



BUDGET 2023-24 HIGHLIGHTS

MAJOR GOODS & SERVICE TAX AMENDMENTS

- 1) **Blocked credit and Reversal of Input Tax Credit (ITC):**
 - Expenses for Corporate Social Responsibility (CSR) as per Companies Act, 2013 would be considered as blocked credit and it will be ineligible for availing ITC.
 - Bond Transfer sales would be considered exempt supply for the purpose of reversal of ITC under Rule 42 & Rule 43

- 2) **Limit on furnishing of returns:**

GSTR-1, GSTR-3B and GSTR-9 cannot be filed after the expiry of period of three years from the due date of filing of such returns.

- 3) **Interest on delayed refund of GST:**

Interest @ 12% p.a. to be calculated and paid, beyond sixty days from the receipt of application, as per the rules that would be prescribed later.

- 4) **Composition dealers and Unregistered dealers (URDs):**

Composition dealers and URDs can now supply through an e-commerce operator. However, in case of URDs, it will be the duty to the e-commerce operator to check whether such dealers have crossed the limit for registration. For violation of this section there would be a penalty of ten thousand rupees, or an amount equivalent to the amount of tax involved.

- 5) **New section 158A:**

Consent to be taken by the GST Department for sharing of information with third party, provided by the taxpayer through various forms and returns.



6) Retrospective Changes in Schedule III

- Activities/ transactions such as: supply of goods from a place outside the taxable territory to another place outside the taxable territory, high sea sales and supply of warehoused goods before their home clearance shall be retrospectively treated as neither supply of goods nor supply of services w.e.f. 01.07.2017
- However, it has been proposed that, no refund of tax paid shall be available in cases where any tax has already been paid in respect of such transactions/ activities during the period 01.07.2017 to 31.01.2019

7) Amendment in Place of Supply of services by way of transportation of goods

Supply of services by way of transportation of goods to a registered person, shall be the location of recipient and to unregistered person shall be location at which goods are handed over for their transportation, irrespective of destination of the goods, in cases where the supplier of services and recipient of services are located in India.