

CBIC ISSUES NOTIFICATIONS IMPLEMENTING THE 54TH GST COUNCIL MEETING RECOMMENDATIONS



In line with the recommendations made in the 54th GST Council meeting held on 9 September 2024, CBIC has now issued the following notifications to give effect to the said recommendations.

Notifies the due date for making payment under the Amnesty Scheme

Section 128A of the Central Goods and Services Tax Act, 2017 (CGST Act) provides an amnesty scheme granting waiver of interest or penalty or both relating to demands raised under section 73 for the period between 1 July 2017 and 31 March 2020, subject to the condition that the taxpayer pays the full amount of tax payable on or before the notified date. In this regard, CBIC has issued a notification providing for the following due dates for making payment of tax under the amnesty scheme:

Class of registered person	Last date for making payment
Registered persons to whom a notice or statement or order, referred to in clauses (a), (b) or (c) of section 128A(1) has been issued	31 March 2025
Registered persons to whom a notice is issued under section 74(1), and an order is passed or is required to be passed by the proper officer by deeming the notice to have been issued under section 73(1)	Date ending on completion of six month from the date of issuance of the order redetermining the tax under section 73

[Notification No. 21/2024-Central Tax dated 8 October 2024]

Notifies the special procedure for rectification of order

Section 16 of CGST Act has been amended by introducing section 16(5) and 16(6) with retrospective effect from 1 July 2017 to provide that-

- The time limit for claiming input tax credit (ITC) in respect of an Invoice/Debit note for FY 2017-18 to FY 2020-21 is extended till 30 November 2021, if the same is claimed in the GST returns.
- Time limit for claiming ITC in respect of the returns filed after revocation of cancellation of GST registration shall be later of the following dates:
 - 30 days from the date of the order of the said revocation; or
 - Time limit provided under Section 16(4) of the CGST Act (i.e. 30 November w.e.f. 1 October 2022).

In this regard, CBIC has notified the following special procedure for rectification of orders against whom an order under section 73, 74 107 or 108 of CGST Act has been issued confirming the demand for wrong availment of ITC on account of contravention of the time limit prescribed under section 16(4) of CGST Act, but such ITC is now admissible in terms of the amended section 16 and where an appeal against such order has not been filed:

- An application for rectification of such orders to be filed electronically within a period of 6 months from the date of issuance of this notification (i.e., from 8 October 2024).
- The online application to be accompanied with the information as per the Annexure (appended to the notification).
- The proper officer for carrying out such rectification shall be the same officer who had issued the order.
- The proper officer shall take decision on the rectification application and issue the rectified order, as far as possible, within three months from the date of the rectification application.
- The proper officer issuing the rectified order shall also issue Form GST DRC-08 or Form GST APL-04, as the case may be.

- Where such rectification adversely affects the taxpayer, the principles of natural justice shall be followed by the proper officer.

[Notification No. 22/2024-Central Tax dated 8 October 2024]

Changes in GST rate on goods and services (with effect from 10 October 2024)

Sl. No.	Particulars	Amended GST Rate
Goods		
1.	Extruded or expanded products, savoury or salted (other than un-fried or un-cooked snack pellets, by whatever name called, manufactured through the process of extrusion) (HSN 1905 9030)	12%
2.	Cancer drugs namely, Trastuzumab Deruxtecan, Osimertinib and Durvalumab	5%
3.	Seats of a kind used for motor vehicles (HSN 9401 20 00)	28%
Services		
4.	Transportation of passengers, with or without accompanied baggage, by air, in a helicopter on seat share basis subject to the condition that ITC on goods used in supplying the service has not been taken	5%
5.	Services by way of providing metering equipment on rent, testing for meters / transformers / capacitors etc., releasing electricity connection, shifting of meters / service lines, issuing duplicate bills etc., which are incidental or ancillary to the supply of transmission and distribution of electricity provided by electricity transmission and distribution utilities to their consumers	Nil
6.	Research and development services against consideration received in the form of grants supplied by - (a) a Government Entity; or (b) a research association, university, college or other institution, notified under clauses (ii) or (iii) of section 35(1) of the Income Tax Act, 1961 (IT Act) [The exemption is subject to the condition that research association, university, college or other institution, notified under clauses (ii) or (iii) of section 35(1) of the IT Act is so notified at the time of supply of such services]	Nil
7.	Services of affiliation provided by a Central or State Educational Board or Council or any other similar body, by whatever name called, to a school established, owned or controlled by the Central Government, State Government, Union Territory, local authority, Governmental authority or Government entity.	Nil
8.	Import of service by an establishment of a foreign company in India, which is an airline company, from a related person or from any of its other establishments outside India, when made without consideration (subject to certain conditions and restrictions) ¹	Nil

Further, the existing exemption pertaining to services provided by National Skill Development Corporation and other similar notified bodies in relation to the notified skill development programmes/ schemes (Sl. No. 69 of Notification No. 12/2017-Central Tax (Rate) dated 28 June 2017) has been amended.

¹ Editor's note: Similar penalties would also be levied under respective SGST Act.

GST liability under the reverse charge mechanism (RCM):

- A registered person procuring metal scrap from an unregistered person is liable to pay GST under the RCM.
- A registered person procuring services by way of renting of any property (other than residential dwelling) from an unregistered person is liable to pay GST under the RCM.

[Notification No. 05-09/2024-Central Tax (Rate); 08/2024-Integrated Tax (Rate) dated 8 October 2024]

Waiver of late fees for delayed filing of Form GSTR-7 (Return for tax deducted at source)

CBIC has waived the entire quantum of late fees payable for delayed filing of returns in Form GSTR-7 from June 2021 onwards where the total amount of central tax deducted at source in the said month is Nil. Further, in other cases, late fees for delayed filing of Form GSTR-7 in excess of INR 25 per day (subject to the maximum amount of INR 1,000) under CGST Act has been waived.

This waiver comes into effect from 1 November 2024.

[Notification No. 23/2024-Central Tax dated 8 October 2024]

Supply of metal scrap (with effect from 10 October 2024)

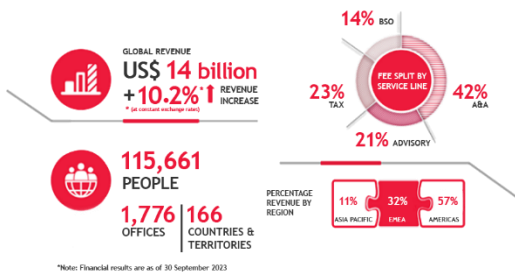
A person engaged in supply of metal scrap falling under Chapters 72 to 81 of the First Schedule to the CT Act would be required to obtain GST registration upon surpassing the threshold limits / conditions provided under Sections 22 / 24 of the CGST Act and cannot claim exemption from obtaining GST registration as provided in Notification No. 05/2017-Central Tax dated 19 June 2017.

Further, a registered person receiving supplies of metal scrap falling under Chapters 72 to 81 in the First Schedule to the CT Act, from other registered person would attract the liability to deduct tax at source under Section 51 of CGST Act. Further, the liability to deduct tax at source was not applicable to supply of goods or services or both *inter se* between persons specified/notified under Section 51(1) of the CGST Act. However, with effect from 10 October 2024, this exception would not apply in respect of supply of metal scrap falling under chapters 72 to 81 in the First Schedule to the CT Act.

[Notification Nos. 24 & 25/2024-Central Tax dated 9 October 2024]

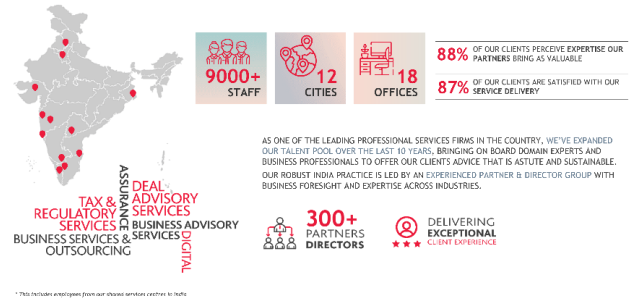
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