

GST Trail

Key Highlights of GST Notifications and Clarification Circulars

November 2022



Notifications

[Notification No.23/2022 - Central Tax dated 23 November 2022](#) and [Notification No. 24/2022 - Central Tax dated 23 November 2022](#)

The Central Government empowered the Competition Commission of India (CCI), established under Section 7(1) of the Competition Act, 2002, to examine the Anti-profiteering measures. The CCI shall discharge all the duties and functions from 1 December 2022 to examine whether the Input Tax Credits(ITC) availed or the reduction in the tax rate have resulted in a commensurate reduction in the price of the goods or services or both supplied by him. Accordingly, relevant changes are made in GST law.

Circulars

[Circular No.181/13/2022-GST dated 10 November 2022](#)

In order to give effect to the notification issued by the Central Board of Indirect Taxes and Customs (CBIC) in relation to refund on account of Inverted Duty Structure dated 5 July 2022, the authority has come out with the clarification regarding the implication of such notification to the prior period or pending refund application during the effective date of such notification. The key changes include:

- Application of formula to refund claims filed on or after 5 July 2022.
- The restriction imposed on goods falling under Chapters 15 and 27 would apply only to refund claims filed on or after 18 July 2022.

This would help smoothen the process of earlier period refunds which may create some difficulties for taxpayers. A detailed update in this regard can be referred to [here](#).

[Circular No.182/14/2022-GST dated 10 November 2022](#)

The Hon'ble Supreme Court has recently directed GSTN to open the portal for filing TRAN-1 and TRAN-2 for a period of two months, starting from 1 October 2022. Furthermore, guidelines have been issued to verify the eligibility of transitional credit claimed by taxpayers in the above-mentioned period. Some of the key highlights are as under:

- Transitional credit claimed by the taxpayers will be credited to the Electronic Credit Ledger only post-verification of the claim.
- Verification of claims is to be done within 90 days, i.e., between 1 December 2022 to 28 February 2023.
- An opportunity for a personal hearing shall be given to the taxpayer.

A detailed update in this regard can be referred to [here](#).

Instruction

Instruction No.04/2022-GST dated 28 November 2022

Rule 96 prescribed that on the basis of data analysis and risk parameters, empowered authority determines that the verification of exporter credentials, including availment of ITC by the exporter, is essential, then such refund claim shall be transmitted to the proper officer of the tax authority in a system generated form GST RFD-01.

The authority shall process the said refund after proper examination and verification as per the treatment adopted for refund filed under the provision of Rule 89. The Instruction guided processing and sanction of such refund, which has been transmitted to the proper officer.

The key highlight of the process is as follows:

- The Director General of Risk and Analytics Management (DGRAM) is the empowered authority to analyze the refund basis risk parameter.
- It transmits shipping bills filed for which IGST scroll could not be generated due to Risk parameters
- Refund claims are made available to the proper officer on the back-office system, along with the risk parameter identified.
- The jurisdictional officer examines the application as per GST rules and shall be auto acknowledged and no Deficiency Memo in Form RFD-03 can be issued and accordingly pass speaking order.
- The proper officer shall also provide feedback on the common portal while issuing refund-sanctioned orders, whether the alert as risky exporter for the said taxpayer needs to be continued or removed.

Other Notification

Notification No.22/2022 - Central Tax dated 15 November 2022

The CBIC has revised the due date for rectification of error/omission in relation to tax invoice or credit note issued or claiming eligible unclaimed ITC during the preceding financial year till 30 November of the subsequent financial year. This notification has been issued in order to give effect to instruction of GSTR-9.

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