
E-Pistle

(Monthly Newsletter)

September 2024

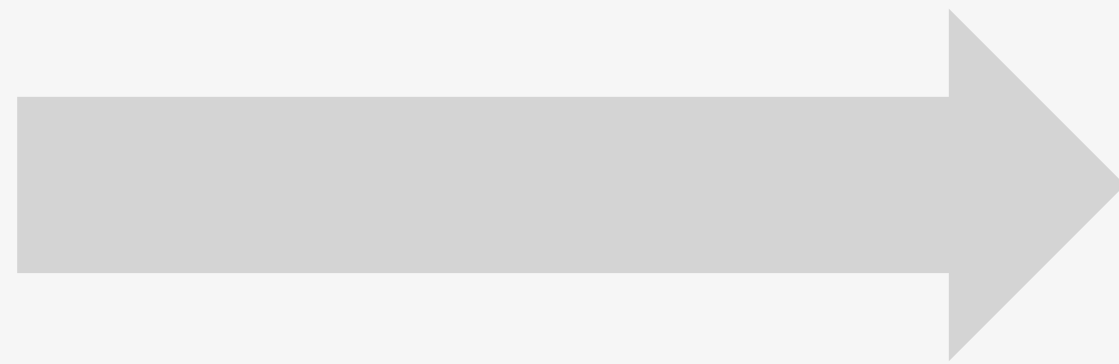


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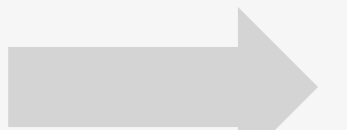
**Business News
Headlines**

GST UPDATES



From 1st September, many changes in the GST Act will take place that will impact your GST Returns filing

- ✍ From Sept 2024, if a supply's value is above Rs. 1 lakh, it must be reported in GSTR-1's Table B2CL.
- ✍ Taxpayers can now report negative liability in GSTR-3B's Table No. 3. The negative liability will be automatically adjusted in the next month's return, making the reconciliation process smoother.
- ✍ From 1st Sept 2024: If you haven't added and validated your bank account details in your GST registration, your GSTR-1 /IFF will be blocked.
- ✍ GSTR-9 and GSTR-9C: Forms GSTR-9 (Annual Return) and GSTR-9C (Reconciliation Statement) will be active on the GST portal.



Invoice Management System

Sep 3rd, 2024

To enable taxpayers to efficiently address invoice corrections/amendments with their suppliers through the portal, a new communication process called the **Invoice Management System (IMS)** is being brought up at portal. This will also facilitate taxpayer in matching of their records/invoices vis a vis issued by their suppliers for availing the correct Input Tax Credit (ITC) and shall allow the recipient taxpayers to either accept or reject an invoice or to keep it pending in the system, which can be availed later

This facility shall be available to the taxpayer from 1st October onwards on the GST portal. Please [click here](#) to read the complete advisory on IMS.

Thanks,
Team GSTN

GST Portal Update | New Invoice Management System ('IMS') for Input Tax Credit

Starting from **1st October 2024**, the GST portal will introduce the Invoice Management System (IMS), allowing recipients to review the genuineness and authenticity of received invoices.

Taxpayers can take the following actions on IMS:

1. Accept
2. Reject
3. Pending

Note, if no action is taken, then invoice will be considered as deemed accepted.

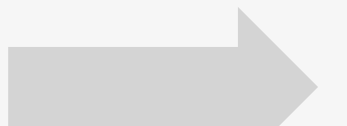
The detailed advisory has been made available on the GST portal.

Important Advisory on Reporting of Supplies to Unregistered Dealers in GSTR-1/GSTR-5

In light of Notification No. 12/2024 - Central Tax, effective from 10th July 2024, the government has reduced the threshold limit for reporting invoice-wise details of inter-state taxable outward supplies made to unregistered dealers from 2.5 lakh to 1 lakh. This information needs to be reported in Table 5 of Form GSTR-1 and Table 6 of GSTR-5.

The portal is currently being updated to accommodate this change, and the new functionality will be made available soon.

Until then, please continue reporting invoice-wise details of outward supplies to unregistered dealers exceeding 2.5 lakh in the relevant tables of your GSTR-1 and GSTR-5 filings.



Major Recommendations of 54TH GST Council Meeting held on 09th September 2024 (As per Press Conference) -

1. RCM has been recommended on inward supply of Metal scrap from unregistered Person to the registered person. The recipient is liable to pay GST under RCM even if the supplier takes GST Registration at a later date.
2. Issue of Rule 89 and Rule 96 has been clarified, regarding IGST refund on export when IGST refund claimed on payment of IGST.
3. Procedure for waiver of interest and penalty has been recommended. Recommended to notify for 01st Nov to 31st Marc 2025.
4. E-Invoicing has been recommended for B2C transactions on a pilot project basis.
5. IMS-Implementation of Invoice Management System w.e.f. 01st October 2024.
6. ITC shall be available on Demo vehicles if bought from Vehicle Manufacturer.

7. Place of supply has been clarified for -
 - a. RCM on Advertisement by Indian Co. to Foreign Company
 - b. Data hosting services
 - c. Cloud Computing Services
8. Further clarification has been issued regarding applicability of RCM on Renting of Immovable property from Unregistered supplier to Registered recipient.
9. Ancillary services provided by GTA who issue Consignment note shall be considered as composite service. Rate of GTA shall apply on such ancillary services.
10. Exemption has been recommended on Affiliation charges by Govt. schools.
11. Exempt on Import of Service from Foreign Airline Services.
12. Grant received is exempt from GST if received by the Universities Set up by Central Govt/ State Govt/ Exempted by Income Tax.

13. GST Rate changes has been recommended for the followings:

a. Cancer drugs (brought down to 5% from 12%)

b. Namkeens (brought down to 12% from 18%)

c. Transportation of Passengers

d. Car and Motorcycle seats (increased to 28% from 18%)

e. Film Distributors/Sub Distributors

f. helicopter services for religious pilgrim and tourists for seat sharing basis (brought down to 5% from 18%)

g. Air Conditioner for railway

14. Next Council Meeting Expected to be scheduled in November 2024.

15. The GoM has been formed for rate rationalisation on some transactions. A meeting will be hold by GoM soon.

16. Casino and Online Gaming - The revenue from online gaming has been increased.

17. 'Broad consensus' on reducing insurance premium, final modalities to be taken up in next meeting.

GST on Renting Services of Immovable Properties



Renting of Commercial Property

	RD Landlord	URD Landlord
RD- Tenant	Taxable under FCM	Taxable under RCM (54th GST Council Meeting)
URD- Tenant	Taxable under FCM	Non GST

Renting of Residential Dwelling

For Residence Use	RD Landlord	URD Landlord
RD- Tenant	Exempt if use as own residence	Exempt if use as own residence
	RCM if use as residence of others	RCM if use as residence of others
URD- Tenant	Exempt	Non GST
For Commercial Use	RD Landlord	URD Landlord
RD- Tenant	Taxable under RCM	Taxable under RCM
URD- Tenant	Taxable under FCM	Non GST



- **Clarification on availability of input tax credit in respect of demo vehicles**

- Circular 231/25/2024-GST

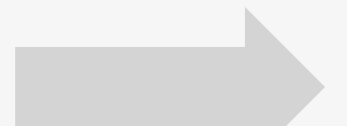


The CBIC has issued a Circular 231/25/2024-GST clarifying the availability of input tax credit (ITC) for demo vehicles maintained by authorized dealers of motor vehicles.

Key takeaways:

ITC generally available: ITC is available on demo vehicles used for promoting the sale of 'similar' motor vehicles.

Capitalization doesn't matter: Capitalizing demo vehicles in your books won't affect ITC eligibility.



EXCEPTIONS

- If demo vehicles are used for purposes other than further supply (e.g., staff transportation), ITC may be blocked.
- ITC may be blocked if the dealer is acting as an agent for the manufacturer and not directly involved in the sale of vehicles.
- If depreciation is claimed on the tax component of the demo vehicle, ITC will be restricted to such extent.
- If the demo vehicle which is capitalised is subsequently sold, tax would be payable in terms of Section 18(6).

GST PORTAL UPDATE:

Re-opening of Reporting ITC Reversal Opening Balance

An important update for taxpayers who missed the opportunity to report the opening balance of the ITC reversal and reclaim statement for the last year.

A final opportunity has been provided to taxpayers for reporting the unclaimed ITC Reversal Opening Balance.

The extended due dates are as follows:

Available from: 15th September 2024 to 31st October 2024

Amendments Deadline:
30th November 2024

A copy of the advisory can be found in the below link

<https://services.gst.gov.in/services/advisoryandreleased/read/520>

GST INVOICE MANAGEMENT SYSTEM



**Invoice Management
System (IMS) in GST
(Effective from Oct 1st,
2024) :-**

- ✍ Supplier Entry :Supplier uploads GSTR-1/IFF/GSTR-1A/GSTR-5/GSTR-6
 - ✍ Recipient Action : Accepted / No Action: ITC moves to Available section in GSTR-2B Claim in GSTR-3B.
 - ✍ Rejected : ITC moves to Rejected section in GSTR-2B No ITC allowed.
 - ✍ Pending : ITC can be claimed later, subject to Section 16(4).
 - ✍ Highlights
- Entries will reflect in the recipient's IMS based on supplier uploads.

Recipient must match the entries in IMS.

Accepted or unaddressed entries will reflect in GSTR-2B for claiming ITC in GSTR-3B.



Archival of GST Returns data on GST portal

Sep 24th, 2024

1. Section 39 (11) of the CGST Act, 2017 , implemented w.e.f 01-10-2023 vide Notification No. 28/2023 – Central Tax dated 31th July, 2023, provides that the taxpayers shall not be allowed file their GST returns after the expiry of a period of three years from the due date of furnishing the said return.
2. Further, as per GST portal data policy, data for view of taxpayer to be retained for seven years only. Therefore, the same data policy is being implemented on the GST portal. Thus, return data will not be available to view beyond 7 years for taxpayers.
3. Accordingly, on 01st August 2024 return filed for July 2017 has been archived and on 01st September 2024, data for August 2017 has been archived. Further, this data archival is going to be a monthly activity hence on 01st October, 2024 data of September 2017 shall be taken down from the GST portal and so on so forth.
4. Hence, hereby the taxpayers are advised to download their relevant data from the GST portal for any future reference, if required.

Thanks,
Team GSTN

GST return data will only be accessible for 7 years . After this period, the data will be archived.

On August 1, 2024, data for July 2017 was archived.

On September 1, 2024, data for August 2017 was archived.

On October 1, 2024, the data for September 2017 will be archived, and this process will continue monthly.

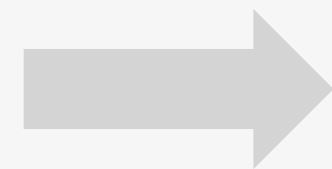
Under Section 39(11) of the CGST Act, 2017, which became effective on October 1, 2023, GST returns must be filed within 3 years from the due date.


Taxpayers are advised to download their relevant GST return data from the portal for future reference before it gets archived.

INCOME


TAX

UPDATES



 **CBDT** has, vide Notification No. 103/2024 dated 19.9.2024 issued u/s 88(2) of the Finance (No. 2) Act, 2024, appointed 1st day of October, 2024 as the date from which the Direct Tax Vivad Se Vishwas Scheme, 2024, shall come into force.

 **Income Tax Appellate Tribunal (ITAT) Delhi** held that the filing of Form 67 is not mandatory for claiming Foreign Tax Credit (FTC). The case, Manoj Kumar Srivastava Vs Assistant Commissioner of Income Tax (ACIT), revolved around the procedural aspects of claiming.

 **ITAT Delhi** held that agriculturists are not required to maintain books of accounts as provisions of section 44AA of the Income Tax Act. Accordingly, exemption claim u/s. 10(1) allowed.

Under the aegis of Swacchta Hi Seva 2024, a cleanliness drive and Shramdaan was conducted at Income Tax Residential Quarters, Shillong. Shri Dinesh AJ Sawkmie, PCIT, Shillong and other officers and officials actively participated in the initiative.



Income Tax Department is pleased to announce the successful conclusion of the AEOI(Automated Exchange of Information) Peer Review 2024 of India jurisdiction, held from 24th to 26th September, 2024 in Delhi.

A three member Global Assessment Team reviewed India's preparedness of AEOI Compliance on reportable data exchange with peer jurisdictions.

The Review was a 3-days interactive session between the Global Assessment Team, the Officers of the Department, the representatives of RBI, SEBI and the registered Financial Institutions to assess AEOI Compliance Framework.

The Assessment team appreciated the extensive verification work done by India.



MCA UPDATES



सत्यमेव जयते

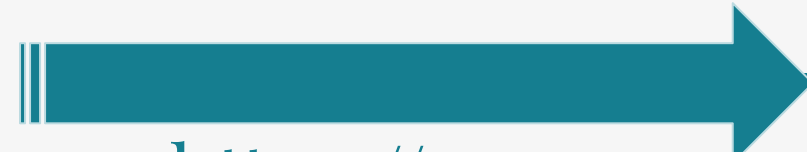
M MINISTRY OF
C CORPORATE
A AFFAIRS

GOVERNMENT OF INDIA



IEPFA (AATR) Second Amendment Rules,2024

Read circular for further reference

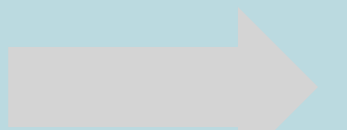


<https://www.mca.gov.in/bin/dms/getdocument?mds=4MdJLhIJuXUBzVpYXqJA%252BO%253D%253D&type=open>

Appointment of General Managers on deputation basis. |

Read circular for further reference

<https://www.mca.gov.in/bin/dms/getdocument?mds=lAktorZ1RzxCGq1h9PcVWw%253D%253D&type=open>



BUSINESS NEWS



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BUSINESS NEWS

HEADLINES



 **Delhi High Court** In the case of A P Enterprises vs Sales Tax Officer Class II/AVATO, the petitioner challenged a Show Cause Notice (SCN) dated 13.11.2023 and a subsequent GST registration cancellation order issued on 24.11.2023. Court mentioned that GST Cancellation SCN Must Detail Reasons for such action.

 **MEF** for the year 2024-25, now accessible at www.meficai.org. This form plays a pivotal role for audit firms, especially those aiming to become Statutory Branch Auditors of Public Sector Banks for audits ending on March 31, 2025, and beyond. Last date for submission of online Form is 7th Oct, 2024.

 **EY** office in Pune was operating without a registration under the state's Shops and Establishments Act.

 **The** law caps maximum working hours for adults at 9 hours each day and 48 hours a week.

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS)

NOTIFICATION

New Delhi, the 27th September, 2024

No. 17/2024—Central Tax

S.O. 4253(E).—In exercise of the powers conferred by clause (b) of sub-section (2) of section 1 of the Finance (No. 2) Act, 2024 (15 of 2024), the Central Government hereby appoints. —

- (a) the date of publication of this notification in the Official Gazette, as the date on which the provisions of sections 118, 142, 148 and 150 of the said Act shall come into force; and
- (b) the 1st day of November, 2024, as the date on which the provisions of sections 114 to 117, 119 to 141, 143 to 147, 149 and 151 to 157 of the said Act shall come into force.

MUCH AWAITED NOTIFICATION

The Ministry of Finance, through Notification No. 17/2024-Central Tax dated 27th September 2024, notifies the dates for various provisions of the Finance (No. 2) Act, 2024. The sections 118, 142, 148, and 150 will take effect from the date of the notification's publication in the Official Gazette.

Sections 114 to 117, 119 to 141, 143 to 147, 149, and 151 to 157 will come into force on 1st November 2024

A **Bengaluru court** has ordered an FIR against Finance Minister Nirmala Sitharaman following a private complaint by Adarsh Iyer, an activist with the Janaadhikara Sangharsha Sanghatane.

The complaint alleges extortion via the now-defunct electoral bonds scheme, introduced by the Modi government in 2018 to reform political funding.

Iyer claims that the scheme was used to channel unaccounted money into politics. Karnataka CM Siddaramaiah demanded Sitharaman's resignation. Meanwhile, JD(S) leader HD Kumaraswamy supported her, questioning the basis of the resignation demand.

**SPECIAL COURT ORDERS TO FILE
FIR AGAINST NIRMALA SITHARAMAN**

NDTV



Advisory on issuance of Notices/Orders without digital signatures of the issuing authorities.

September 25th, 2024

Doubts have been created regarding the validity of documents issued by the tax officers on the common portal viz. Show cause Notices, Order of Assessment, Refund Orders etc. which are not containing the Digital signatures on the pdf. document downloaded from the common portal. In this context, it is to be mentioned that such documents (i.e. SCN/Orders) are generated on the common portal from the login of the officer, who logs in through Digital Signatures. Further, these documents being computer generated on the command of the officer, may not require physical signatures of the officer as these documents can be issued by the officer only after logging into the common portal using Digital Signature. Thus, all these documents in JSON format containing the order details along with the issuing officer details are stored in the GST system with the digital signature of the issuing officer.

The validity of the document in question vis-à-vis who and for what purpose these documents have been issued can also be verified by the taxpayer pre-login as well as after login from the GST common portal by navigating to the following path:

Post-login: www.gst.gov.in-->Dashboard-->Services-->User Services-->Verify RFN

Advisory on SCNs without digital signatures

CONTACT US



- <https://jsaonline.in/>



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If you have any questions, feedback, or inquiries, please don't hesitate to reach out to us. Our team is here to assist you in any way we can. You can contact us via phone, or through our website's contact form.

We value your input and look forward to hearing from you.
Thank you for considering reaching out to us.

