

TRANSITIONAL PROVISIONS

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SCHEME OF TRANSITIONAL PROVISIONS

MGL

- CGST- SEC. 165 TO 197 (Chapter XXVII)
- IGST- SEC. 21

FUNCTIONAL

- TRANSITION OF DEPARTMENT
- TRANSITION OF ASSESSEE
- TRANSITION OF GOODS/ SERVICES

SEC 165- GENERAL PROVISIONS

Notwithstanding anything contained elsewhere in the Act and until specifically so or otherwise prescribed or notified or done in accordance with the provisions of the Act,

(a) Existing Officers Continuing in office on the appointed day deemed to be GST Officers

(b) Govt. May make rules for smooth transition

SEC166- MIGRATION OF EXISTING TAXPAYERS TO GST

Existing Registered Person having Valid PAN shall be issued Provisional Registration

Provisional Certificate shall be valid for 6 Months from issue date unless validity period extended by Govt.

Person whom Provisional Certificate issued, shall furnish required information within specified time.

On furnishing required information, final Certificate shall be issued subject to section 23

SEC166- MIGRATION OF EXISTING TAXPAYERS TO GST....CONTD.

If a person fails to provide required information or information within specified time, Provisional Certificate may be cancelled

If applied for cancellation by such person, provisional certificate shall be deemed to have not been issued.

One who is issue Provisional Certificate and is eligible to pay tax under composition scheme, may opt to do so as may be prescribed.

If above option not exercised within prescribed time, he shall be liable to pay tax under normal scheme

SEC167- AMOUNT OF CENVAT CREDIT CARRIED FORWARD IN A RETURN TO BE ALLOWED AS INPUT TAX CREDIT

Credit of Cenvat/ Vat/ Entry Tax carried forward in last return allowed to taxable person other than composition scheme. Time allowed under SGST is 90 days.

However, this credit is not allowed if the ITC is not admissible under GST

If such C/fd Credit is found recoverable under proceedings of earlier law, same shall be recovered as arrear of GST

In case of Claims against Various Forms under CST, So much Credit of Vat not allowed

Such credit as is not carried forward because of claims for Forms, if found available, shall be refunded

ILLUSTRATION 1: ASSUME THAT GST IS APPLICABLE FROM 1ST APRIL, 2017 AND THE AMOUNT OF CREDIT AS PER THE RETURN FOR THE PERIOD ENDING 31ST MARCH, 2017 IS AS FOLLOWS:

Particulars of Input tax Credit	Credit
Central Excise	2,00,000-00
Service Tax	1,00,000-00
Education Cess	10,000-00
Secondary and Higher Education Cess	5,000-00
Krishi Kalyan Cess	5,000-00
Additional Duty u/s 3(1) of CTA	40,000-00
Additional Duty u/s 3(5) of CTA	30,000-00
Input Tax Credit under VAT	50,000-00
Total	4,40,000-00

CA. PUNEET OBEROI - JALANDHAR
BRANCH OF NIRC OF ICAI-17-12-16

- What will be the amount of opening CGST and SGST to be brought forward as per the GST Law as on 1st April, 2017?

ANSWER

Particulars of Input tax Credit	Manufacturer		Service Provider	
	CGST	SGST	CGST	SGST
Central Excise	200000	0	200000	0
Service Tax	100000	0	100000	0
Education Cess	10000	0	10000	0
Secondary and Higher Education Cess	5000	0	5000	0
Krishi Kalyan Cess	0	0	5000	0
Additional Duty u/s 3(1) of CTA	40000	0	40000	0
Additional Duty u/s 3(5) of CTA	30000	0	30000	0
Input Tax Credit under VAT	0	50000	0	50000
Total	385000	50000	390000	50000

SEC168- UNAVAILED CENVAT CREDIT ON CAPITAL GOODS, NOT CARRIED FORWARD IN A RETURN, TO BE ALLOWED IN CERTAIN SITUATIONS

- (1) A **registered taxable person**, other than a person opting to pay tax under section 9, shall be entitled to take, in his electronic credit ledger, credit of the unavailed cenvat credit in respect of **capital goods, not carried forward in a return**, furnished under the earlier law by him, for the period ending with the day immediately preceding the appointed day in such manner as may be prescribed:
- Provided that the taxable person shall not be allowed to take credit unless the said credit was :
- **admissible as cenvat credit under the earlier law and is also admissible as input tax credit under this Act**

SEC168- CONTD..

- Explanation 1.- For the purposes of this section, the expression “**unavailed cenvat credit**” means the amount that remains after subtracting the amount of cenvat credit already availed in respect of capital goods by the taxable person under the earlier law from the aggregate amount of cenvat credit to which the said person was **entitled** in respect of the said capital goods under the earlier law.
- Explanation 2.- Capital goods means the goods as defined under clause (a) of rule 2 of CENVAT Credit Rules, 2004.

EXAMPLES

- **1:** A manufacturer purchased a capital asset worth Rs. 11,25,000 (including excise duty of Rs. 1,25,000) on 5th May, 2016. In the financial year 2016-17, he could only avail CENVAT Credit to the extent of 50% i.e. Rs. 62,500. The unavailed CENVAT Credit on capital goods as on 1st April, 2017 will be Rs. 125,000 – 62,500 = Rs. 62,500.
- **2:** CENVAT Credit on Capital Goods used outside the factory of manufacturer is not allowable. So, it will not be admissible as input tax credit in the GST Law either.

SEC169- CREDIT OF **ELIGIBLE DUTIES** AND TAXES IN RESPECT OF INPUTS HELD IN STOCK TO BE ALLOWED IN CERTAIN SITUATIONS

- (1) A registered taxable person,
- who was not liable to be registered under the earlier law, or
- who was engaged in the manufacture of exempted goods or provision of exempted services, or
- who was providing works contract service and was availing of the benefit of Abetment notification No. 26/2012-ST, or
- a first stage dealer or a second stage dealer or
- a registered importer, shall be entitled
- to take, in his electronic credit ledger, credit of eligible duties and taxes in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions:

SEC169- CREDIT OF ELIGIBLE DUTIES AND TAXES IN RESPECT OF INPUTS HELD IN STOCK TO BE ALLOWED IN CERTAIN SITUATIONS..CONTD.

- (i) such inputs and / or goods are used or intended to be used for making **taxable supplies** under this Act;
- (ii) the said taxable person passes on the benefit of such credit by way of **reduced prices** to the recipient;
- (iii) the said taxable person is **eligible** for input tax credit on such inputs under this Act;
- (iv) the said taxable person is in **possession of invoice** and/or other prescribed documents evidencing payment of duty under the earlier law in respect of such inputs;
- (v) such invoices and /or other prescribed documents were issued **not earlier than twelve months** immediately preceding the appointed day; and
- (vi) the supplier of services is **not eligible for any abatement** under the Act:
- the said **inputs were not on which credit was not admissible under the earlier law; (SGST)**

SEC—169 CONTD..

- PROVIDED that where a registered taxable person, other than a manufacturer or a supplier of services, is **not in possession of an invoice** or any other documents **evidencing payment of duty** in respect of inputs, then such registered taxable person shall, subject to such conditions, limitations and safeguards as may be prescribed, be **allowed to take credit at the rate and in the manner prescribed**.
- (2) The amount of credit under sub-section (1) shall be calculated in such manner as may be prescribed.

170. CREDIT OF ELIGIBLE DUTIES AND TAXES IN RESPECT OF INPUTS HELD IN STOCK TO BE ALLOWED IN CERTAIN SITUATIONS

- (1) A registered taxable person, who was engaged in the manufacture of nonexempted as well as exempted goods under the Central Excise Act, 1944 (1 of 1944) or provision of non-exempted as well as exempted services under Chapter V of Finance Act, 1994 (32 of 1994), shall be entitled to take, in his electronic credit ledger,
 - (a) the amount of Cenvat credit carried forward in a return furnished under the earlier law by him in terms of section 167; and
 - (b) the amount of Cenvat credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day, relating to exempted goods or services, in terms of section 169.

171. CREDIT OF ELIGIBLE DUTIES AND TAXES IN RESPECT OF INPUTS OR INPUT SERVICES DURING TRANSIT

- (1) A registered taxable person shall be entitled to take, in his electronic credit ledger, credit of eligible duties and taxes in respect of inputs or input services received on or after the appointed day but the duty or tax in respect of which has been paid before the appointed day, subject to the condition that the invoice or any other duty/tax paying document of the same was recorded in the books of accounts of such person within a period of thirty days from the appointed day:
- PROVIDED that the aforesaid period of thirty days may, on sufficient cause being shown, be extended by the competent authority for a further period not exceeding thirty days.
- (2) The said registered taxable person shall furnish a statement, in such manner as may be prescribed, in respect of credit that has been taken under sub-section(1).

SEC172 -CREDIT OF ELIGIBLE DUTIES AND TAXES ON INPUTS HELD IN STOCK TO BE ALLOWED TO A TAXABLE PERSON SWITCHING OVER FROM COMPOSITION SCHEME

- (1) A registered taxable person, who was either paying tax at a **fixed rate** or **paying a fixed amount** in lieu of the tax payable under the earlier law (hereinafter referred to in this section as a “composition taxpayer”), shall be entitled to take, in his electronic credit ledger, **credit of eligible duties and taxes** in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed date subject to the following **conditions**:
 - (i) such inputs and / or goods are used or intended to be used **for making taxable supplies** under this Act;
 - (ii) the said person is **not paying tax under section 9**;
 - (iii) the said taxable person is **eligible** for input tax credit **under this Act**;

SEC172 -CREDIT OF ELIGIBLE DUTIES AND TAXES ON INPUTS HELD IN STOCK TO BE ALLOWED TO A TAXABLE PERSON SWITCHING OVER FROM COMPOSITION SCHEME...CONTD.

- (iv) the said taxable person is in **possession of invoice** and/or other prescribed documents evidencing payment of duty / tax under the earlier law in respect of inputs and
- (v) such invoices and /or other prescribed documents were issued **not earlier than twelve months** immediately preceding the appointed day.
- ~~(iv)~~ *the said inputs were not inputs on which credit was not admissible under the earlier law; -*
SGST LAW
- (2) The amount of credit under sub-section (1) shall be calculated in such manner as may be prescribed.

173. EXEMPTED GOODS RETURNED TO THE PLACE OF BUSINESS ON OR AFTER THE APPOINTED DAY

- Where any goods on which duty had been exempt under the earlier law at the time of removal thereof, not being earlier than six months prior to the appointed day, are returned to any place of business on or after the appointed day, no tax shall be payable thereon if such goods are returned to the said place of business within a period of six months from the appointed day and such goods are identifiable to the satisfaction of the proper officer:
- PROVIDED that tax shall be payable by the person returning the goods if the said goods are liable to tax under this Act and are returned after a period of six months from the appointed day.
- PROVIDED FURTHER that no tax shall be payable if the goods are returned by a person who is not registered under the Act.

174. DUTY (TAX – IN SGST ACT) PAID GOODS RETURNED TO THE PLACE OF BUSINESS ON OR AFTER THE APPOINTED DAY

- Where any goods on which duty had been paid under the earlier law at the time of removal thereof, not being earlier than six months prior to the appointed day, are returned to any place of business on or after the appointed day, the registered taxable person shall be eligible for refund of the duty paid under the earlier law where such goods are returned by a person, other than a registered taxable person, to the said place of business within a period of six months from the appointed day and such goods are identifiable to the satisfaction of the proper officer:
- PROVIDED that if the said goods are returned by a registered taxable person the return of the goods shall be deemed to be a supply.

TRANSITIONAL PROVISIONS – JOB WORK

- ❑ Relevant sections 175, 176 & 177
- ❑ No tax payable when inputs, semi-finished goods or finished goods sent in pre-GST regime but returned after job work in GST regime provided
 - Goods are returned within 6 months from the appointed day
 - ✓ 6 month period can be extended by 2 months
 - ✓ If goods are **not returned** within the specified period, tax is liable to be recovered u/s 184
- ❑ This facility available only when both principal and job worker declare the details of stock of inputs, semi-finished goods or finished goods on the appointed day.
- PROVIDED also that the manufacturer may, in accordance with the provisions of the earlier law, transfer the said semi-finished or finished goods from the said other premises on payment of tax in India or without payment of tax for exports within six months or the extended period, as the case may be, from the appointed day.

178. ISSUE OF SUPPLEMENTARY INVOICES, DEBIT OR CREDIT NOTES WHERE PRICE IS REVISED IN PURSUANCE OF A CONTRACT

- Where, in pursuance of a contract entered into prior to the appointed day, the price of any goods and/or services is revised upwards on or after the appointed day, the registered taxable person who had removed / provided such goods and/or services may issue to the recipient a supplementary invoice or debit note, containing such particulars as may be prescribed, within thirty days of such price revision and for the purposes of this Act such supplementary invoice or debit note shall be deemed to have been issued in respect of an outward supply made under this Act.
- Where, in pursuance of a contract entered into prior to the appointed day, the price of any goods and/or services is revised downwards on or after the appointed day, the registered taxable person who had removed / provided such goods and/or services may issue to the recipient a supplementary invoice or credit note, containing such particulars as may be prescribed, within thirty days of such price revision and for the purposes of this Act such supplementary invoice or credit note shall be deemed to have been issued in respect of an outward supply made under this Act:
- PROVIDED that the said registered taxable person shall be allowed to reduce his tax liability on account of issue of the said invoice or credit note only if the recipient of the invoice or credit note has reduced his input tax credit corresponding to such reduction of tax liability.

179. PENDING REFUND CLAIMS TO BE DISPOSED OF UNDER EARLIER LAW

- Every claim for refund filed by any person before or after the appointed day, for refund of any amount of cenvat credit, duty, tax or interest paid before the appointed day, shall be disposed of in accordance with the provisions of earlier law and any amount eventually accruing to him shall be paid in cash, notwithstanding anything to the contrary contained under the provisions of earlier law other than the provisions of sub-section (2) of section 11B of the Central Excise Act, 1944 (1 of 1944):
- PROVIDED that where any claim for refund of Cenvat credit is fully or partially rejected, the amount so rejected shall lapse:
- PROVIDED FURTHER that no refund claim shall be allowed of any amount of Cenvat credit where the balance of the said amount as on the appointed day has been carried forward under this Act.

180. REFUND CLAIMS FILED AFTER THE APPOINTED DAY FOR GOODS CLEARED OR SERVICES PROVIDED BEFORE THE APPOINTED DAY AND EXPORTED BEFORE OR AFTER THE APPOINTED DAY TO BE DISPOSED OF UNDER EARLIER LAW

- Every claim for refund of any duty or tax paid under earlier law, filed after the appointed day, for the goods or services exported before or after the appointed day, shall be disposed of in accordance with the provisions of earlier law:
- PROVIDED that where any claim for refund of Cenvat credit is fully or partially rejected, the amount so rejected shall lapse:
- PROVIDED FURTHER that no refund claim shall be allowed of any amount of Cenvat credit where the balance of the said amount as on the appointed day has been carried forward under this Act.

181. REFUND CLAIMS FILED AFTER THE APPOINTED DAY FOR PAYMENTS RECEIVED AND TAX DEPOSITED BEFORE THE APPOINTED DAY IN RESPECT OF SERVICES NOT PROVIDED

- Every claim for refund of tax deposited under the earlier law in respect of services not provided, filed after the appointed day, shall be disposed of in accordance with the provisions of earlier law and any amount eventually accruing to him shall be paid in cash, notwithstanding anything to the contrary contained under the provisions of earlier law other than the provisions of subsection (2) of section 11B of the Central Excise Act, 1944 (1 of 1944).

182. CLAIM OF CENVAT CREDIT TO BE DISPOSED OF UNDER THE EARLIER LAW

- (1) Every proceeding of appeal, revision, review or reference relating to a claim for CENVAT credit initiated whether before, on or after the appointed day, under the earlier law shall be disposed of in accordance with the provisions of earlier law, and any amount of credit found to be admissible to the claimant shall be refunded to him in cash, notwithstanding anything to the contrary contained under the provisions of earlier law other than the provisions of sub-section (2) of section 11B of the Central Excise Act, 1944 and shall not be admissible as input tax credit under this Act:
- PROVIDED that no refund claim shall be allowed of any amount of Cenvat credit where the balance of the said amount as on the appointed day has been carried forward under this Act.
- (2) Every proceeding of appeal, revision, review or reference relating to recovery of CENVAT credit initiated whether before, on or after the appointed day, under the earlier law shall be disposed of in accordance with the provisions of earlier law, and if any amount of credit becomes recoverable as a result of appeal, revision, review or reference, the same shall be recovered as an arrear of tax under this Act and the amount so recovered shall not be admissible as input tax credit under this Act.

183. FINALIZATION OF PROCEEDINGS RELATING TO OUTPUT DUTY OR TAX LIABILITY

- (1) Every proceeding of appeal, revision, review or reference relating to any output duty or tax liability initiated whether before, on or after the appointed day, shall be disposed of in accordance with the provisions of the earlier law, and if any amount becomes recoverable as a result of such appeal, revision, review or reference, the same shall be recovered as an arrear of duty or tax under this Act and amount so recovered shall not be admissible as input tax credit under this Act.
- (2) Every proceeding of appeal, revision, review or reference relating to any output duty or tax liability initiated whether before, on or after the appointed day, shall be disposed of in accordance with the provisions of the earlier law, and any amount found to be admissible to the claimant shall be refunded to him in cash, notwithstanding anything to the contrary contained under the provisions of earlier law other than the provisions of sub-section (2) of section 11B of the Central Excise Act, 1944 and shall not be admissible as input tax credit under this Act.

184. TREATMENT OF THE AMOUNT RECOVERED OR REFUNDED IN PURSUANCE OF ASSESSMENT OR ADJUDICATION PROCEEDINGS

- (1) Where in pursuance of an assessment or adjudication proceedings instituted, whether before, on or after the appointed day, under the earlier law, any amount of tax, interest, fine or penalty becomes recoverable from the taxable person after the appointed day, the same shall be recovered as an arrear of tax under this Act and the amount so recovered shall not be admissible as input tax credit under this Act.
- (2) Where in pursuance of an assessment or adjudication proceedings instituted, whether before, on or after the appointed day, under the earlier law, any amount of tax, interest, fine or penalty becomes refundable to the taxable person, the same shall be refunded to him in cash under the earlier law, notwithstanding anything to the contrary contained in the said law other than the provisions of sub-section (2) of section 11B of the Central Excise Act, 1944.

185. TREATMENT OF THE AMOUNT RECOVERED OR REFUNDED PURSUANT TO REVISION OF RETURNS

- (1) Where any return, furnished under the earlier law, is revised after the appointed day and if, pursuant to such revision, any amount is found to be recoverable or any amount of cenvat credit is found to be inadmissible, the same shall be recovered as an arrear of tax under this Act and the amount so recovered shall not be admissible as input tax credit under this Act.
- (2) Where any return, furnished under the earlier law, is revised after the appointed day but within the time limit specified for such revision under the earlier law and if, pursuant to such revision, any amount is found to be refundable or cenvat credit is found to be admissible to any taxable person, the same shall be refunded to him in cash under the earlier law, notwithstanding anything to the contrary contained in the said law other than the provisions of sub-section (2) of section 11B of the Central Excise Act, 1944.

186. TREATMENT OF LONG TERM CONSTRUCTION / WORKS CONTRACTS

- The goods and/or services supplied on or after the appointed day in pursuance of a contract entered into prior to the appointed day shall be liable to tax under the provisions of this Act.

187. PROGRESSIVE OR PERIODIC SUPPLY OF GOODS OR SERVICES

- Notwithstanding anything contained in section 12 and 13, no tax shall be payable on the supply of goods and/or services made on or after the appointed day where the consideration, whether in full or in part, for the said supply has been received prior to the appointed day and the duty or tax payable thereon has already been paid under the earlier law.

188. TAXABILITY OF SUPPLY OF SERVICES IN CERTAIN CASES

- Notwithstanding anything contained in section 13 or 14, the tax in respect of the taxable services shall be payable under the earlier law to the extent the point of taxation in respect of such services arose before the appointed day.
- *Explanation: Where the portion of the supply of services is not covered by this section, such portion shall be liable to tax under this Act.*

189. TAXABILITY OF SUPPLY OF GOODS IN CERTAIN CASES

- Notwithstanding anything contained in section 12 or 14, the tax in respect of the taxable goods shall be payable under the earlier law to the extent the point of taxation in respect of such goods arose before the appointed day.
- *Explanation: Where the portion of the supply of goods is not covered by this section, such portion shall be liable to tax under this Act.*

190. CREDIT DISTRIBUTION OF SERVICE TAX BY ISD

- Notwithstanding anything to the contrary contained in this Act, the input tax credit on account of any services received prior to the appointed day by an Input Service Distributor shall be eligible for distribution as credit under this Act even if the invoice(s) relating to such services is received on or after the appointed day.

**191. PROVISION FOR TRANSFER OF UNUTILIZED CENVAT CREDIT
BY TAXABLE PERSON HAVING CENTRALIZED REGISTRATION
UNDER THE EARLIER LAW**

- Where a taxable person having centralized registration under the earlier law has obtained a registration under this Act, such person shall be allowed to take, in his electronic credit ledger, credit of the amount of cenvat credit carried forward in a return, furnished under the earlier law by him, in respect of the period ending with the day immediately preceding the appointed day in such manner as may be prescribed:
- PROVIDED that if the taxable person files his return for the period ending with the day immediately preceding the appointed day within 3 months of the appointed day, such credit shall be allowed subject to the condition that the said return is either an original return or a revised return where the credit has been reduced from that claimed earlier:
- PROVIDED FURTHER that the taxable person shall not be allowed to take credit unless the said amount admissible as input tax credit under this Act:
- PROVIDED ALSO that such credit may be transferred to any of the registered taxable persons having the same PAN for which the centralized registration was obtained under the earlier law.

192. TAX PAID ON GOODS LYING WITH AGENTS TO BE ALLOWED AS CREDIT-SGST

- Where **any goods** belonging to the principal are lying at the premises of the agent on the appointed day, the agent shall be entitled to take credit of the tax paid on such goods subject to fulfilment of the following conditions:
 - (i) the agent is a registered taxable person under this Act;
 - (ii) both the principal and the agent declare the details of stock of goods lying with such agent on the date immediately preceding the appointed day in such form and manner and within such time as may be prescribed in this behalf;
 - (iii) the invoices for such goods had been issued not earlier than twelve months immediately preceding the appointed day; and
 - (iv) the principal has either reversed or not availed of the input tax credit in respect of such goods.

193. TAX PAID ON CAPITAL GOODS LYING WITH AGENTS TO BE ALLOWED AS CREDIT-SGST

- Where any **capital goods** belonging to the principal are lying at the premises of the agent on the appointed day, the agent shall be entitled to take credit of the tax paid on such capital goods subject to fulfillment of the following conditions:
 - (i) the agent is a registered taxable person under this Act;
 - (ii) both the principal and the agent declare the details of the stock of capital goods lying with such agent on the date immediately preceding the appointed day in such form and manner and within such time as may be prescribed in this behalf;
 - (iii) the invoices for such capital goods had been issued not earlier than **twelve months** immediately preceding the appointed day; and
 - (iv) the principal has either not availed of the input tax credit in respect of such capital goods or, having availed of such credit, has reversed the said credit, to the extent availed of by him.

194. TREATMENT OF BRANCH TRANSFERS-SGST

- Notwithstanding anything to the contrary contained in this Act, any amount of input tax credit reversed prior to the appointed day shall not be admissible as credit of input tax under this Act.

195. GOODS SENT ON APPROVAL BASIS RETURNED ON OR AFTER THE APPOINTED DAY

- Where any goods sent on approval basis, not earlier than six months before the appointed day, are rejected or not approved by the buyer and returned to the seller on or after the appointed day, no tax shall be payable thereon if such goods are returned **within six months** from the appointed day:
- PROVIDED that the aforesaid period of six months may, on sufficient cause being shown, be extended by the competent authority for a further period not **exceeding two months**:
- PROVIDED FURTHER that the tax shall be payable by the person returning the goods if such goods are liable to tax under this Act, and are returned after a period of six months or the extended period, as the case may be, from the appointed day:
- PROVIDED ALSO that tax shall be payable by the person who has sent the goods on approval basis if such goods are liable to tax under this Act, and are not returned within a period of six months or the extended period , as the case may be, from the appointed day.

196. DEDUCTION OF TAX SOURCE

- Where a supplier has made any sale of goods in respect of which tax was required to be deducted at source under the earlier law and has also issued an invoice for the same before the appointed day, **no deduction of tax at source under section 46** shall be made by the deductor under the said section where payment to the said supplier is made on or after the appointed day.

197. TRANSITIONAL PROVISIONS FOR AVAILING CENVAT CREDIT IN CERTAIN CASES

- Where any Cenvat credit availed for the input services provided under the earlier law has been reversed due to non-payment of the consideration within a period of three months, such credit can be reclaimed provided that the taxable person has made the payment of the consideration for that supply of services **within a period of three months** from the appointed day.

21. IMPORT OF SERVICES OR INTER-STATE SUPPLY OF GOODS AND/OR SERVICES MADE ON OR AFTER THE APPOINTED DAY

- Notwithstanding anything contained in section 12 and 13 of the CGST Act, 2016 import of services or inter-State supply of goods and/or services made after the appointed day **shall be liable to tax under the provisions of this Act** regardless of whether the transactions for such import of services or inter-state supply had been initiated before the appointed day:
- PROVIDED that if the tax on such import or inter-State supply had been paid in full under the earlier law, no tax shall be payable on such import or inter-state supply under this Act:
- PROVIDED FURTHER that if the tax on such import of services had been paid in part under the earlier law, balance amount of tax shall be payable on such import or inter-state supply under this Act.
- *Explanation: For the purpose of this section, a transaction shall be deemed to have been initiated before the appointed day if either the invoice relating to such supply or payment, either in full or in part, has been received or made before the appointed day.*

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THANK YOU!

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