



Commissioner of Taxes, Nagaland



TRANSITIONAL PROVISIONS IN GST

SECTIONS



- **GENERAL PROVISIONS** [Sec.141]
- **MIGRATION OF EXISTING TAX PAYERS** [Sec. 142]
- **CENVAT/VAT Credit c/f in a return to be allowed as ITC** [Sec.143]
- **Un-availed CENVAT/VAT Credit on capital goods, not c/f in a return, to be allowed in certain situations** [Sec.144]
- **INPUT HELD IN STOCK TO BE ALLOWED CREDIT**
- **Inputs used for manufacture of goods exempted earlier but taxable now** [Sec.145]
- **Inputs held by a person switching over from composition scheme to normal** [Sec. 146]

SECTIONS



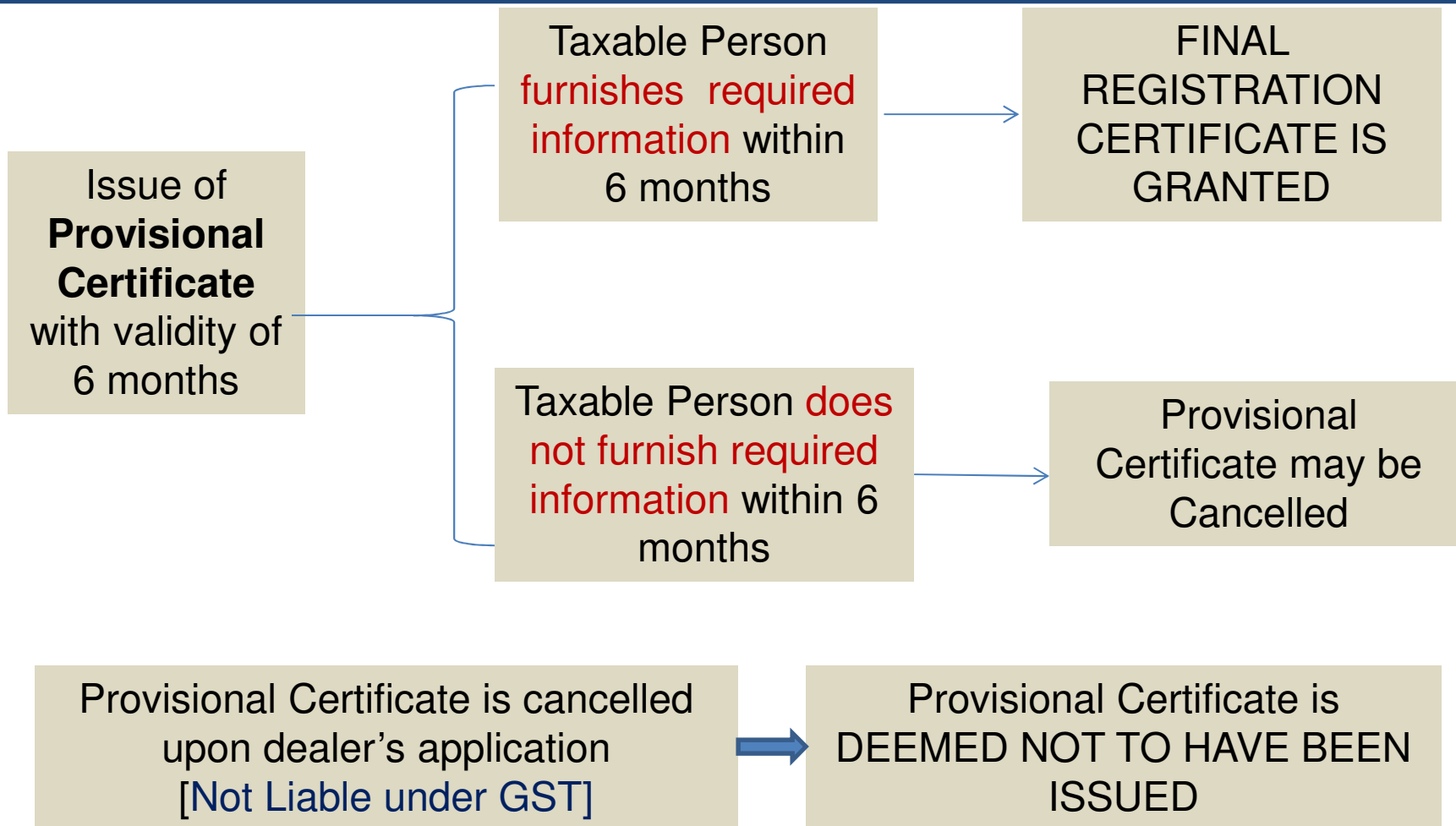
- **AMOUNT PAYABLE FOR SWITCHING OVER TO COMPOSITION SCHEME** [Sec.147]
- **GOODS RETURN IN RESPECT OF EXEMPTED/DUTY PAID GOODS**
 - **Return of goods exempt earlier** [Sec.148]
 - **Return of goods on which duty/tax paid under earlier law** [Sec. 149]
- **JOB WORK**
 - **Inputs/semi – finished/Finished removed earlier for job work returned after the appointed day** [Sec. 150 -152]
- **PRICE REVISION....issue of supplementary invoices/debit & credit notes** [Sec.153]
- **RECOVERY/REFUND [PENDING CLAIMS, CLAIM OF CENVAT/INPUT TAX, PROCEEDINGS RELATING TO OUTPUT DUTY LIABILITY, UPON ASSESSMENT/REVISION OF RETURNS]** [Sec. 154 – s.158]
- **MISCELLANEOUS [WORKS CONTRACT, PROGRESSIVE/PERIODIC SUPPLY, RETENTION PAYMENTS, CREDIT DISTRIBUTION BY ISD, GOODS/CAPITAL GOODS LYING WITH AGENTS, BRANCH TRANSFERS, GOODS SENT ON APPROVAL BASIS, TDS]** [Sec.159 – 162 E]

GENERAL PROVISIONS [Sec.141]

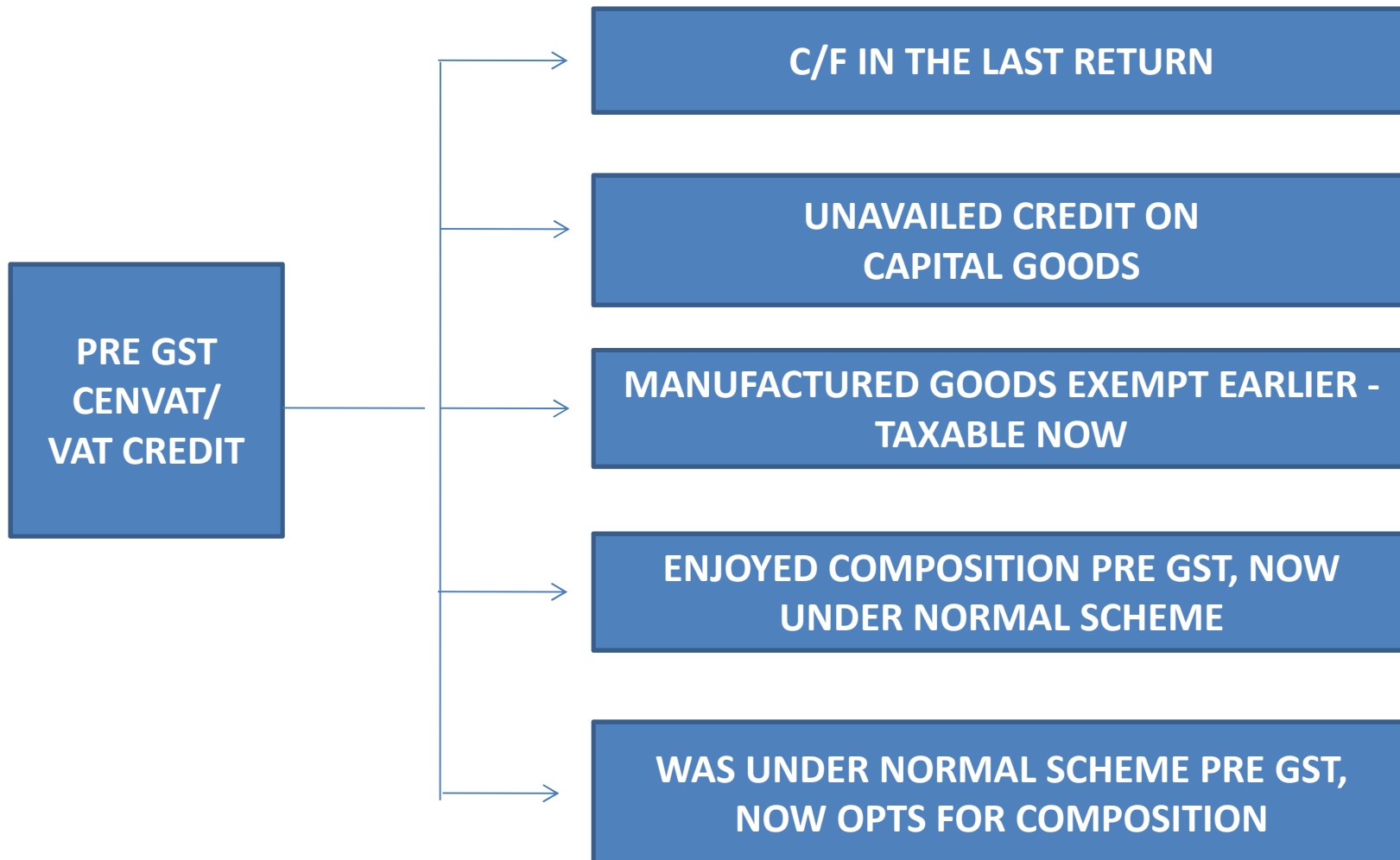


- **Appointment of GST Officials/competent authority (sec.141)**
State/Central officials being subsumed in GST will continue in office on the appointed day & shall be deemed to be appointed as GST officials/ competent authority.
- The centre/state govt. shall have the power to issue orders or make rules for smooth transition to GST so long such matters are not in conflict with the purposes of the Act.

MIGRATION OF EXISTING TAX PAYERS' TO GST



CENVAT/VAT CREDIT [s.143 - 147]



CENVAT/VAT CREDIT [s.143 - 144]



CENVAT/VAT CREDIT
CARRIED FORWARD

UNAVAILED
CENVAT/VAT CREDIT
ON CAPITAL GOODS
NOT CARRIED
FORWARD

**CREDIT WILL BE
AVAILABLE IN GST**

Subject to the following Conditions :

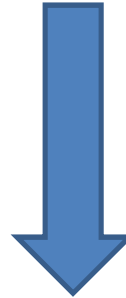
The amount has to be admissible as CENVAT/VAT credit under the earlier law & as ITC under the GST Law

The amount if it is recoverable *due to any proceeding instituted against the taxable person under the earlier law whether before or after the appointed day* will be recoverable as an arrear of tax under GST

INPUT CREDIT ON STOCK OF GOODS HELD [s.145 - 146]



Earlier Exempted but
Taxable under GST



Earlier in Composition but
under Normal scheme in
GST

SHALL BE ENTITLED for *Credit of eligible
duties/taxes/VAT on*

❖ *Inputs held in stock on the
appointed day*

❖ *Inputs contained in semi-finished /finished
goods held in stock on the appointed day*



PROVIDED

INPUT CREDIT ON STOCK OF GOODS HELD [s.145 - 146]

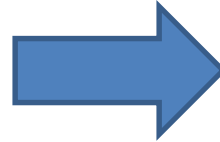


- ✓ Inputs are used for making taxable supplies
- ✓ Inputs were otherwise available for CENVAT/VAT Credit if *the taxable person had not been a manufacturer of exempted goods/not in Composition/had liability under the earlier law* **& credit is available on it in GST**
- ✓ Is in possession of valid invoice, etc which were issued not earlier than 12 months from the appointed day
- ✓ Amount of credit to be calculated as per the generally accepted accounting principles (in short GAAP)

INPUT CREDIT ON STOCK OF GOODS HELD [s.147]



Earlier Not in
Composition Scheme &
having C/F eligible credit



Moves to Composition
Scheme in GST

Shall Debit in the electronic credit/cash ledger

And allow to utilized against

- ❖ *Inputs held in stock on the appointed day*
- ❖ *Inputs contained in semi-finished /finished goods held in stock on the appointed day*

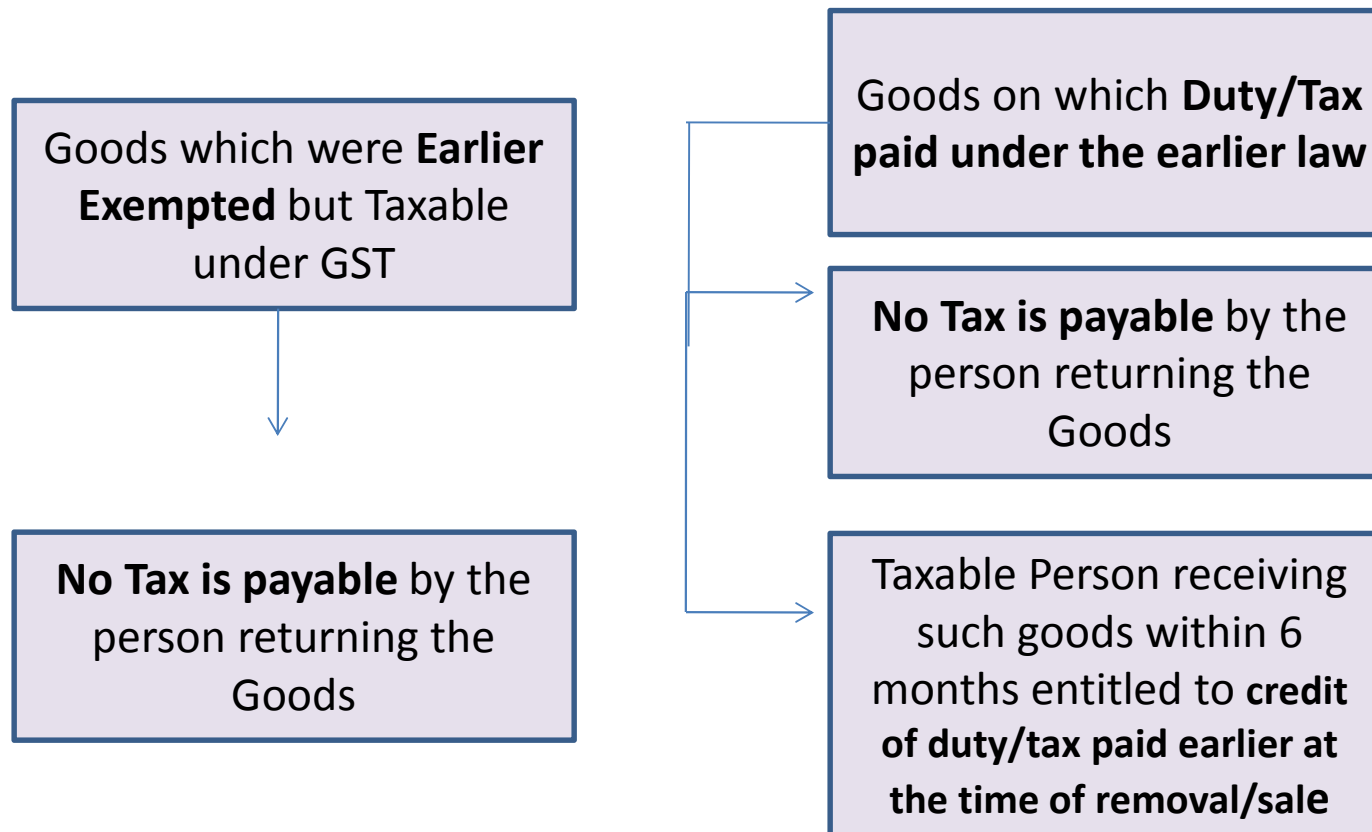
NOTE: Any amount of ITC remaining in the Electronic Credit Ledger after the payment of such amount, will lapse

GOODS RETURN [s.148 - 149]



When,

- Goods were **removed/sold within 6 months** prior to the appointed day &
- **Returned within 6 months** from the appointed day
- If Proper Officer can **satisfactorily identify** the goods, **then for**





JOB WORK [s.150 - 152]

(Inputs/Semi-finished/Finished goods sent for job – work)

Conditions:

- Removal/Dispatch to the job worker **prior to the appointed day**&
- **Returned within six months** from the appointed day/extended period (not more than 2 months)
- **Manufacturer & Job Worker both declare** the details of Inputs/Semi-finished/Finished Goods held in **stock** by the Job Worker on the appointed date

No Tax is payable

#Tax Payable by the Job – worker/ person returning the goods

Returned beyond six months / extended period

#Tax Payable by the Manufacturer

Not Returned within six months /extended period

Manufacturer can transfer finished goods to the premises of any regd. Taxable person for Export – without tax

#Provided goods are taxable under the GST Law



PRICE REVISION [s.153]

Price is **REVISED** after the appointed day in respect of a previous contract



Documents that may be issued by the supplier

**For Upward
Revision**

• **Supplementary Invoice/Debit Note**

**For Downward
Revision**

• **Supplementary Invoice/Credit Note**



conditional

Documents shall be deemed to have been issued in respect of an outward supply made under GST

REFUND/RECOVERY [s.154 - 158]

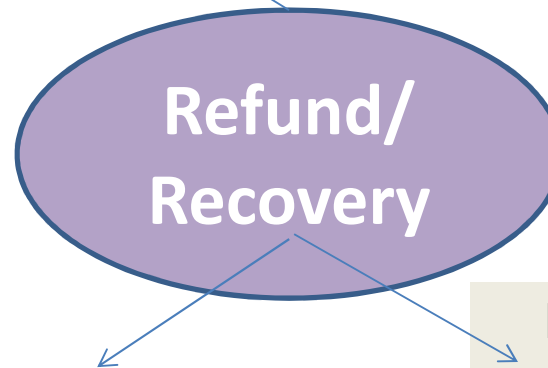


CENVAT/VAT Credit as per Earlier Law (refund)

Proceeding of appeal, revision, review or reference duty/output tax liability initiated before the appointed day to be disposed of as per the earlier law

Liability of Output Duty/Tax as per Earlier Law

on any Assessment/Adjudication Proceeding becomes refundable as per Earlier Laws (any tax/penalty/interest)



Revision of return amount refund/recoverable as per Earlier Law

PENDING REFUND CLAIMS FILED BEFORE THE APPOINTED DAY to be disposed of as per the provisions of earlier law

REFUND/RECOVERY [s.154 - 158]



REFUNDABLE-
Pursuant to revision

To be generally paid in Cash (CGST)
& as per the provisions of earlier law
(SGST)

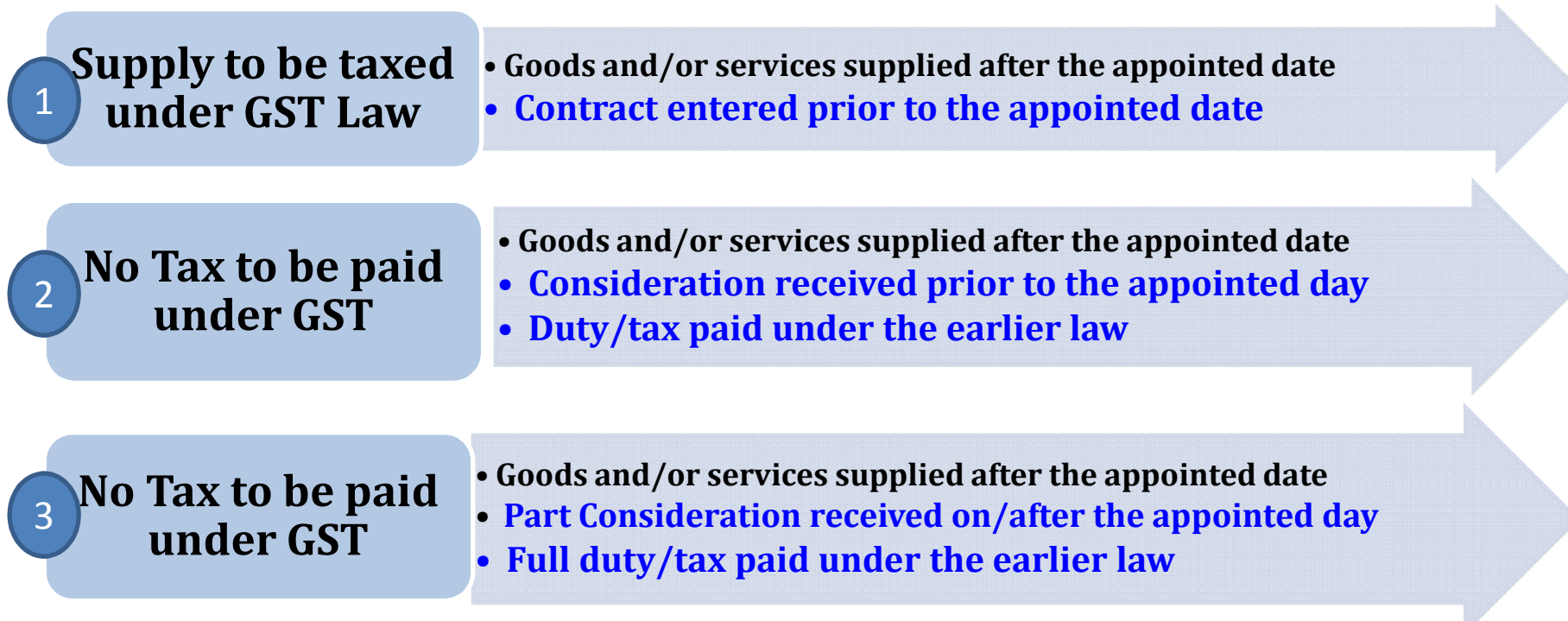
Rejected Claim of Refund to **LAPSE**

RECOVERY resulting
from proceedings against
the earlier law

To be **Recovered** as an arrear of GST

**Amount refundable/recoverable shall not
be admissible as ITC under GST**

MISCELLANEOUS

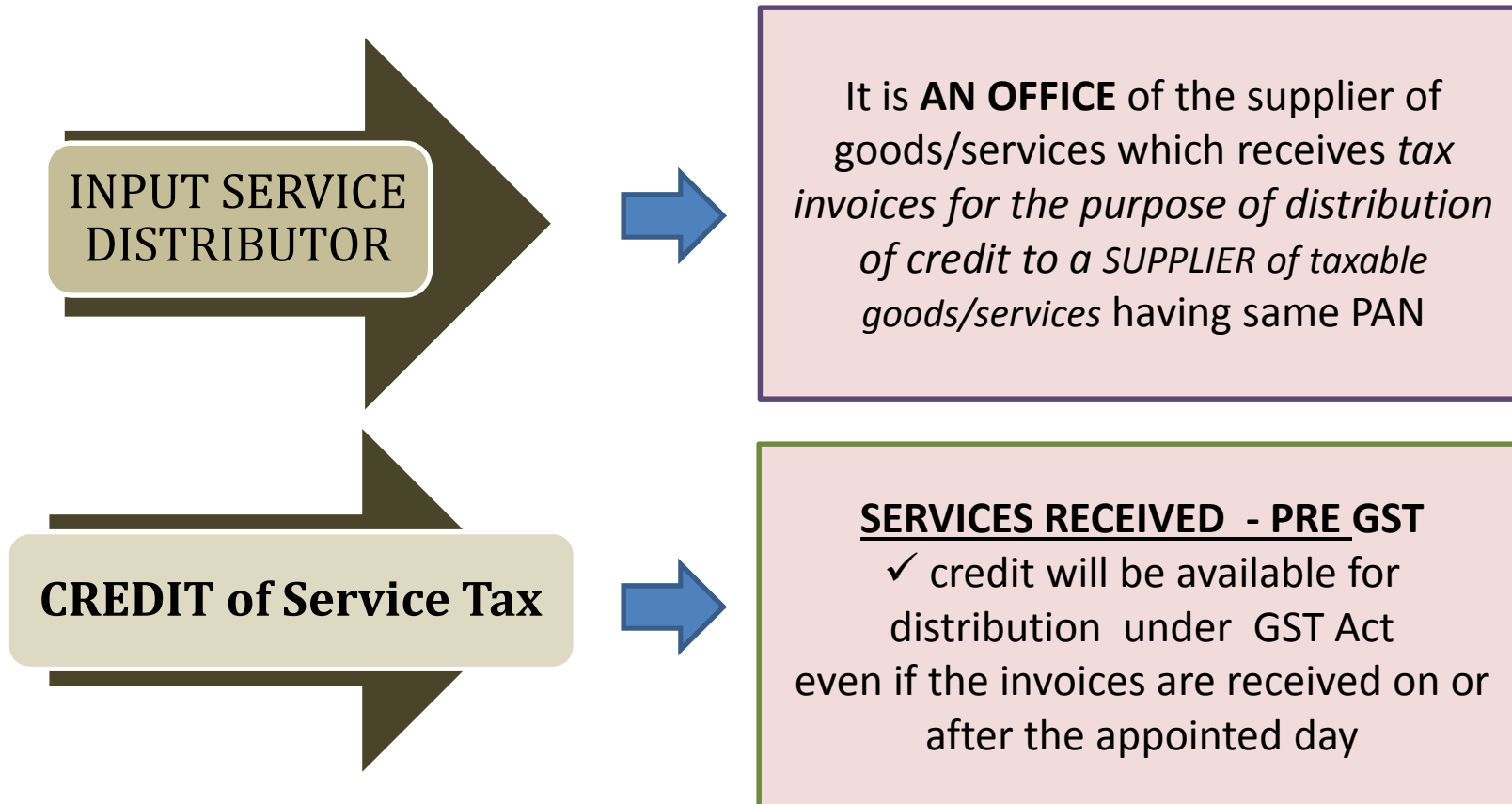


Applicable irrespective of the provisions relating to Time of Supply of Goods & Services in the GST Law

MISCELLANEOUS

CREDIT DISTRIBUTION OF SERVICE TAX BY INPUT SERVICE DISTRIBUTORS

[s.162]



The provision overrides all the other provisions contrary to it

MISCELLANEOUS

TAX PAID ON GOODS/ CAPITAL GOODS LYING WITH AGENTS TO BE ALLOWED AS CREDIT [s.162A – 162B]



Goods belonging to Principal lying with the agent on the appointed day

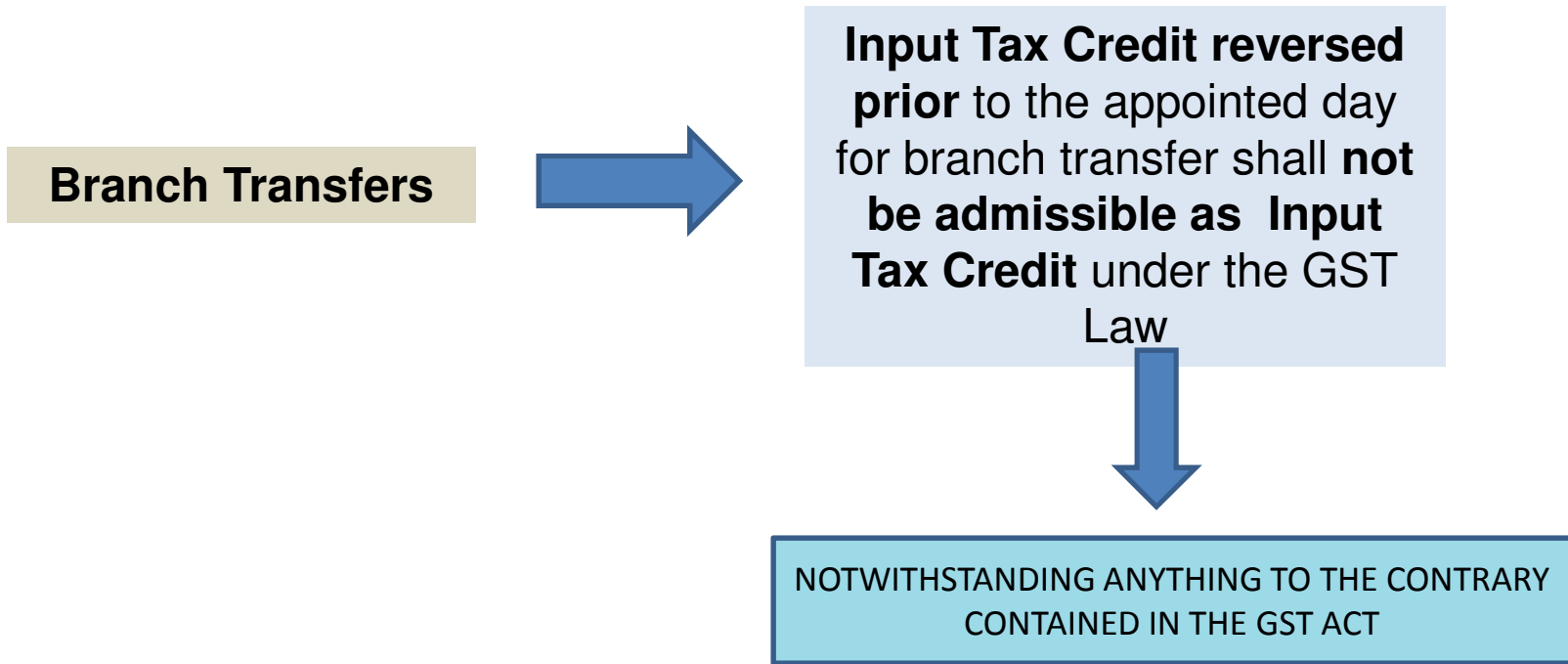
Conditions:

- Agent is registered under GST
- Principal & Agent **both declare** the details of **stock of Goods lying with the agent** immediately preceding the appointed day
- Invoices were issued not earlier than 12 months prior to the appointed day
- Principal has either not availed of the ITC or reversed it in respect of such capital goods

Agent entitled to take credit of tax paid on such goods

--- this provision is specific to SGST Law

MISCELLANEOUS
TREATMENT OF BRANCH TRANSFERS [s. 162 C]



--- *this provision is specific to SGST Law*

MISCELLANEOUS

GOODS SENT ON APPROVAL BASIS REJECTED/RETURNED [s.162D]



Goods **Sent on approval basis**

Not earlier than six months prior to the appointed dated

Rejected/Not Approved by the buyer

Rejected Goods returned within six months

✓ Rejected Goods **returned after six months**/ extended period(Max. 2 months)
✓ Goods taxable under GST

✓ Goods Rejected but **not returned** within six months/ extended period
✓ Goods taxable under GST

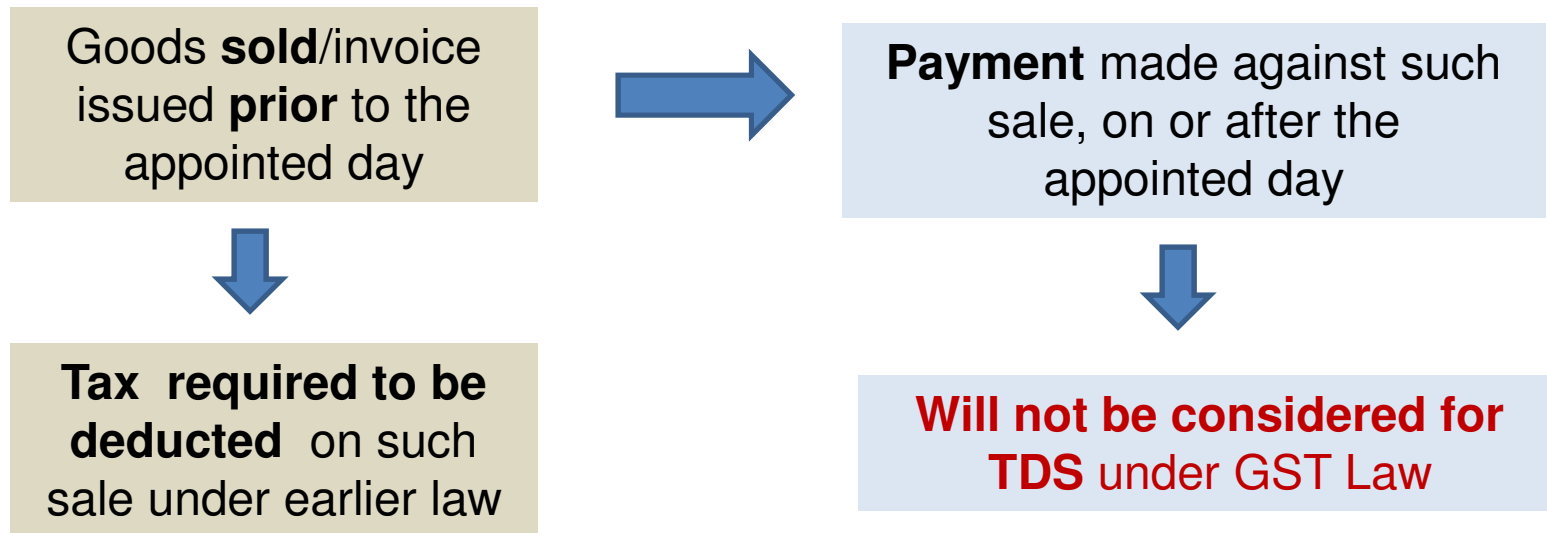
No Tax is payable on returned goods

Tax is payable by the person returning the goods

Tax is payable by the person who sent the goods on approval basis

--- this provision is specific to SGST Law

MISCELLANEOUS DEDUCTION OF TAX AT SOURCE [s. 162E]



--- this provision is specific to SGST Law



THANK YOU