The Institute of Chartered Accountants of India

GST & Indirect Taxes Committee

GOODS & SERVICES TAX UPDATE - 268

1. Assignment of Proper Officers under Sections 74A, 75(2) and 122 of the CGST Act

Earlier Circulars (Nos. 1/1/2017, 3/3/2017, and 31/05/2018) had assigned proper officers for various GST provisions. However, no officer had been designated for sections 74A, 75(2), and 122 of the CGST Act and Rule 142(1A) of the CGST Rules.

Additional/Joint Commissioner, **Deputy/Assistant Commissioner**, and **Superintendent of Central Tax** have been assigned as proper officers for:

- Section 74A (sub-sections 1–3, 6–10)
- Section 122
- Rule 142(1A)

a) Monetary Limits for Adjudication under Section 74A

Officer of Central Tax	Central Tax Limit	IGST Limit	Combined Limit (CGST + IGST
Superintendent	≤ ₹10 lakh	≤ ₹20 lakh	≤ ₹20 lakh
Deputy/Assistant Commissioner	₹10 lakh – ₹1 crore	₹20 lakh – ₹2 crore	₹20 lakh – ₹2 crore
Additional/Joint Commissioner	> ₹1 crore	> ₹2 crore	> ₹2 crore

- It has been clarified that where a show cause notice issued under section (1) of the section 73 or section 74 or section 74A of CGST Act, 2017 involves demand of both Central

Tax and Integrated Tax (including cess), the proper officer shall be determined on the basis of the combined amount of Central Tax and Integrated Tax (including cess).

- If a proper officer issues a notice within their monetary limit but the tax demanded in a later statement exceeds that limit, the statement must be handled by the higher-ranked officer as per Table-II. The earlier officer should issue a corrigendum making the previous notice and statement answerable to that higher authority.

- The proper officer shall be determined based solely on the amount of tax demanded, excluding penalties from the calculation.

b) Clarification related to Section 75(2)

When an appellate authority/ appellate tribunal or court rules that fraud/suppression is not proved, the **same adjudicating officer** who issued the original SCN under section 74(1) will determine tax as per section 73(1).

c) Monetary Limits for Penalty Cases under Section 122

Officer of Central Tax	CGST Penalty Limit	IGST Penalty Limit	Combined Limit
Superintendent	≤ ₹10 lakh	≤ ₹20 lakh	≤ ₹20 lakh
Deputy/Assistant Commissioner	₹10 lakh – ₹1 crore	₹20 lakh – ₹2 crore	₹20 lakh – ₹2 crore
Additional/Joint Commissioner	> ₹1 crore	> ₹2 crore	> ₹2 crore

- It is also clarified that where a show cause notice is issued under section 122 of the CGST Act, 2017 and involves demand of penalty in relation to both Central Tax and Integrated Tax, the proper officer shall be determined on the basis of the combined amount of penalty in relation to both Central Tax and Integrated Tax.

Circular No. 254/11/2025-GST dated 27.10.2025

2. Amendment in CGST Rules, 2017

a) Insertion of Rule 9A – Grant of registration electronically

Notwithstanding anything stated in Rule 9, any person applying for registration under Rule 8, Rule 12 or Rule 17 shall, upon identification on the common portal based on data analysis and risk parameters, be granted registration electronically through the common portal within three working days from the date of application submission**.**

b) Amendment in Rule 10 – Issue of Registration Certificate

Rule 10 has been amended to give effect of insertion of new rules 9A and 14A.

c) Insertion of Rule 14A – Option for taxpayers having monthly output tax liability below threshold limit

As per the new rule, any person whose total output tax liability (including central tax and State tax or Union territory tax and integrated tax and compensation cess) on supply made to registered persons does not exceed Rs. 2,50,000 per month shall have an option to get registration electronically. If option availed, registration shall be granted within three working days from the date of submission of application upon successful authentication of Aadhar number. Any person, other than a person notified under sub-section (6D) of section 25, who has not opted for authentication of Aadhaar number, shall not be eligible for grant of registration in accordance with this rule. Notwithstanding anything contained in rule 11, a person registered under this rule in a State or Union territory shall not be eligible to obtain another registration in the same State or Union territory under this rule against the same Permanent Account Number.

Such application can also be withdrawn upon fulfillment or certain conditions.

d) Forms Amended

- FORM GST REG-01
- FORM GST REG-02

e) Forms Substituted

- FORM GST REG-03
- FORM GST REG-04
- FORM GST REG-05

f) New Forms Introduced

- FORM GST REG-32 - Application for Withdrawal
- FORM GST REG-33 - Order of withdrawal from option availed under sub-rule (1) of rule 14A

Notification No. 18/2025-CT dated 31.10.2025

Readers can access all updated notifications on the Committee's website https://idtc.icai.org/ under the 'GST Statutes' section.

Vice – Chairman
GST & Indirect Taxes Committee

Chairman
GST & Indirect Taxes Committee

The GST Update is an endeavour of the GST & Indirect Taxes Committee of ICAI to apprise the readers with the amendments made in the GST law vide significant notifications, circulars etc. The Committee welcomes your feedback on the Update at gst@icai.in. Please visit the website of the Committee https://idtc.icai.org/index.php for previous GST Updates, updated GST Acts, Rules, Notifications and other knowledge resources on GST like articles, publications, legal updates, newsletter etc. as also for the information on upcoming events on GST organised by the Committee.

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