

GST Trail

Key Highlights of GST Notifications and Clarification Circulars

July 2022



Notifications

Notification No. 09/2022 to 14/2022 – Central Tax (5 July 2022)

The Central Board of Indirect Taxes and Customs (CBIC) has come out with various Notification on 5 July 2022, wherein the many effective decision taken in the 47th GST council meeting has been implemented. The gist of such key amendments is as follows:

- a. Revision in the calculation for a refund claim under the inverted duty structure.
- b. Levy of interest not exceeding 24% in case of Input Tax Credit (ITC) incorrectly availed and utilized.
- c. Introduction of facility wherein distinct entity having same PAN can inter state transfer Electronic cash ledger balance through PMT 09.
- d. A registered person with an aggregate turnover of up to 20 million is not liable to file form GSTR-9/9A.
- e. The time limit for issuance of an order on recovery of tax on ITC wrongly availed and utilized in FY 2017-18 has been extended to 30 September 2023.
- f. Exclusion of limitation period 1 March 2020 to 28 February 2022 for claiming refunds or issuance of demand order or order for erroneous refunds granted.
- g. Various reporting changes were introduced under GSTR-3B and GSTR-9/9C.

A detailed update in this regard can be referred to at <https://bit.ly/3AukWlo>

Notification 03/2022 to 11/2022 – Central Tax Rate and Notification 15/2022 to 16/2022 – Central Tax (13 July 2022)

Notifications are issued on 13 July 2022 to implement the effective decision taken in the 47th GST council meeting. The gist of such key amendments is as follows:

- a. An option has been provided to Goods Transport Agency to discharge tax for transportation services at 5% under the forward charge.
- b. Renting of residential dwellings to the business entity is registered person is liable to tax under the Reverse Charge Mechanism.
- c. Hotel accommodation charges up to INR 1000/day are liable to tax at 12%.
- d. Room Rental charges exceeding INR 5000/day for a person receiving health care services are liable to GST.
- e. Pre-labeled, Pre-packaged commodities, whether branded or un-branded, would attract GST.

A detailed update in this regard can be referred to at <https://bit.ly/3oROEjk>

Circulars

Circular 170/02/2022-GST to 176/08/2022-GST (6 July 2022)

CBIC has introduced circulars to ease the implementation of every change provided in the Notifications dated 5 July 2022. The gist of such key circulars are as follows:

- a. Additional disclosures and clarifications are introduced in order to resolve ambiguity in reporting required details in Form GSTR-3B and Form GSTR-1.
- b. Clarifications and explanations are provided in case of fake invoice transactions and the person is liable for penal action in case of such transactions.
- c. ITC availed on account of deemed export is not considered as a part of Section 17.
- d. The obligatory provision in case of avilment of ITC as specified in Section 17(5)(b) is applicable to whole clause (b) and is not restricted to Section sub-clause (iii) of clause 17(5)(b).
- e. Perquisites provided by the employer to the employee in terms of the contractual agreement entered into between the employer and the employee will not be subjected to GST.
- f. Utilization of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities.

A detailed update in this regard can be referred to at <https://bit.ly/3Spon90>

Advisory issued on Common Portal

Implementation of mandatory mentioning of HSN codes in GSTR-1

It is mandatory for the taxpayers to report a minimum of 4 digits or 6 digits of the HSN Code in Table-12 of GSTR-1 on the basis of their Aggregate Annual Turnover (AATO) in the preceding Financial Year. These changes are being implemented in a phase-wise manner on GST Portal to facilitate the taxpayers. The detailed advisory can be accessed at <https://bit.ly/3QnF57L>

Introducing new Table 3.1.1 in GSTR-3B for reporting supplies u/s 9(5)

According to Section 9(5) of the CGST Act, 2017, the Electronic Commerce Operator (ECO) is required to pay tax on the supply of certain services notified by the government if such services are supplied through ECO. For reporting such supplies, a new Table 3.1.1 is being added in GSTR-3B, which is to be made available from 1 August 2022. The detailed advisory can be accessed at <https://bit.ly/3QeWFv7>

Orders

[Authorization under Rule 96\(4\)\(c\) of CGST Rules, 2017](#)

The Commissioner in the Board or an officer authorized by the Board, on the basis of data analysis and risk parameters, is of the opinion that verification of credentials of the exporter, including the availment of ITC by the exporter, is considered essential before granting of refund, in order to safeguard the interest of revenue. In order to implement the same, Board has authorized the Principal Director General/ Director General of Directorate General of Analytics and Risk Management (DGARM), CBIC, New Delhi, to exercise the function throughout the territory of India.



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