

BILL No. 14 OF 2025

THE FINANCE BILL, 2025

(AS INTRODUCED IN LOK SABHA)

Central Goods and Services Tax

116. Amendment of section 2.
117. Amendment of section 12.
118. Amendment of section 13.
119. Amendment of section 17.
120. Amendment of section 20.
121. Amendment of section 34.
122. Amendment of section 38.
123. Amendment of section 39.
124. Amendment of section 107.
125. Amendment of section 112.
126. Insertion of new section 122B.
127. Insertion of new section 148A.
128. Amendment of Schedule III.
129. No refund of tax collected.

Central Goods and Services Tax

12 of 2017. **116.** In the Central Goods and Services Tax Act, 2017 (hereinafter referred as the Central Goods and Services Tax Act), in section 2,— Amendment of section 2.

13 of 2017. (i) in clause (61), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017” shall be inserted with effect from the 1st day of April, 2025;

(ii) in clause (69),—

(a) in sub-clause (c), after the words “management of a municipal”, the word “fund” shall be inserted;

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

‘Explanation.— For the purposes of this sub-clause—

(a) “local fund” means any fund under the control or management of an authority of a local self-government established for discharging civic functions in relation to a Panchayat area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called;

(b) “municipal fund” means any fund under the control or management of an authority of a local self-government established for discharging civic functions in relation to a Metropolitan area or Municipal area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called.’;

(iii) after clause (116), the following clause shall be inserted, namely:—

‘(116A) “unique identification marking” means the unique identification marking referred to in clause (b) of sub-section (2) of section 148A and includes a digital stamp, digital mark or any other similar marking, which is unique, secure and non-removable.’;

117. In section 12 of the Central Goods and Services Tax Act, sub-section (4) shall be omitted. Amendment of section 12.

118. In section 13 of the Central Goods and Services Tax Act, sub-section (4) shall be omitted. Amendment of section 13.

119. In section 17 of the Central Goods and Services Tax Act, in sub-section (5), in clause (d),— Amendment of section 17.

(i) for the words “plant or machinery”, the words “plant and machinery” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2017;

(ii) the *Explanation* shall be numbered as *Explanation 1* thereof, and after *Explanation 1* as so numbered, the following *Explanation* shall be inserted, namely:—

*‘Explanation 2.—*For the purposes of clause (d), it is hereby clarified that notwithstanding anything to the contrary contained in any judgment, decree or order of any court, tribunal, or other authority, any reference to “plant or machinery” shall be construed and shall always be deemed to have been construed as a reference to “plant and machinery”.’.

120. In section 20 of the Central Goods and Services Tax Act, with effect from the 1st day of April, 2025,— Amendment of section 20.

13 of 2017.

(i) in sub-section (1), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017” shall be inserted;

(ii) in sub-section (2), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017,” shall be inserted.

121. In section 34 of the Central Goods and Services Tax Act, in sub-section (2), for the proviso, the following proviso shall be substituted, namely:— Amendment of section 34.

“Provided that no reduction in output tax liability of the supplier shall be permitted, if the—

(i) input tax credit as is attributable to such a credit note, if availed, has not been reversed by the recipient, where such recipient is a registered person; or

(ii) incidence of tax on such supply has been passed on to any other person, in other cases.”.

122. In section 38 of the Central Goods and Services Tax Act,— Amendment of section 38.

(i) in sub-section (1), for the words “an auto-generated statement”, the words “a statement” shall be substituted;

(ii) in sub-section (2),—

(a) for the words “auto-generated statement under”, the words “statement referred in” shall be substituted;

(b) in clause (a), the word “and” shall be omitted;

(c) in clause (b), after the words “by the recipient,”, the word “including” shall be inserted;

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

“(c) such other details as may be prescribed.”.

123. In section 39 of the Central Goods and Services Tax Act, in sub-section (1), for the words “and within such time”, the words “within such time, and subject to such conditions and restrictions” shall be substituted. Amendment of section 39.

124. In section 107 of the Central Goods and Services Act, in sub-section (6), for the proviso, the following proviso shall be substituted, namely:— Amendment of section 107.

“Provided that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent. of the said penalty has been paid by the appellant.”.

125. In section 112 of the Central Goods and Services Act, in sub-section (8), the following proviso shall be inserted, namely:— Amendment of section 112.

“Provided that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent. of the said penalty, in addition to the amount payable under the proviso to sub-section (6) of section 107 has been paid by the appellant.”.

126. After section 122A of the Central Goods and Services Act, the following section shall be inserted, namely:— Insertion of new section 122B.

“122B. Notwithstanding anything contained in this Act, where any person referred to in clause (b) of sub-section (1) Penalty for failure to

of section 148A acts in contravention of the provisions of the said section, he shall, in addition to any penalty under Chapter XV or the provisions of this Chapter, be liable to pay a penalty equal to an amount of one lakh rupees or ten per cent. of the tax payable on such goods, whichever is higher.”.

comply with track and trace mechanism.

127. After section 148 of the Central Goods and Services Act, the following section shall be inserted, namely:—

Insertion of new section 148A.

“148A. (1) The Government may, on the recommendations of the Council, by notification, specify,—

Track and trace mechanism for certain goods.

(a) the goods;

(b) persons or class of persons who are in possession or deal with such goods,

to which the provisions of this section shall apply.

(2) The Government may, in respect of the goods referred to in clause (a) of sub-section (1),—

(a) provide a system for enabling affixation of unique identification marking and for electronic storage and access of information contained therein, through such persons, as may be prescribed; and

(b) prescribe the unique identification marking for such goods, including the information to be recorded therein.

(3) The persons referred to in sub-section (1), shall,—

(a) affix on the said goods or packages thereof, a unique identification marking, containing such information and in such manner;

(b) furnish such information and details within such time and maintain such records or documents, in such form and manner;

(c) furnish details of the machinery installed in the place of business of manufacture of such goods, including the identification, capacity, duration of operation and such other details or information, within such time and in such form and manner;

(d) pay such amount in relation to the system referred to in sub-section (2),

as may be prescribed.”.

128. In Schedule III of the Central Goods and Services Act,— Amendment of
Schedule III.

(i) in paragraph 8, after clause (a), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:—

“(aa) Supply of goods warehoused in a Special Economic Zone or in a Free Trade Warehousing Zone to any person before clearance for exports or to the Domestic Tariff Area;”;

(ii) in *Explanation 2*, after the words “For the purposes of”, the words, brackets and letter “clause (a) of” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017;

(iii) after *Explanation 2*, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:—

“*Explanation 3.*— For the purposes of clause (aa) of paragraph 8, the expressions “Special Economic Zone”, “Free Trade Warehousing Zone” and “Domestic Tariff Area” shall have the same meanings respectively as assigned to them in section 2 of the Special Economic Zones Act, 2005.”.

28 of 2005.

129. No refund shall be made of all such tax which has been collected, but which would not have been so collected, had section 128 been in force at all material times. No refund of tax
collected.

*Indirect Taxes**Customs*

Clause 87 of the Bill seeks to amend sub-sections (1) and (1A), and to insert new sub-sections (1B) and (1C), in section 18 of the Customs Act, 1962. It is proposed to amend sub-section (1) so as to provide that the proper officer may provisionally assess the duty on goods. It is proposed to amend sub-section (1A) so as to remove reference to the time within which the proper officer shall finalise the provisional assessment. Sub-section (1B) seeks to provide time limit of two years for finalisation of the provisional assessment which shall be extendable by the Principal Commissioner of Customs or Commissioner of Customs for a further period of one year, if the sufficient cause is shown. It further, provides that for the pending cases, the time-limit shall be reckoned from the date on which the Finance Bill, 2021 receives the assent of the President. Sub-section (1C) seeks to provide for certain grounds on which the time-limit of two years shall apply not from the date of the order of the provisional assessment, but from the date when the reasons for such ground ceases to exit.

Clause 88 of the Bill seeks to insert a new section 18A in the Customs Act to provide for voluntary revision of entry, post clearance by the importers and exporters, in relation to the goods in such form and manner, within such time and subject to the conditions as may be prescribed. It further provides for self-assessment of the revised entry and allow payment of duty or treat the revised entry as a refund claimed under section 27. It also empowers the proper officer verify and reassess the revised entry. It also provides that no revision of entry shall be made under the said section in certain cases specified in sub-section (5) of the said section.

Clause 89 of the Bill seeks to amend section 27 of the Customs Act so as to insert a new *Explanation* in sub-section (1) therein, so as to clarify that the computation of the period of limitation for claim of refund consequent to the revised entry under clause (b) of sub-section (3) of section 18A or amendment under section 149 of the Customs Act, shall be one year from the date of payment of duty or interest.

Clause 90 of the Bill seeks to amend section 28 of the Customs Act by inserting a new clause (ba) in the *Explanation 1* of the said section so as to provide that the relevant date, in case where duty is paid under the revised entry under clause (b) of sub-section (3) of section 18A, shall be the date of payment of duty or interest.

Clause 91 of the Bill seeks to amend section 127A of the Customs Act so as to define the expressions “Interim Board” and “pending application”.

Clause 92 of the Bill seeks to amend section 127B of the Customs Act by inserting two provisos therein, to provide that no application shall be made under the said section on or after the 1st day of April, 2025 and every pending application shall be dealt by the Interim Board from the stage at which such pending application stood immediately before constitution of the Interim Board.

Clause 93 of the Bill seeks to amend section 127C of the Customs Act by inserting new sub-sections (11) and (12) therein, so as to provide that on and from the 1st day of April,

2025, the provisions of sub-sections (2), (3), (4), (5), (5A), (6), (7), (8) and (8A) shall apply to pending applications with modifications specified therein.

It further empowers the Interim Board to extend the time-limit provided under sub-section (8A), within three months from its constitution, by such period not exceeding twelve months from the date of its constitution.

Clause 94 of the Bill seeks to amend section 127D of the Customs Act by inserting a new sub-section (3) therein, so as to provide that the power of the Settlement Commission shall be exercised by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Clause 95 of the Bill seeks to amend section 127F of the Customs Act by inserting a new sub-section (5) therein, to provide that the powers and functions of the Settlement Commission under the said section shall be exercised or performed by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Clause 96 of the Bill seeks to amend section 127G of the Customs Act so as to provide that the power of the Settlement Commission shall be exercised by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Clause 97 of the Bill seeks to amend section 127H of the Customs Act by inserting a new sub-section (3) therein, to provide that the powers and functions of the Settlement Commission under the said section shall be exercised or performed by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Customs tariff

Clause 98 seeks to amend the First Schedule to the Customs Tariff Act—

(a) in the manner specified in the Second Schedule so as to revise the rates in respect of certain tariff items with effect from the 2nd February, 2025;

(b) in the manner specified in the Third Schedule with view to harmonise certain entries with the Harmonised System of Nomenclature to create new tariff lines in respect of certain entries and to revise the rates in respect of certain tariff items, with effect from the 1st May, 2025.

Central Excise

Clause 99 of the Bill seeks to amend section 31 of the Central Excise Act so as to define the expressions such as “Interim Board” and “pending application”.

Clause 100 of the Bill seeks to insert a new section 31A in the Central Excise Act so as to provide for the constitution of one or more Interim Boards for the settlement of pending applications and to provide that every Interim Board shall consist of three members, each being an officer of the rank of Chief Commissioner or above. It further provides that if the

members of the Interim Board differ in their opinion on any point, the point shall be decided according to the opinion of the majority.

It also provides that every pending application shall be dealt by the Interim Board from the stage at which such pending application stood immediately before constitution of the Interim Board.

Clause 101 of the Bill seeks to amend section 32 of the Central Excise Act so as to provide that the Customs, Central Excise and Service Tax Settlement Commission shall cease to operate on or after the 1st day of April, 2025.

Clauses 102 to 105 of the Bill seeks to amend sections 32A, 32B, 32C and 32D of the Central Excise Act so as to provide that the existing provisions of the said sections shall cease to apply on or after the 1st day of April, 2025.

Clause 106 of the Bill seeks to amend section 32E so as to provide that no new application shall be made under this section on or after the 1st day of April, 2025.

Clause 107 of the Bill seeks to insert sub-sections (11) and (12) in section 32F of the Central Excise Act so as to provide that on and from the 1st day of April, 2025, the provisions of sub-sections (2), (3), (4), (5), (5A), (6), (7), (8) and (10) shall apply to pending applications with modifications specified therein.

It further empowers the Interim Board to extend the time-limit provided under sub-section (6), within three months of its constitution, by such period not exceeding twelve months from the date of its constitution.

Clauses 108 to 115 of the Bill seek to amend sections 32G, 32-I, 32J, 32K, 32L, 32M, 32-O and 32P of the Central Excise Act so as to provide that the powers and functions of the Settlement Commission under the said sections shall be exercised or performed by the Interim Board on and from 1st day of April, 2025 and all provisions of the said sections shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Central Goods and Services Tax

Clause 116 of the Bill seeks to amend section 2 of the Central Goods and Services Tax Act relating to definitions.

It is proposed to amend the definition of “Input Service Distributor” in clause (61) of said section 2 so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-state supplies, on which tax has to be paid on reverse charge basis, by inserting reference to sub-section (3) and sub-section (4) of section 5 of the Integrated Goods and Services Tax Act in the definition of Input Service Distributor.

This amendment shall take effect from 1st day of April, 2025.

It is further proposed to amend sub-clause (c) of clause (69) of section 2 so as to substitute the term “municipal or local fund” with the terms “municipal fund or local fund” and to insert an *Explanation* after the said sub-clause, to provide the definitions of the terms

“local fund” and “municipal fund” used in the definition of “local authority” under the said clause so as to clarify the scope of the said terms.

It is also proposed to insert a new clause (116A) in section 2 so as to define the expression “unique identification marking” to mean a mark that is unique, secure and non-removable, for implementation of track and trace mechanism.

Clause 117 of the Bill seeks to omit sub-section (4) of section 12 of the Central Goods and Services Tax Act so as to remove the provision for time of supply in respect of transaction in vouchers, the same being neither supply of goods nor supply of services.

Clause 118 of the Bill seeks to omit sub-section (4) of section 13 of the Central Goods and Services Tax Act so as to remove the provision for time of supply in respect of transaction in vouchers, the same being neither supply of goods nor supply of services.

Clause 119 of the Bill seeks to amend clause (d) of sub-section (5) of section 17 of the Central Goods and Services Tax Act so as to substitute the expression “plant or machinery” with the expression “plant and machinery” to remove any ambiguity in interpretation for the purpose of availment of input tax credit in such cases.

It further seeks to insert an *Explanation* to clarify that the said amendment is made notwithstanding anything to the contrary contained in any judgment, decree or order of any court or any other authority.

This amendment shall take effect retrospectively from 1st day of July, 2017.

Clause 120 of the Bill seeks to amend sub-section (1) of section 20 of the Central Goods and Services Tax Act so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-State supplies, on which tax has to be paid on reverse charge basis, by inserting a reference to sub-section (3) and sub-section (4) of section 5 of the Integrated Goods and Services Tax Act in the said sub-section.

It further seeks to amend sub-section (2) of the said section so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-State supplies, on which tax has to be paid on reverse charge basis, by inserting reference to sub-section (3) and sub-section (4) of section 5 of the Integrated Goods and Services Tax Act in the said sub-section.

This amendment shall take effect from 1st day of April, 2025.

Clause 121 of the Bill seeks to amend the proviso to sub-section (2) of section 34 of the Central Goods and Services Tax Act so as to explicitly provide for the requirement of reversal of corresponding input tax credit in respect of a credit-note, if availed, by the registered recipient, for the purpose of reduction of tax liability of the supplier in respect of the said credit note.

It further seeks to remove the condition in the said proviso of not having passed the incidence of interest on supply for the purpose of reduction of tax liability of the supplier in respect of the said credit note.

Clause 122 of the Bill seeks to amend sub-section (1) of section 38 of the Central Goods and Services Tax Act to omit the expression “auto-generated” with respect to statement of input tax credit in the said sub-section.

It further seeks to amend sub-section (2) of the said section by omitting the expression “auto-generated” with respect to statement of input tax credit in the said sub-section and inserting the expression “including” after the words “by the recipient” in clause (b) of said sub-section so as to make the said sub-section inclusive to cover other cases where input tax credit is not available to taxpayer under any other provisions of the Act.

It further inserts a new clause (c) in the said sub-section to provide for an enabling clause to prescribe other details to be made available in statement of input tax credit.

Clause 123 of the Bill seeks to amend sub-section (1) of section 39 of the Central Goods and Services Tax Act so as to provide for an enabling clause to prescribe conditions and restriction for filing of return under the said sub-section.

Clause 124 of the Bill seeks to substitute the proviso to sub-section (6) of section 107 of the Central Goods and Services Tax Act to provide for the requirement of pre-deposit of ten per cent. of the penalty amount for filing an appeal before the Appellate Authority against an order which involves demand of penalty without involving any demand of tax.

Clause 125 of the Bill seeks to insert a proviso to sub-section (8) of section 112 of Central Goods and Services Tax Act to provide for the requirement of pre-deposit of ten per cent. of the penalty amount for filing an appeal before the Appellate Tribunal against an order which involves demand of penalty without involving any demand of tax.

Clause 126 of the Bill seeks to insert a new section 122B in the Central Goods and Services Tax Act to provide for penal provisions for contraventions of the provision relating to track and trace mechanism.

Clause 127 of the Bill seeks to insert a new section 148A in the Central Goods and Services Tax Act so as to provide for an enabling provision for implementation of track and trace mechanism for ensuring effective monitoring and control of supply of specified commodities.

Clause 128 of the Bill seeks to insert a new clause (aa) in paragraph 8 of Schedule III of the Central Goods and Services Tax Act to specify that the supply of goods warehoused in a Special Economic Zone or in a Free Trade Warehousing Zone to any person before clearance for exports or to the Domestic Tariff Area shall be treated neither as supply of goods nor as supply of services.

It further seeks to amend the *Explanation 2* of the said Schedule to clarify that the said *Explanation* shall be applicable in respect of clause (a) of paragraph 8 of the said Schedule.

It also seeks to insert an *Explanation 3* in the said Schedule to define the expressions “Special Economic Zone”, “Free Trade Warehousing Zone” and “Domestic Tariff Area”, for the purpose of the proposed clause (aa) in paragraph 8 of said Schedule.

These amendments shall take effect retrospectively with effect from the 1st day of July, 2017.

Clause 129 of the Bill seeks to clarify that no refund of the tax, already paid in respect of the aforesaid activities or transactions, shall be available.

Service tax

Clause 130 of the Bill seeks to provide retrospective exemption from service tax to reinsurance services provided by insurance companies under the Weather Based Crop Insurance Scheme and Modified National Agricultural Insurance Scheme for the period from 1st day of April, 2011 to 30th day of June, 2017 (both days inclusive).

Miscellaneous

Clause 131 of the Bill seeks to amend section 13 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 relating to tax exemption or benefit to continue to have effect.

The said section, *inter alia*, provides for the period for which the tax shall be payable by the Administrator of a specified undertaking.

It is proposed to amend sub-section (1) of the said section so as to extend the period from 31st March, 2025 to 31st March, 2027.

This amendment will take effect from 1st April, 2025.

Clauses 132 to 140 of the Bill seeks to amend the preamble and certain provisions of the Government Securities Act, 2006.

It is proposed to provide application of this Part. Sub-section (1) of clause 132 seeks to provide that this Part shall apply in the first instance to the whole of the States of Andhra Pradesh, Chhattisgarh, Haryana, Nagaland, Punjab, Uttarakhand, Uttar Pradesh and West Bengal and all the Union territories and it shall also apply to such other State which adopts this Part by resolution passed in that behalf under clause (1) of article 252 of the Constitution.

Sub-section (2) of the said clause seeks to provide that it shall come into force at once in the States of Andhra Pradesh, Chhattisgarh, Haryana, Nagaland, Punjab, Uttarakhand, Uttar Pradesh and West Bengal and in the Union territories and in any other State which adopts this Act under clause (1) of article 252 of the Constitution, on the date of such adoption; and, save as otherwise provided in this Part, any reference in this Part to the commencement of this Part shall, in relation to any State, mean the date on which this Part comes into force in such State.

It is further proposed to make consequential amendments in the preamble and sub-sections (3) and (4) of section 2, of the said Act, to give reference of the erstwhile State of Jammu and Kashmir as a Union territory.

It is also proposed to amend clause (f) of section 2 of the Act so as to insert the words “and subject to such terms and conditions” after the words “any other purpose”. It is also proposed to omit the words “and having one of the forms mentioned in section 3” from the said clause.

It is also proposed to amend section 3 of the Act so as to omit the words “subject to such terms and conditions as may be specified.”

It is also proposed to amend sub-section (4) of section 5 of the Act so as to insert the words brackets, letter and figure “or shall be construed to affect any restriction of transferability of Government securities contained in any notification issued under clause (f) of section 2 in respect of such securities” after the words “upon the Bank”.

It is also proposed to omit sub-sections (1) and (2) of section 31 of the Act.

It is also proposed to omit the words “and the terms and conditions subject to which” in clause (a) of sub-section (2) of section 32 of the Act.

Clause 140 of the Bill also seeks to repeal the Public Debt Act, 1944 and provide saving clause thereto.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The provisions of the Bill, *inter alia*, empower the Central Government to issue notifications and the Board to make rules for various purposes as specified therein.

Clause 3 of the Bill seeks to amend section 2 of the Income-tax Act relating to definitions. It, *inter alia*, seeks to amend clause (22) of the said section. It is proposed to insert the *Explanation* of ‘group entity’, ‘principal entity’ and ‘parent entity’ in *Explanation 3*, in clause (d) of the said *Explanation*. It seeks to empower the Board to make rules regarding the conditions which the said entities are required to satisfy.

Clause 9 of the Bill seeks to amend clause (2) of section 17 of the Income-tax Act relating to “salary”, “perquisite” and “profits in lieu of salary” defined.

It is proposed to amend paragraph (c) of sub-clause (iii) of clause (2) to empower the Board for making rules to determine the amount.

In clause (2), it is further proposed to amend the proviso occurring after sub-clause (viii) of clause (vi), in the long line, in clause (B) to empower the Board for making rules to determine the amount.

Clause 11 of the Bill seeks to insert a new section 44BBD in the Income-tax Act relating to special provisions for computing profits and gains of non-residents engaged in the business of providing services or technology, for setting up an electronics manufacturing facility or in connection with manufacturing or providing electronic goods, article or things in India.

It, *inter alia*, empowers the Board to make rules prescribing the conditions which the resident company are required to satisfy in this behalf.

Clause 21 of the Bill seeks to amend section 92CA of the Income-tax Act relating to reference to Transfer Pricing Officer.

It is proposed to insert a new sub-section (3B) in the said section so as to provide that the arm’s length price being determined in relation to the international transaction or the specified domestic transaction under sub-section (3) for any previous year shall apply to similar international transaction or the specified domestic transaction for two consecutive previous years immediately following such previous year, on fulfilment of the conditions, specified therein. Clause (b) of the said sub-section empowers the Board to make rules on such option or options which are to be exercised. Clause (c) of the said sub-section empowers the Board to make rules providing the conditions subject to which option or options exercised by the assessee will be declared by the Transfer Pricing Officer as valid option.

Clause 88 of the Bill seeks to insert a new section 18A in the Customs Act, relating to voluntary revision of entry, post clearance. Sub-section (1) of the said section 18A seeks to empower the Government to provide by rules the form and manner and the time within which entry in relation to the goods may be revised by the importer or exporter, post clearance.

Clause 122 of the Bill seeks to amend sub-section (2) of section 38 of the Central Goods and Services Tax Act to empower the Government to provide by rules other details to be made available in the statement.

Clause 127 of the Bill seeks to insert a new section 148A in the Central Goods and Services Tax Act, relating to track and trace mechanism for certain goods. Sub-section (2) of the said section 148A seeks to empower the Government to provide by rules a system for enabling affixation of unique identification marking and for electronic storage and access of information and the person through whom such system may be provided. It further seeks to empower the Government to provide by rules the Unique Identification marking for goods including the information to be recorded therein.

Sub-section (3) of the said section 148A seeks to empower the Government to provide by rules, the information to be contained in, and the manner of affixing on the goods and packages a unique identification marking under clause (a), the form and manner and the time for furnishing information and details and maintaining records or documents under clause (b), the time within which and the form and manner in which other details shall be furnished under clause (c) and the amount to be paid under clause (d) of the said sub-section.

2. The matters in respect of which rules may be made and matters of procedure and details and it is not practicable to provide for them in the Bill itself. The delegation of legislative powers is, therefore, of a normal character.

LOK SABHA

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BILL

to give effect to the financial proposals of the Central Government for the financial year
2025-2026.

*(Smt. Nirmala Sitharaman,
Minister of Finance.)*