



The Institute of Chartered Accountants of India GST & Indirect Taxes Committee

GOODS & SERVICES TAX UPDATE-204

Amendments related to Specified Actionable Claims

- 1. Amendments made vide the CGST (Amendment) Act, 2023 and IGST (Amendment) Act, 2023 have become effective from 01.10.2023.**

The Central Government vide [Notification No. 48/2023-CT dt. 29.09.2023](#) and [Notification No. 02/2023-IT dt. 29.09.2023](#) has appointed 1st day of October, 2023, as the date on which the provisions of the CGST (Amendment) Act, 2023 and the IGST (Amendment) Act, 2023 shall come into force.

- 2. Supplies notified under section 15(5) of the CGST Act, 2017**

With effect from 01.10.2023, the Central Government vide [Notification No. 49/2023-CT dt. 29.09.2023](#) has notified the following supplies the value of which shall be determined in the prescribed manner notwithstanding anything contained in sub-section (1) or sub-section (4) of section 15:

- a) supply of online money gaming;
- b) supply of online gaming, other than online money gaming; and
- c) supply of actionable claims in casinos.

- 3. GST on advances received against the supply of specified actionable claims**

With effect from 01.10.2023, *Notification No. 66/2017-CT dt. 15.11.2017* has been amended to provide that the registered persons who are engaged in making supply of specified actionable claims as defined under section 2(102A) of the CGST Act, 2017 shall be liable to pay GST on the advances received for such supply.

[Notification No. 50/2023- CT dt. 29.09.2023](#)

- 4. Amendments in CGST Rules, 2017**

The below-mentioned amendments have been made in the CGST Rules, 2017 vide [Notification No. 51/2023 – CT dt. 29.09.2023](#). The amendments shall become effective

from 01.10.2023 unless mentioned otherwise:

a) Rule 8 (Application for Registration) and rule 14 (Grant of registration to person supplying online information and database access or retrieval services from a place outside India to a non-taxable online recipient or to a person supplying online money gaming from a place outside India to a person in India)

Rules 8 and 14 have been amended to provide that any person supplying online money gaming from a place outside India to a person in India shall submit an application for registration, duly signed or verified through electronic verification code, in FORM GST REG-10, at the common portal, either directly or through a Facilitation Centre notified by the Commissioner. The registration shall be granted in FORM GST REG-06, subject to such conditions and restrictions and by such officer as may be notified by the Central Government on the recommendations of the Council.

b) Insertion of rules 31B (Value of supply in case of online gaming including online money gaming) and 31C (Value of supply of actionable claims in case of casinos)

Rules 31B and 31C have been inserted in the CGST Rules, 2017 with effect from 01.10.2023 for determining the value of supply in case of online gaming including online money gaming and actionable claims in case of casinos respectively.

As per rule 31B, the value of supply of online gaming, including supply of actionable claims involved in online money gaming, shall be the total amount paid or payable to or deposited with the supplier by way of money or money's worth, including virtual digital assets, by or on behalf of the player. Further, any amount returned or refunded by the supplier to the player for any reasons whatsoever, including player not using the amount paid or deposited with the supplier for participating in any event, shall not be deductible from the value of supply of online money gaming.

As per rule 31C, the value of supply of actionable claims in casino shall be the total amount paid or payable by or on behalf of the player for –

(i) purchase of the tokens, chips, coins or tickets, by whatever name called, for use in casino; or

(ii) participating in any event, including game, scheme, competition or any other activity or process, in the casino, in cases where the token, chips, coins or tickets, by whatever name called, are not required.

However, any amount returned or refunded by the casino to the player on return of token, coins, chips, or tickets, as the case may be, or otherwise, shall not be deductible from the value of the supply of actionable claims in casino.

For the purpose of rules 31B and 31C, any amount received by the player by winning any event, including game, scheme, competition or any other activity or process, which

is used for playing by the said player in a further event without withdrawing, shall not be considered as the amount paid to or deposited with the supplier by or on behalf of the said player.

c) Amendment in rule 46 (Tax Invoice)

In cases involving supply of online money gaming, the tax invoice issued by the registered person to an unregistered person shall contain name of the State of the recipient and the same shall be deemed to be the address on record of the recipient.

d) Substitution of rule 64 (Form and manner of submission of return by persons providing online information and data base access or retrieval services and by persons supplying online money gaming from a place outside India to a person in India)

Every registered person providing online money gaming from a place outside India to a person in India, shall file return in FORM GSTR-5A on or before the twentieth day of the month succeeding the calendar month or part thereof.

e) Amendment in rule 87 (Electronic Cash Ledger)

A person supplying online money gaming from a place outside India to a person in India as referred to in section 14A of the IGST Act, 2017 may make the deposit in electronic cash ledger through international money transfer through Society for Worldwide Inter-bank Financial Telecommunication payment network, from the date to be notified by the Board.

f) Amendments in Forms GSTR-5A and GST REG-10

Form GSTR-5A (Details of supplies of OIDAR services by a person located outside India made to non-taxable online recipient (as defined in Integrated Goods and Services Tax Act, 2017) and to registered persons in India and details of supplies of online money gaming by a person located outside India to a person in India) has been amended to give the effect to the amendments relating to online gaming. Similarly, Form REG 10 (Application for registration of person supplying online money gaming from a place outside India to a person in India or for registration of person supplying online information and database access or retrieval services from a place outside India to a non-taxable online recipient in India) has been amended in order to give the effect to the amendments relating to online gaming.

5. Taxability of specified actionable claims

Notification No. 01/2023 – CT(R) dt. 28.06.2017 and Notification No. 01/2023 – IT(R) dt. 28.06.2017 have been amended to bring into force the taxability of specified actionable claims as defined in section 2(102A) of the Act at the rate of 28% with effect from 01.10.2023. Further, an explanation has been inserted specifying that the words and

expressions used and not defined in this notification, but defined in the CGST, 2017, IGST Act, 2017 and the UTGST Act, 2017, shall have the same meanings as assigned to them in those Acts.

[Notification No. 11/2023 – CT\(R\) dt. 29.09.2023](#) and [Notification No. 14/2023 – IT\(R\) dt. 29.09.2023](#)

6. Supply of online money gaming notified as the supply of goods on import of which, integrated tax shall be levied and collected under section 5(1) of the IGST Act, 2017

With effect from 01.10.2023, the Central Government has notified the supply of online money gaming as the goods on import of which integrated tax shall be levied and collected under section 5(1) of the IGST Act, 2017 and not in accordance with the provisions of the Customs Tariff Act, 1975.

[Notification No. 03/2023- IT dt. 29.09.2023](#)

7. Simplified registration Scheme for overseas supplier of online money gaming

With effect from 01.10.2023, the Central Government has notified the Principal Commissioner of Central Tax, Bengaluru West and all the officers subordinate to him as the officers empowered to grant registration in case of supply of online money gaming provided or agreed to be provided by a person located in non- taxable territory and received by a person in India.

[Notification No. 04/2023- IT dt. 29.09.2023](#)

Vice – Chairman
GST & Indirect Taxes Committee

Chairman
GST & Indirect Taxes Committee

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