

GOODS & SERVICES TAX UPDATE – 10

GOODS & SERVICES TAX (GST) - Clarifications

No Tax deduction at Source (TDS) under Income Tax on 'GST on services' component

The Central Board of Direct Taxes (CBDT) vide *Circular No. 23/2017 dated 19th July 2017* clarified that wherever in terms of the agreement or contract between the payer and the payee, the component of 'GST on services' comprised in the amount payable to a resident is indicated separately, tax will be deducted on the amount paid or payable without including such 'GST on services' component. In other words, tax will not be deducted on such 'GST on services' component.

Further, GST for these purposes will include Integrated Goods and Services Tax, Central Goods and Services Tax, State Goods and Services Tax and Union Territory Goods and Services Tax.

It has further been clarified that any reference to 'service tax' in an existing agreement or contract which was entered prior to 01/07/2017 will be treated as 'GST on services' with respect to the period from 01/07/2017 onward till the expiry of such agreement or contract.

[CBDT Circular No. 23/2017 dated 19th July 2017]

Time limit for filing intimation for Composition Levy extended

The Central Government vide [Order No. 01/2017-GST dated 21st July 2017](#) has extended the time limit for filing intimation for Composition levy (filing of intimation FORM GST CMP-01) up to 16th August 2017. Prior to this amendment, the time limit for filing such intimation was till 21st July 2017 i.e. 30 days from 22nd June 2017 when section 25 of the CGST Act, 2017 came into force.

Similarly, the taxpayers who were provisionally migrated by virtue of being registered under the existing laws, but who are no longer required to be registered under GST, the period of applying for Cancellation of Registration is being extended up to 30th September 2017.

[Order No. 01/2017-GST dated 21st July 2017]

GST Feedback and Action Room (FAR) constituted w.e.f. 26-06-2017 – Press Release dated 21st July 2017

To reply the queries of the taxpayers and tax officials and to deal with issues related to the implementation of Goods and Services Tax Network (GSTN), Government has constituted a GST Feedback and Action Room (FAR) w.e.f. 26-06-2017. Main purpose of FAR is reviewing the information, calls, media inputs etc. received from Ministries, State Governments, field formations, social media, news channels, emails etc. and report it on Real Time basis to the Revenue Secretary, CBEC, GSTN and other concerned authorities.

[<http://pib.nic.in/newsite/erelease.aspx>]

Source: www.cbec.gov.in, www.pib.nic.in

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ICAI Feedback

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