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असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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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 16th August, 2024/Sravana 25, 1946 (Saka)

The following Act of Parliament received the assent of the President on the 16th August, 2024 and is hereby published for general information:—

THE FINANCE (No. 2) ACT, 2024

No. 15 OF 2024

[16th August, 2024.]

An Act to give effect to the financial proposals of the Central Government for the financial year 2024-25.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance (No. 2) Act, 2024.

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

(a) sections 2 to 87 shall be deemed to have come into force on the 1st day of April, 2024;

(b) sections 114 to 157 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Short title and
commencement.

Amendment of section 171.

148. In section 171 of the Central Goods and Services Tax Act,—

(a) in sub-section (2), the following proviso and *Explanation* shall be inserted, namely:—

‘Provided that the Government may by notification, on the recommendations of the Council, specify the date from which the said Authority shall not accept any request for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.

Explanation.—For the purposes of this sub-section, “request for examination” shall mean the written application filed by an applicant requesting for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.’;

(b) the *Explanation* shall be renumbered as *Explanation 1* thereof, and after *Explanation 1* as so renumbered, the *Explanation* shall be inserted, namely:—

‘*Explanation 2.*—For the purposes of this section, the expression “Authority” shall include the “Appellate Tribunal”.’.

Amendment of Schedule III.

149. In Schedule III to the Central Goods and Services Tax Act, after paragraph 8 and before *Explanation 1*, the following paragraphs shall be inserted, namely:—

“9. Activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured in co-insurance agreements, subject to the condition that the lead insurer pays the central tax, the State tax, the Union territory tax and the integrated tax on the entire amount of premium paid by the insured.

10. Services by insurer to the reinsurer for which ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer, subject to the condition that the central tax, the State tax, the Union territory tax and the integrated tax is paid by the reinsurer on the gross reinsurance premium payable by the insurer to the reinsurer, inclusive of the said ceding commission or the reinsurance commission.”.

No refund of tax paid or input tax credit reversed.

150. No refund shall be made of all the tax paid or the input tax credit reversed, which would not have been so paid, or not reversed, had section 118 been in force at all material times.

Integrated Goods and Services Tax

Amendment of section 5.

151. In the Integrated Goods and Services Tax Act, 2017 (hereinafter referred to as the Integrated Goods and Services Tax Act), in section 5, in sub-section (1), after the words “alcoholic liquor for human consumption”, the words “and un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption” shall be inserted.

13 of 2017.

Insertion of new section 6A.

152. After section 6 of the Integrated Goods and Services Tax Act, the following section shall be inserted, namely:—

Power not to recover Goods and Services Tax not levied or short-levied as a result of general practice.

“6A. Notwithstanding anything contained in this Act, if the Government is satisfied that—

(a) a practice was, or is, generally prevalent regarding levy of integrated tax (including non-levy thereof) on any supply of goods or services or both; and

(b) such supplies were, or are, liable to—

(i) integrated tax, in cases where according to the said practice, integrated tax was not, or is not being, levied; or

(ii) a higher amount of integrated tax than what was, or is being, levied, in accordance with the said practice,

the Government may, on the recommendation of the Council, by notification in the Official Gazette, direct that the whole of the integrated tax payable on such supplies, or, as the case may be, the integrated tax in excess of that payable on such supplies, but for the said practice, shall not be required to be paid in respect of the supplies on which the integrated tax was not, or is not being, levied, or was, or is being, short-levied, in accordance with the said practice.”.

153. In section 16 of the Integrated Goods and Services Tax Act,—

Amendment of section 16.

(a) in sub-section (4),—

(i) in clause (i), after the words “claim refund of the tax so paid”, the words and figures “in accordance with the provisions of section 54 of the Central Goods and Services Tax Act or the rules made thereunder” shall be inserted;

(ii) in clause (ii), for the words “which may be exported on payment of integrated tax and the supplier of such goods or services may claim the refund of tax so paid”, the words and figure “or both, on zero rated supply of which, the supplier may pay integrated tax and claim the refund of tax so paid, in accordance with the provisions of section 54 of the Central Goods and Services Tax Act or the rules made thereunder” shall be substituted;

(b) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) Notwithstanding anything contained in sub-sections (3) and (4), no refund of unutilised input tax credit on account of zero rated supply of goods or of integrated tax paid on account of zero rated supply of goods shall be allowed where such zero rated supply of goods are subjected to export duty.”.

154. In section 20 of the Integrated Goods and Services Tax Act, for the fifth proviso, the following proviso shall be substituted, namely:—

Amendment of section 20.

“Provided also that a maximum amount of forty crore rupees shall be payable for each appeal to be filed before the Appellate Authority or the Appellate Tribunal.”.

Union Territory Goods and Services Tax

14 of 2017.

155. In the Union Territory Goods and Services Tax Act, 2017 (hereinafter referred as the Union Territory Goods and Services Tax Act), in section 7, in sub-section (1), after the words “alcoholic liquor for human consumption”, the words “and un-denatured extra neutral alcohol or rectified spirit which is used for manufacture of alcoholic liquor, for human consumption” shall be inserted.

Amendment of section 7.

156. After section 8 of the Union Territory Goods and Services Tax Act, the following section shall be inserted, namely:—

Insertion of new section 8A.

“8A. Notwithstanding anything contained in this Act, if the Government is satisfied that—

Power not to recover Goods and Services Tax not levied or short-levied as a result of general practice.

(a) a practice was, or is, generally prevalent regarding levy of Union territory tax (including non-levy thereof) on any supply of goods or services or both; and