12 of 2017.

13 of 2017.

116. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 661(E), dated the 28th June, 2017, issued by the Central Government on the recommendations of the Council, under sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Sixth Schedule, on and from the date specified in column (3) of that Schedule.

Amendment
of notification
issued under
sub-sections
(1) and (3) of
section 50,
sub-section
(12) of section
54 and section
56 of Central
Goods and
Services Tax
Act,
retrospectively.

12 of 2017.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said



notification under sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, retrospectively, at all material times. 12 of 2017.

Retrospective exemption from, or levy or collection of central tax in certain cases.

117. (1) Notwithstanding anything contained in the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 673(E), dated the 28th June, 2017 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (1) of section 9 of the Central Goods and Services Tax Act, 2017, no central tax shall be levied or collected in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period commencing from the 1st day of July, 2017 and ending with the 30th day of September, 2019 (both days inclusive). 12 of 2017.

(2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.

Retrospective effect to notification issued under sub-section (2) of section 7 of Central Goods and Services Tax Act.

118. (1) Subject to the provisions of sub-section (2), the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 746(E), dated the 30th September, 2019 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (2) of section 7 of the Central Goods and Services Tax Act, 2017, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017. 12 of 2017.

(2) No refund shall be made of all such central tax which has been collected, but which would not have been so collected, had the notification referred to in sub-section (1) been in force at all material times.

Integrated Goods and Services Tax

Amendment of notification issued under section 20 of Integrated Goods and Services Tax Act, read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.

119. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 698(E), dated the 28th June, 2017, issued by the Central Government on the recommendations of the Council, under section 20 of the Integrated Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Seventh Schedule, on and from the date specified in column (3) of that Schedule. 13 of 2017.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under section 20 of the Integrated Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, retrospectively, at all material times. 12 of 2017.

Retrospective exemption from, or levy or collection of integrated tax in certain cases.

120. (1) Notwithstanding anything contained in the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 666(E), dated the 28th June, 2017 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (1) of section 5 of the Integrated Goods and Services Tax Act, 2017, no integrated tax shall be levied or collected in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period commencing from the 1st day of July, 2017 and ending with the 30th day of September, 2019 (both days inclusive). 13 of 2017.

(2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.



13 of 2017. 12 of 2017.	<p>121. (1) Subject to the provisions of sub-section (2), the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 745(E), dated the 30th September, 2019 issued by the Central Government on the recommendations of the Council, in exercise of the powers under clause (i) of section 20 of the Integrated Goods and Services Tax Act, 2017, read with sub-section (2) of section 7 of the Central Goods and Services Tax Act, 2017, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.</p> <p>(2) No refund shall be made of all such integrated tax which has been collected, but which would not have been so collected, had the notification referred to in sub-section (1) been in force at all material times.</p> <p style="text-align: center;"><i>Union Territory Goods and Services Tax</i></p> <p>122. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 747 (E), dated the 30th June, 2017, issued by the Central Government on the recommendations of the Council, under section 21 of the Union Territory Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Eighth Schedule, on and from the date specified in column (3) of that Schedule.</p> <p>(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under section 21 of the Union Territory Goods and Services Tax Act, 2017 read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of the Central Goods and Services Tax Act, 2017, retrospectively, at all material times.</p> <p>123. (1) Notwithstanding anything contained in the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 710(E), dated the 28th June, 2017 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under sub-section (1) of section 7 of the Union Territory Goods and Services Tax Act, 2017, no Union territory tax shall be levied or collected in respect of supply of unintended waste generated during the production of fish meal (falling under heading 2301), except for fish oil, during the period commencing from the 1st day of July, 2017 and ending with the 30th day of September, 2019 (both days inclusive) .</p> <p>(2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.</p> <p>124. (1) Subject to the provisions of sub-section (2), the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G. S. R. 747(E), dated the 30th September, 2019 issued by the Central Government, on the recommendations of the Council, in exercise of the powers under clause (i) of section 21 of the Union Territory Goods and Services Tax Act, 2017, read with sub-section (2) of section 7 of the Central Goods and Services Tax Act, 2017, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.</p> <p>(2) No refund shall be made of all such Union territory tax which has been collected, but which would not have been so collected, had the notification referred to in sub-section (1) been in force at all material times.</p>	<p>Retrospective effect to notification issued under clause (i) of section 20 of Integrated Goods and Services Tax read with sub-section (2) of section 7 of Central Goods and Services Tax Act.</p> <p>Amendment of notification issued under section 21 of Union Territory Goods and Services Tax Act read with sub-sections (1) and (3) of section 50, sub-section (12) of section 54 and section 56 of Central Goods and Services Tax Act, retrospectively.</p> <p>Retrospective exemption from, or levy or collection of Union territory tax in certain cases.</p> <p>Retrospective effect to notification issued under clause (i) of section 21 of Union Territory Goods and Services Tax Act read with sub-section (2) of section 7 of Central Goods and Services Tax Act.</p>
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Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs

New Delhi, the 4th October, 2022

PRESS RELEASE

Vide Notification No. 18/2022-Central Tax dated 28.09.2022, the Central Government has appointed 01.10.2022 as the date on which the provisions of sections 100 to 114, except clause (c) of section 110 and section 111, of the Finance Act, 2022 shall come into force.

2. Thereby, the time limit for the following compliances in respect of a particular financial year has been extended and fixed as 30th November of the next financial year, or furnishing of the relevant annual return, whichever is earlier:

Relevant section of the Finance Act, 2022	Corresponding provision of the CGST Act, 2017	Corresponding compliance requirements
Clause (b) to Section 100	Section 16(4)	Claiming of ITC in respect of any invoice or debit note in the return
Section 102	Section 34(2)	Declaration of the details of credit notes in the return
Clause (c) to Section 103	Proviso to Section 37(3)	Rectification of particulars in details of outward supplies
Clause (c) to Section 105	Proviso to Section 39(9)	Rectification of particulars furnished in a return
Section 112	Proviso to Section 52(6)	Rectification of particulars in the statement furnished by a TCS operator

3. Doubts have been raised whether the said extended timelines are applicable in respect of compliances for FY 2022-23 onwards or whether the same are also applicable to the compliances for FY 2021-22. Doubts have also been raised whether the timelines for the said compliances stand extended to the date of filing/ furnishing of the return/ statement for the month of November 2022 or the said compliances can be carried out in a return or the statement filed/ furnished upto 30th November 2022.

4. In this regard, it is clarified that the extended timelines for compliances listed in para 2 are applicable to the compliances for FY 2021-22 onwards. It is further clarified that the said compliances in respect of a financial year can be carried out in the relevant return or the statement filed/ furnished upto 30th November of the next financial year, or the date of furnishing annual return for the said financial year, which ever is earlier. It is also clarified that no extension of due date of filing monthly return/ statement for the month of October (due in November) or the due date of filing quarterly return/ statement for the quarter ending September has been made vide the amendments in CGST Act, 2017 notified through Notification No. 18/2022-Central Tax dated 28.09.2022.
