

## **GOODS AND SERVICES TAX SETTLEMENT OF FUNDS RULES, 2017**

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### **Rule 1. Short Title and Commencement. -**

- (1) These rules may be called the Goods and services Tax Settlement of funds Rules, 2017.
- (2) They shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

### **Rule 2. Definitions. –**

- (1)
  - a) "Authorities" means the Board, State Tax Nodal Authority, Principal Chief Controller of Accounts, Central Board of Excise and Customs and State Accounting Authorities of the respective States;
  - b) "Board" means the Central Board of Excise and Customs constituted under the Central Board of Revenue Act, 1963;
  - c) "Government" means the Central Government;
  - d) "input tax credit" means the credit of input tax;
  - e) "registered person" means a person who is registered under section 25 of the Central Goods and Services Tax Act, 2017, but does not include a person having a Unique Identity Number;
  - f) "reports" means any report specified or otherwise required to be furnished by or under these rules;
  - g) "State Accounting Authority" means Accounting Authority of any State as notified by the concerned State Government;
  - h) "State Tax Nodal Authority" means the Taxation Authority of any State as notified by the concerned State government(s);
- (2) Words and expressions used and not defined in these rules, but defined in the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 and the Union Territories of Goods and Services Tax Act, 2017 shall have the same meanings as respectively assigned to them in those Acts.

### **Rule 3. Electronic transmission of the Reports. -**

- (1) The Goods and Services Tax Network shall transmit reports electronically to the Authorities as provided hereunder.
- (2) The Reports, as referred to in sub-rule (1) shall be submitted-
  - (a) by 25th of the month in which Goods and Services Tax returns are submitted, in case of monthly reports; and
  - (b) by the 25th of October of the subsequent financial year, in case of annual reports, in case of report relating to non-unutilised input tax credit:

**Provided** that if 25th of the month is a holiday, then the report shall be sent by the first working day after the holiday:

**Provided** further that if the date of filing of return is extended, then the date of generation of settlement report shall stand extended accordingly and in case the return for September is filed late the report related to non utilised input tax credit shall be sent accordingly.

**Rule 4. Report of Cross-Utilisation and Apportionment of Integrated Tax between Centre (Integrated Tax) and State (State Tax) or Central (Integrated Tax) and Centre (Union Territory Tax) .-**

(1) The details relating to the transfer of funds to be made between Centre (Integrated Tax) and State (State Tax) or Centre (Integrated Tax) and Centre (Union territory Tax) shall be sent by Goods and Services Tax Network to the Authorities, in **FORMS GST STL - 01.01 to GST STL - 01.12**, for each State and Union Territory, as follows-

(a) a monthly Consolidated statement for each State in **FORM GST STL- 01.01** containing the details referred to in clause (b) relating to the total amount to be transferred from the Centre (Integrated Tax) to the State (State Tax) or the Centre (Union Territory Tax), or vice-versa, on account of cross-utilisation of credit as per section 53 of the Central Goods and Services Tax Act and the Goods and Services Tax Act of the concerned State (hereinafter referred to as State Goods and Services Tax Act), section 21 of the Union Territory Goods and Services Tax Act and section 18 of the Integrated Goods and Services Tax Act, and from the Centre (Integrated Tax) to the State (State Tax) or the Centre (Union Territory Tax) on account of apportionment as provided for in section 17 of the Integrated Goods and Services Tax Act;

(b) the monthly reports containing State-wise details pertaining to the information contained in **FORM GST STL - 01.01** are as under -

(i) list of registered persons of the State or Union Territory who have adjusted liability of Integrated Tax from the input tax credit of State Tax or Union Territory Tax and Central Tax, as provided under section 53 of the Central Goods and Services Tax Act and the State Goods and Services Tax Act, or section 21 of the Union Territory Goods and Services Tax Act (including cross utilisation by Input Service Distributor), as the case may be, in **FORM GST STL - 01.02**.

**Note:** The summary of Integrated Tax paid from the input tax credit of Central Tax and from the input tax credit of State Tax or Union Territory Tax shall be reflected in column 3 of **FORMS GST STL - 1.01 and 2.01** respectively.

(ii) list of registered persons of the State or Union territory who have adjusted liability of State Tax or Union Territory Tax, as the case may be, from the input tax credit of Integrated Tax, as provided under section 18 of the Integrated Goods and Services Tax Act, in **FORM GST STL -01.03**.

**Note:** The summary of State Tax/Union Territory Tax paid from the input tax credit of the Integrated Tax shall be reflected in column 4 of **FORMS GST STL 1.01**;

(iii) list of registered persons or unregistered persons who have paid Integrated Tax in the following cases and the said Integrated Tax has to be apportioned as per the provisions of section 17 of the Integrated Goods and Services Tax Act-

a) list of registered persons of other State or Union Territory who have made outward inter-State supply, including Input Service Distributor distribution, to unregistered persons or units of the concerned State or Union Territory or taxpayers who have made exports or have made supplies to SEZ on payment of tax, including non filers who have Integrated Tax credit available with them, in **FORM GST STL - 01.04**. **Note:** The summary of Integrated Tax to be apportioned as State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 5 of both **FORM GST STL 1.01** and **FORM GST STL - 2.01**, respectively;

b) list of registered persons of other State or Union Territory who have made inter-State supply to composition taxable person or Non-resident taxpayer or Unique Identification Number holders of the State, in **FORM GST STL - 01.05**.

**Note:** The summary of Integrated Tax to be apportioned as State Tax or Union Territory Tax and Central Tax portion of Integrated Tax from this statement shall be reflected in column 6 of both **FORM GST STL - 1.01** and **FORM GST STL - 2.01** , respectively;

- c) list of registered persons of other State or Union Territory who have made inter-State inward supplies for which input tax credit is declared as ineligible as provided for in section 17 of the Central Goods and Services Tax Act and State Goods and Services Tax Act and section 21 of the Union Territory Goods and Services Tax Act, or whose Integrated tax input tax credit has lapsed due to opting into composition scheme as provided for in sub-section (4) of section 18 of the Central Goods and Services Tax Act and State Goods and Services Tax Act or whose input tax credit of Integrated tax has lapsed due to cancellation of registration, in **FORM GST STL - 01.06** .

**Note:** The summary of Integrated Tax to be apportioned as State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 7 of both **FORM GST STL 1.01** and **FORM GST STL 2.01** , respectively;

- d) list of unregistered persons who have made imports in the concerned State or Union Territory, under clause (d) of sub-section (1) of section 17 of the Integrated Goods and Services Tax Act, in **FORM GST STL - 01.08** .

**Note:** The summary of Integrated Tax to be apportioned to State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 9 of both **FORM GST STL 1.01** and **FORM GST STL 2.01** , respectively;

- e) list of composition taxpayer or Unique Identification Number holders in a State or Union Territory who have made imports, in **FORM GST STL - 01.09** .

**Note:** The summary of Integrated tax to be apportioned to State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 10 of both **FORM GST STL 1.01** and **FORM GST STL 2.01**, respectively;

- f) list of registered persons in a State or Union Territory who have made imports, on which input tax credit is declared as ineligible as provided for in section 17 of the Central Goods and Services Tax Act and State Goods and Services Tax Act and section 21 of the Union Territory Goods and Services Tax Act, in **FORM GST STL - 01.10** .

**Note:** The summary of Integrated Tax to be apportioned to State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 11 of both **FORM GST STL 1.01** and **FORM GST STL 2.01** , respectively;

- g) list of registered persons in a State or Union Territory who have paid interest on Integrated Tax, in **FORM GST STL - 01.12** .

**Note:** The summary of Integrated Tax to be apportioned as State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 13 of both **FORM GST STL 1.01** and **FORM GST STL 2.01**, respectively;

- (iv) the following reports containing GSTIN-wise, State-wise details pertaining to the information contained in **FORM GST STL - 01.01** shall also be required to be sent once a year –

- a) list of registered persons in a State or Union Territory who have made inter-State inward supplies on which input tax remains unutilised till end of September of the subsequent financial year and thus input tax credit on Integrated Tax paid is not available as per sub-section (4) of section 16 of Central Goods and Services Tax Act and State Goods and Services Tax Act and section 21 of the Union Territory Goods and Services Tax Act, and the said Integrated Tax paid is to be apportioned

under section 17 of the Integrated Goods and Services Tax Act, in **FORM GST STL - 01.07**.

**Note:** The summary of Integrated Tax to be apportioned to State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 8 of both **FORM GST STL 1.01** and **FORM GST STL 2.01**, respectively;

- b) list of registered persons in a State or Union Territory who have made import on which input tax credit remains unutilised till end of September of the subsequent financial year and thus input tax credit on Integrated Tax paid is not available as per sub-section (4) of section 16 of Central Goods and Services Tax Act and State Goods and Services Tax Act and section 21 of the Union Territory Goods and Services Tax Act, and the said Integrated Tax paid is to be apportioned under section 17 of the Integrated Goods and Services Tax Act, in **FORM GST STL - 01.11**.

**Note:** The summary of Integrated Tax to be apportioned to State Tax or Union Territory Tax and Central Tax from this statement shall be reflected in column 12 of both **FORM GST STL 1.01** and **FORM GST STL 2.01**, respectively.

#### **Rule 5. Report of Cross-utilisation and Apportionment of Integrated Tax between Centre (Integrated Tax) and Centre (Central Tax).-**

The details relating to the transfer of funds between Centre (Integrated Tax) and Centre (Central Tax) to be made in a particular month relating in **FORMS GST STL - 02.01 to GST STL - 02.02**, are as follows:

- (a) a monthly consolidated statement containing State-wise details in **FORM GST STL - 02.01** containing the month-wise details relating to the total amount to be transferred from the Centre (Integrated Tax) to the Centre (Central Tax), or vice-versa, on account of cross-utilisation of credit as provided for in section 53 of the Central Goods and Services Tax Act and section 18 of the Integrated Goods and Services Tax Act, and from the Centre (Integrated Tax) to the Centre (Central Tax) on account of apportionment as provided for in section 17 of the Integrated Goods and Services Tax Act;
- (b) monthly reports containing State-wise details containing list of registered persons who have adjusted liability of Central Tax from the input tax credit of Integrated Tax, as provided under section 18 of the Integrated Goods and Services Tax Act, in **FORM GST STL - 02.02**.

**Note:** The summary of Central Tax paid from the input tax credit of Integrated Tax shall be reflected in column 4 of **FORM GST STL - 02.01**.

#### **Rule 6. Report relating to apportionment of Integrated Tax recovered against demand, compounding amount paid and amount deposited for filing appeal between Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax). -**

The details for a particular month relating to recoveries of Integrated Tax, and the interest and penalty thereon on the basis of a demand order, or compounding amount, or deposit made for filing appeal as provided for in sections 79, 107, 112 and 138 of the Central Goods and Services Tax Act and the State Goods and Services Tax Act of the concerned State and section 21 of the Union Territory Goods and Services Tax Act for which input tax credit is not available as per sub-section (5) of section 17 of the Central Goods and Services Tax Act and State Goods and Services Tax Act, section 21 of the Union Territory Goods and Services Tax Act and the said Integrated Tax is to be apportioned under section 17 of the Integrated Goods and Services Tax Act, in **FORMS GST STL 03.01 to GST STL - 03.02** shall be sent for each State and Union Territory, as follows:

- (a) a monthly State-wise consolidated statement showing a summary of amount recovered as Integrated Tax, and the interest and penalty thereon, or compounding amount, or deposited for filing appeal, to be apportioned to State (State Tax) or Centre (Union Territory Tax), and to Centre (Central Tax), in **FORM GST**

**STL 03.01;**

- (b) list of registered persons in a State or Union territory from whom recovery of Integrated Tax has been made with interest and penalty thereon, or compounding amount against demand, or amount deposited for filing appeal of the Integrated Goods and Services Tax Act as provided for in sections 79, 107, 112 and 138 of the Central Goods and Services Tax Act and the State Goods and Services Tax Act of the concerned State and section 21 of the Union Territory Goods and Services Tax Act, in **FORM GST STL 03.02**.

**Rule 7. Report relating to apportionment of Integrated Tax amount, where place of supply could not be determined or taxable person making such supply is not identifiable, between Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax). -**

The details relating to the apportionment of Integrated Tax to State (State Tax) or Centre (Union Territory Tax), and to Centre (Central Tax), in a particular month, in **FORMS GST STL 04.01 to GST STL - 04.03** shall be sent for each State and Union Territory, as follows-

- (a) a monthly State-wise consolidated statement showing a summary of the apportionment of Integrated Tax to State (State Tax) or Centre (Union Territory Tax), and to Centre (Central Tax), in a particular month relating to Integrated Tax collected in respect of which place of supply could not be determined or the taxable person making such supplies is not identifiable, as provided under the proviso of sub-section (2) of section 17 of the Integrated Goods and Services Tax Act, in **FORM GST STL 04.01**;
- (b) list of registered persons from whom Integrated Tax has been collected in respect of which place of supply made by taxable person could not be determined, and is to be apportioned as provided under first proviso of sub-section (2) of section 17 of the Integrated Goods and Services Tax Act, in **FORM GST STL 04.02**;
- (c) the details of Integrated Tax has been collected in respect of which the taxable person making such supplies is not identifiable, and is to be apportioned as provided under second proviso of sub-section (2) of section 17 of the Integrated Goods and Services Tax Act, in **FORM GST STL 04.03** and this shall be an annual report to be submitted in October each year.

**Rule 8. Report relating to reduction of amount to be apportioned to Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax) due to Integrated Tax apportioned earlier but subsequently refunded.-**

The details relating to reduction of amount to be apportioned to Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax), in a particular month due to Integrated Tax apportioned earlier but subsequently refunded as provided for in sub-section (5) of section 17 of the Integrated Goods and Services Tax Act, in **FORMS GST STL - 05.01 to GST STL - 05.12** shall be sent for each State and Union Territory, as follows-

- (a) a monthly State-wise consolidated statement showing a summary wherein Integrated Tax paid by taxpayer has already been apportioned but subsequently refunded to the person due to various provisions of the Central Goods and Services Tax Act, State Goods and Services Tax Act and Union Territory Goods and Services Tax Act leading to a reduction in amount to be apportioned to Centre (Central Tax) and from State (State Tax) or Centre (Union Territory Tax), in a particular month as provided for in sub-section (5) of section 17 of the Integrated Goods and Services Tax Act, in **FORM GST STL - 05.01**;
- (b) The monthly reports containing State-wise details pertaining to the information contained in **FORM GST STL - 05.01** are as under:
  - (i) list of registered tax payers who had made inter State supply of goods or services or both and the said Integrated Tax was already apportioned as per provisions of sub-section (2) of section 17 of the Integrated Goods and Services Tax Act as the supply was not eligible for credit as per section 17 of Central Goods and Services Tax Act, State Goods and Services Tax Act and section 21 of Union Territory Goods and Services Tax Act. The tax liability which was subsequently reduced due to issuance of credit notes or Input Services Distributor Credit notes to taxpayers for the said supply, as provided under sections 20 and 34 of the Central Goods and Services Tax Act and the Goods

and Services Tax Act of the concerned State (or section 21 of the Union Territory Goods and Services Tax Act), in **FORM GST STL 05.02**.

**Note:** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.1 of **FORM GST STL 5.01** ;

- (ii) list of registered taxpayers who had paid Integrated Tax and the said Integrated Tax was already apportioned as the supply was made to composition dealers, and whose tax liability was subsequently reduced due to issuance of credit notes to composition taxpayers, as provided under sections 10 and 34 of the Central Goods and Services Tax Act and the Goods and Services Tax Act of the concerned State (or section 21 of the Union Territory Goods and Services Tax Act), in **FORM GST STL 05.03**.

**Note:** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.2 of **FORM GST STL 5.01** ;

- (iii) list of registered taxpayers who had paid Integrated Tax and the said Integrated Tax was already apportioned as the supply was made to unregistered persons, and whose tax liability was subsequently reduced due to issuance of credit notes to un-registered persons, as provided under section 34 of the Central Goods and Services Tax Act and the State Goods and Services Tax Act (or section 21 of the Union Territory Goods and Services Tax Act), in **FORM GST STL 05.04**.

**Note :** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.3 of **FORM GST STL 5.01** ;

- (iv) list of registered taxpayers who had paid Integrated Tax and the said Integrated Tax was already apportioned, and whose demand was subsequently reduced due to refund of amount deposited for filing appeal and interest thereon, as provided under sections 107 and 112 of the Central Goods and Services Tax Act and the State Goods and Services Tax Act (or section 21 of the Union Territory Goods and Services Tax Act) leading to reduction in Integrated Tax to be apportioned, in **FORM GST STL 05.05**.

**Note:** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.4 of **FORM GST STL 5.01** ;

- (v) list of registered taxpayers from whom Integrated Tax was recovered with interest due to non-acceptance of a supply, by a supplier, and the input tax credit of the buyer was reversed with interest as provided under sections 42 and 43 of the Central Goods and Services Tax Act and the Goods and Services Tax Act of the concerned State (or section 21 of the Union Territory Goods and Services Tax Act) and the interest amount has been apportioned and upon the supplier subsequently accepting the supply, would result in reduction of amount of interest to be apportioned, in **FORM GST STL 05.06**.

**Note:** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.5 of **FORM GST STL 5.01** ;

- (vi) list of registered taxpayers where Integrated Tax paid was apportioned due to inter-State inward supplies for which input tax credit was declared as ineligible previously and was apportioned but has now become eligible, as provided under section 17 of the Central Goods and Services Tax Act and State Goods and Services Tax Act (or section 21 of the Union Territory Goods and Services Tax Act), leading to reduction in Integrated Tax to be apportioned in **FORM GST STL 05.07**.

**Note:** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.6 of **FORM GST STL 5.01** ;

- (vii) list of registered taxpayers where Integrated Tax recovered under section 79 of Central Goods and Services Tax Act and State Goods and Services Tax Act (or section 21 of Union Territory Goods and Services Tax Act) or paid consequent to a demand raised by the proper officer is apportioned, and

the demand is subsequently reversed by appeal order, as provided under sections 107 , 112 , 113 , 117 and 118 of the Central Goods and Services Tax Act and the Goods and Services Tax Act of the concerned State (or section 21 of the Union Territory Goods and Services Tax Act), leading to reduction in Integrated Tax to be apportioned in **FORM GST STL05.08**.

**Note:** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.7 of **FORM GST STL 5.01** ;

- (viii) list of registered taxpayers where the liability of payment of Integrated Tax is reduced due to an amendment in the amount payable after the payment on account of rectification of return as provided under sections 37 , 38 and 39 of the Central Goods and Services Tax Act and the Goods and Services Tax Act of the concerned State (or section 21 of the Union Territory Goods and Services Tax Act), and the excess Integrated Tax so paid has been apportioned, or registered taxpayers who claim refund on account of making zero rated supplies as provided under section 16 of the Integrated Goods and Services tax Act and is now to be reduced from the Central Tax and State Tax or Union Territory Tax, in **FORM GST STL 05.09**.

**Note:** The summary of reduction in amount to be credited to State tax or Union Territory tax and Central tax shall be reflected at S.No.8 of **FORM GST STL - 5.01**.

### **Rule 9. Report relating to recovery of various taxes from refunds.-**

Report of settlement arising between Centre (Central Tax) and State (State Tax) or Centre (Union Territory Tax) on account of recovery of any tax, interest, penalty, fees or any other amount from refund, as provided in sub-section (10) of section 54 of the Central Goods and Services Tax Act and State Goods and Services Tax Act (or section 21 of the Union Territory Goods and Services Tax Act), shall be submitted in **FORM GST STL - 06.01**.

### **Rule 10. Report relating to Consolidated Settlement Register for each State and Union Territory and for the Centre.-**

- (1) A monthly consolidated settlement register for each State and Union Territory, in **FORM GST STL - 07.01** shall be sent and this register shall give consolidated details of transfer of funds to be made from State Tax account to Central Tax account or Integrated Tax account and vice versa based on consolidated summary of settlement details contained in Report Form GST STL 1.01, 3.01,4.01, 5.01 and 6.01.
- (2) A monthly consolidated settlement register for the Centre, in **FORM GST STL- 07.02** shall be sent and this register shall give consolidated details of transfer of funds to be made from Central Tax account to Integrated Tax account and vice versa based on consolidated summary of settlement details contained in Report Form GST STL 1.01, 2.01, 4.01, 5.01 and 6.01.

### **Rule 11. Other provisions.-**

#### **(1) Issue of provisional sanction order for each month -**

- (a) The Principal Chief Controller of Accounts shall maintain a login based Centralized Accounting portal which shall be accessible to State accounting authorities, Central Board of Excise and Customs and State taxation authorities.
- (b) on the receipt of above ledgers, the Principal Chief Controller of Accounts shall calculate the net payment to be made from Integrated Goods and Services Tax account to each State or vice versa and shall upload a State-wise summary of the same on the Centralized Accounting portal within three working days of receipt of the data from Goods and Services Tax Network. Thereafter based on uploading of this data a provisional sanction order for the month shall be issued by Department of Revenue as per the procedure laid down in sub-rule (2).

#### **(2) Resolution of any discrepancy in data provided by Goods and Services Tax Network:**

- (a) On the basis of the above ledgers provided by Goods and Services Tax Network for every month, the Central and respective State Accounting Authorities, the Board and the State tax nodal authorities

shall reconcile the details of the payments received, Input Tax Credit cross-utilisation and apportionment details received from Goods and Services Tax Network, and shall revert to Goods and Services Tax Network and Principal Chief Controller of Accounts in case of any discrepancy by 20<sup>th</sup> of the subsequent month.

- (b) If any discrepancy is pointed out by the Central or State(s) Accounting Authority or Taxation Authority within this period, the Goods and Services Tax Network shall look into it and prepare a Revised Calculation, if required and send it again to both the Central as well as State Accounting, Taxation Authorities and Principal Chief Controller of Accounts by 25<sup>th</sup> of the month.
- (c) Based on the revised calculation received from Goods and Services Tax Network and after having reconciled the discrepancy referred to in sub clause (a) and (b), in case any changes have been made with respect to any State, the Principal Chief Controller of Accounts shall calculate the net payment to be made from Integrated Goods and Services Tax account to each State or vice versa and shall upload a final State wise summary of the same on the Centralised Accounting portal within three days of receipt of the revised data from Goods and Services Tax Network and based on uploading of this data a final sanction order for the month shall be issued by Department of Revenue as per the procedure laid down below-
- (i) the Centralized Accounting Portal of Central Accounting Authority shall be used by the Department of Revenue, Ministry of Finance to download the details of the State-wise fund settlement with States.
  - (ii) a designated officer in the Department of Revenue shall issue the Sanction order of funds to be transferred from Integrated Goods and Services Tax account to each State or vice versa after obtaining necessary approvals of the competent authority.
  - (iii) the provisional sanction order for each month for each State shall be issued based on details uploaded by Principal Chief Controller of Accounts as per sub-rule (1).
  - (iv) the final sanction order for each month for each State, in case needed, shall be issued based on details uploaded by Principal Chief Controller of Accounts as per sub-rule (3) .
  - (v) the sanction orders shall be issued within three days of uploading of details of the State-wise fund settlement by Principal Chief Controller of Accounts.
  - (vi) the electronic Sanction (digitally signed) addressed to Central Accounting Authority containing State wise details shall then be uploaded on the portal of the Central Accounting Authority (Office of Principal Chief Controller of Accounts, Central Board of Excise and Customs through login based system.
  - (vii) as the sanction letter will also contain the details of settlement, it shall be available in records of State Government for future reconciliation and audit purposes.
  - (viii) State Governments shall come to know about the fund being transferred by Centre through the sanction.
  - (ix) Copy of sanction shall also be dorsed to concerned State Accountant General.
  - (x) The Central Accounting Authority shall generate an Inter Government Advice on the basis of Sanction received from Department of Revenue and send it to Reserve Bank of India [Central Accounts Section, Nagpur] electronically within three days of issue of sanction order.
  - (xi) Reserve Bank of India shall make the necessary fund settlement between the Consolidated Fund of India and the Consolidated Fund of States of the respective State, on the basis of electronic Inter Government Advice; generate the 'Clearance Memo' and transmit the same to Central Accounting Authority and State Accounting Authorities and Accountant General.



- (xii) The Central Accounting Authorities shall make appropriate accounting entries at the time of issuance of inter Government Advice to Reserve Bank of India.
- (xiii) The respective State Accounting Authorities and Accountant General shall make appropriate accounting entries at the time of receipt of clearance Memo from Reserve Bank of India.

<sup>1</sup>[(3) At any point of time in any particular financial year, the Central Government may, on there commendations of the Council, provisionally settle any sum of integrated goods and services tax collected in that particular financial year which has not been settled so far which will be adjusted inthe subsequent month(s) /year(s), based on the returns filed by the taxpayers.]

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*1 Substituted vide Notification No. G.S.R. 524 (E) dated 04.06.2018 for "(3) At any point of time in any particular financial year, the Central Government may, on the recommendations of the Goods and Services Tax Council, provisionally settle any sum of integrated goods and services tax collected in that particular financial year which has not been settled so far."*