

SMART NOTES

GST

[Part -5]
2021 EXAMS



CA SACHIN GUPTA

CHAPTER - 11 **EXEMPTIONS**

Sec 2(47) : Exempt supply = nil rate + wholly exempt u/s 11 or u/s 6 of IGST + Non-taxable supply

Sec 11 : Power to Grant exemption

Sec 11(1) : By Notification

- Government + public interest + ROC + NIOG
- General order + exempt + absolutely or conditions
- G/S of nay description
- whole or part of tax

Sec 11(2) : By Special order

- Government + public interest + ROC
- Special order + stated exceptional circumstances
- exempt + G/S

Sec 11(3) : Explanation in Notification/Special order

- Government + NIOG + necessary/expedient
- scope or applicability
- u/s 11(1) or u/s 11(2)
- insert explanation in notification/order,
- upto 1 year of issue of notification/order and
- explanation effect as if part of notification/order

TOP 58 EXEMPTIONS

EXEMPTION FOR SERVICES : NN 12/2017- as Amended

1. Relating TO Cultivation of Plants & Rearing of animals, except horses, for food, fibre, fuel, raw material or etc or agricultural produce by —

- (a) Agricultural operations related to production of agrl produce incl cultivation, harvesting, threshing, plant protection or testing
- (b) Supply of farm labour
- (c) processes carried at agricultural farm eg tending, pruning, cutting, harvesting, drying, etc + not alter essential characteristics +marketable for primary market
- (d) Renting/leasing of agro machinery /vacant land
- (e) Loading, unloading, packing, storage or warehousing of agricultural produce

- (f) Agricultural extension services
- (g) Fumigation in warehouse of agricultural produce
- (h) Services by APMC(Agricultural Produce Marketing Committee) or by commission agent

2. BY Entity registered u/s 12AA + Charitable activities

Charitable activities =

- (i) public health wrt
 - (a) care or counselling
 - (I) terminally ill + severe physical/mental disability
 - (II) HIV/AIDS
 - (III) Addicted to drugs or alcohol or
 - (b) public awareness of preventive health, family planning or prevention HIV;
- (ii) advancement of religion , spirituality or yoga
- (iii) advancement of educational programmes or skill development
 - (a) abandoned, orphaned or homeless children
 - (b) physically or mentally abused & traumatized persons
 - (c) prisoners
 - (d) persons > 65 years + residing in a **rural area**
- (iv) preservation of environment including watershed, forests and wildlife;

3.

(a) Health care services BY clinical establishment/AMP/Para-medics

(b) Services BY transportation of patient in ambulance

1. **Clinical establishment means**

- Hospital, nursing home, clinic, sanatorium
- diagnosis or treatment or care
- for illness, injury, deformity, abnormality or pregnancy
- in recognised system of medicines in India,
- place established independent entity or part

2. **Health care services means**

- Service + diagnosis or treatment or care
- illness, injury, deformity, abnormality or pregnancy
- in recognised system of medicines in India and
- includes services by way of transportation of patient to & from clinical establishment,
Excludes :
- hair transplant or cosmetic or plastic surgery,

- except to restore /reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma

3. AMP means

- medical practitioner
- registered with council of recognised system of medicines
- established or recognised by law in India and
- includes medical professional having requisite qualification
- to practice any recognised system of medicines in India

4. Transmission /Distribution +Electricity +BY Electricity Transmission/distribution utility.

5. BY Hotel, inn, guest house, club or campsite, for residential or lodging purposes + declared tariff of room upto ₹1,000 per day or equivalent.

Declared tariff includes charges for all amenities

6. By transfer of going concern + whole or independent part

7. Services of Renting + residential dwelling + use as residence

8. Services by person by

(a) Conduct of religious ceremony;

(b) renting of **religious place** for general public + entity regn u/s 12AA or u/s10(23C) u/s 10(23BBA)

Exception to (b)

(i) renting of rooms upto 1,000 per day;

(ii) renting of premises, halls or open area, upto 10,000 per day;

(iii) renting of shops etc + business or commerce + upto ₹10,000 per month.

Religious place means a place = conduct of prayers of religion, meditation or spirituality

9. Transport of passengers BY –

- (a) AIR, **embarking/terminating** in airport in Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or Bagdogra in West Bengal;
- (b) contract carriage + non-airconditioned
(other than radio taxi + tourism + conducted tour, charter or hire_
- (c) stage carriage + non air-conditioned

10. Services provided to CG + transport of passengers + embarking/terminating at regional connectivity scheme airport + consideration of viability gap funding:

Upto **3 years** from commencement of operations of airport

11. Service of transportation of passengers by

- (a) Railways + Non AC + NON 1st Class
- (c) metro, monorail or tramway
- (c) inland waterways;
- (d) vessel + other than for tourism
- (e) metered cabs or auto rickshaws (incl e-rickshaws).

12. Services + transportation of goods-

- (a) by road + other than by GTA & **Courier**
- (b) by inland waterways.

13. Transportation of goods + by aircraft + place outside India upto customs station of clearance in India.

14. Transportation by rail or vessel + one place in India to another + following goods

- (a) relief materials meant + victims natural or man-made disasters
- (b) defence equipment
- (c) Regt newspaper or magazines
- (d) agricultural produce
- (e) milk, salt and food grain
- (f) organic manure
- (g) railway equipment

15. Transportation by GTA + following goods

- (a) (a) to (f) above of pt 13

(b) Goods + consideration charged + single carriage + upto 1500

(c) Goods + consideration charged + single consignee upto 750

16. Giving on hire of

(a) Motor vehicle + carry > 12 passengers + TO state transport undertaking or

(b) Means of transportation of goods + TO GTA

(c) Motor vehicle + TO person providing services of transportation of faculty, teacher or staff to educational institution (pre-school to 12th)

17. Access to road or bridge + on payment of Toll

18. Services + loading, unloading, packing, storage or warehousing + Rice.

19. Services BY RBI

20. Services by

(a) extending deposits, loans or advances + consideration of interest/discount (other than interest of credit card);

(b) *inter se* sale or purchase of foreign currency + banks /authorised dealers

21. Services by orgn under act

a) ESIC

b) EPFO

c) IRDAI

d) SEBI

22. Services by acquiring bank + to person + settlement upto Rs.2,000 + single transaction of CC, DC or other payment card service.

23. Services by

(a) BF or BC TO banking company + wrt accounts of rural area branch

(b) Person + intermediary to BF or BC + wrt services in entry (a) or

(c) BF or BC + TO insurance company + rural area

24. Services by + Recg TBI or Recg STEP

25. Services by incubatee + upto turnover of 50 lakh in F/Y + upto 3 years from date of agreement

26. Services by-

(a) Arbitral tribunal TO

- (i) non business entity or
- (ii) Business entity + AT upto 20 lakh (10 lakhs for SCS) + preceding F/Y
- (iii) CG, SG, UT, LA, Govt Authority/Entity

(b) Firm/Individual Advocate + other than senior advocate + legal services TO-

- (i) (ii) (iii) : Same
- (iv) Another Advocate

(c) Senior advocate + legal services TO

- (i) (ii) (iii) : Same

27. Services BY VET + health care of animals/birds.

28. Collecting or providing news + independent journalist + PTI + UNI

29. Public libraries + lending of books/publications

30. Services BY GSTN + To CG or SG or UT + implementation of GST

31. Services BY organiser + business exhibition held outside India.

32. Sponsorship of sporting events organised –

- (a) National sports federation, or Affiliated federations,

- (b) Association of Indian Universities, Inter-University Sports Board, School Games Federation of India, All India Sports Council for Specially abled
- (c) Central Civil Services Cultural & Sports Board;
- (d) Part of national games, by IOA or
- (e) under Panchayat Yuva Kreedha Aur Khel Abhiyaan Scheme.

33. Job work + wrt cultivation of plants & rearing of life forms of animals, except horses, for food, fibre, fuel, raw material or agricultural produce.

34. Services of + slaughtering of animals.

35. Services of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables + not change essential characteristics

36. Services BY foreign diplomatic mission + located in India.

37. Services by Kumaon Mandal Vikas Nigam Ltd for Kailsh mansoravor yatra & Haj committee for Haj + facilitated by Govt of India + under bilateral arrangement.

38. Services provided -

- a) BY educational institution + TO students, faculty and staff;
- b) BY educational institution + conduct of entrance examination against consideration of entrance fee;
- c) TO educational institution of -
 - a. Transportation of students, faculty & staff
 - b. catering, including any mid-day meals
 - c. security or cleaning or housekeeping services
 - d. services relating to admission to, or conduct of examination
 - e. supply of online educational journals or periodicals

Item (c) :

(a), (b) and (c) exemption : not to 2nd & 3rd Institution

(e) exemption : Not to 1st Institution

Special point : Educational institution =**1st : Pre-school education & education up to 12th****2nd : education part of curriculum + qualification recognised by law****3rd : approved vocational education institute**

39. Services by IIM : Long duration programs (min 1 yr) conferring degree/ diploma under IIM Act incl 1 yr Post Graduate Programs for Executives.

Not exempt from GST: Short duration executive development programs + not qualification recognized by law.

40. Services TO recognised sports body BY

(a) player, referee, umpire, coach or team manager +sporting event organised by RSB

(b) another RSB

Recognised sports body means

(i) IOA

(ii) SAI

(iii) National sports federation

(iv) National sports promotion organisations

(v) International Olympic Association or a federation

(vi) Federation regulates sport at international level and its affiliated federations

41. Services by cord blood banks + preservation of stem cells

42. Services by operators of common bio-medical waste treatment facility + TO clinical establishment

43. public conveniences eg bathroom, washrooms, lavatories, urinal or toilets.

44. Service by + unincorporated body or regt NPO registered + to own members + reimbursement of charges / share of contribution –

(a) Trade union;

(b) activity + exempt from the levy of GST

(c) RWA to member + upto Rs,7500/- pm per member

45. Artist + performance in folk or classical art + consideration charged upto 1.5 lakhs

- (a) music or
- (b) dance or
- (c) theatre

Exception : Service provided as **brand ambassador**

46. Admission to museum, national park, wildlife sanctuary, tiger reserve ,zoo, protected monument

47. Training or coaching in recreational activities of

- (a) arts or culture or
- (b) sports by charitable entities registered u/s 12AA

48. Admission to + if ticket upto 500 per person

- (a) circus, dance, or theatrical performance ,drama or ballet;
- (b) award function, concert, pageant, musical performance or non recg sporting event
- (c) recognised sporting event,

49. Services by + providing information + under RTI

50. Services by way of storage/ warehousing of cereals, pulses, fruits, nuts
vegetables, spices, copra, sugarcane, jaggery, raw vegetable fibres such as cotton, flax, jute etc., indigo, un mfn tobacco, betel leaves, tendu leaves, coffee and tea.

EXEMPT SERVICE BY CG,SG,UT,LA

51. Services by above except

- (a) Postal deptt services = speed post, express parcel post, life insurance & agency services to non govt person
- (b) Services to aircraft/vessel at port/airport
- (c) transport of goods/passengers
- (d) Any service, other than (a) to (c) to business entity

52. Services TO Business entity + AT upto 40L/20L/10L in preceding F/Y.

Exception

- A. (a)(b)(c) of pt 63
- B. Services by way of **renting of immovable property**.

53. Services provided by above + consideration upto 5,000 Exception same as pt 63

54. Services by above + **issuance of** passport, visa, driving licence, birth /death certificate

55. Services by above + tolerating non-performance of contract + consideration in form of fines or liquidated damages

56. Services provided by above + assignment of right to use natural resources + TO individual farmer for cultivation of plants and rearing of animals, except horses

57. Services provided by above wrt

- (a) Registration under any law ;
- (b) Testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public a, including fire license, required law

58. Services by Fair Price Shops TO Above + sale of food grains, kerosene, sugar, edible oil, etc. under PDS + **consideration of commission or margin**

EXEMPTIONS FROM IGST**NN 9/2017****1) Services received from provider located in non- taxable territory TO**

- (a) ABOVE or Individual other than for commercial purpose
- (b) Entity u/s 12AA + charitable activities
- (c) Person located in non-taxable territory:

EXCEPTION

- (i) OIDAR by persons specified in entry (a) or entry (b) or
- (ii) transportation of goods by vessel +place outside India + upto customs station of clearance in India

2) Services received by RBI + from outside India + for management of FX reserves.**3) Services provided by tour operator + to foreign tourist** + tour conducted wholly outside India.**4) Services received + provider of service located in NTA + supply of online educational** journals or periodicals + TO educational institution [Qualification by law]

CHAPTER - 12 RETURN

Sec 37 : Return of outward supplies

Sec 37(1) : Furnishing of Return

- Regt person other than ISD, NRTP & person u/s 10 or u/s 51 or u/s 52,
- **E-file Form GSTR-1**
- details of outward supplies
- during tax period
- **upto 10th of month** succeeding said tax period
- details communicated *in Form GSTR -2A* to recipient

Special point :

- Regt person not allowed to furnish from 11th day to 15th day
- Commissioner + reasons in writing + notification + extend time limit + class of taxable persons
- Extension of time limit notified + Commissioner of State/UT deemed notified by Commissioner.

Sec 38 : Furnishing details of inward supplies

Sec 38 : Furnishing of Inward return

- Regt person other than ISD or NRTP or a person u/s 10 or u/s 51 or u/s 52,
- **E file Form GSTR -2**
- details of inward supplies (FC/RCM)
- between 11 to 15th Day of month succeeding the tax period.]

Special point :

- Commissioner + reasons in writing + notification + extend time limit + class of taxable persons
- Extension of time limit notified + Commissioner of State/UT deemed notified by Commissioner.

Sec 39 : Furnishing of returns

Sec 39(1) : Furnishing of monthly return

- Regt person, other than ISD or NRTP or person u/s 10 or 51 or u/s 52
- for every calendar month or part thereof, furnish, ,
- **E file Form GSTR-3**
- of inward and outward supplies
- input tax credit availed,
- tax payable, tax paid and

Govt + roc + notify + classes of regt persons + furnish return for every quarter or part

Sec 39(2) : Furnishing of Quarterly return by composite dealer

- Regt person u/s 10
- for each quarter or part
- **E file GSTR-4**
- of turnover in State/UT
- inward supplies of goods or services or both,
- tax payable and tax paid **within 18 days after end of such quarter.**

Sec 39(3) : TDS Deductor

- Regt person required to deduct TDS u/s 51
- **E file GSTR -7**
- for the month in which such deductions have been made
- within **10 days** after end of such month.

Sec 39(4) : Return by ISD

- Taxable person registered as ISD
- for every calendar month or part
- **E file GSTR-6**
- within **13 days** after the end of such month.

Sec 39(5) : Return by NRTP

- Regt NRTP
- for every calendar month or part
- **E file GSTR-5**
- within 20 days after end of calendar month or
- within 7 days after last day of period of registration specified u/s 27(1),
- whichever is earlier.

Sec 39(6) : Extension of time limit

Commissioner + reasons in writing + notification + extend time limit + class of taxable persons

Extension of time limit notified + Commissioner of State/UT deemed to be notified by Commissioner.

Sec 39(7) : Last date of payment of tax

- Regt person, required to furnish return u/s 39,
- shall pay to Government the tax due as per such return
- upto last date on which he is required to furnish such return.

Government + ROC + notify + certain classes of registered persons + who shall pay to Govt the tax due or part of as per return on or before last date to furnish such return,

Sec 39(8) : Return even if no supplies made

- Regt person + required to furnish return u/s 39 (1) or u/s 39 (2)
- shall furnish return + every tax period
- whether or not supplies made during tax period.

Sec 39(9) : Rectification of mistake or omission

- Regt person + after furnishing a return u/s 39
- discovers omission or incorrect particulars
- other than as a result of scrutiny, audit, inspection or enforcement activity by the tax authorities,
- rectify such omission or incorrect particulars
- subject to payment of interest under this Act:

upto DDR for month of Sept of second Qtr following end of F/Y to which such details pertain, or the actual date of furnishing of relevant annual return, earlier.

Sec 39(10) : Non filing of return

- Regt not be allowed
- to furnish return for tax period
- if return for prior tax periods is pending

Sec 40 : First return

- Regt person + made outward supplies
- period between date on which he became liable to registration
- till date granted of registration
- shall declare same in first return
- furnished by him after grant of registration.

Sec 44 : Annual return**Sec 44(1) :**

- Regt person other than ISD, person u/s 51 or u/s 52, CTP and N RTP
- furnish an annual return + every F/Y
- **E file GSTR -9**
- upto 31st Dec following tend of such F/Y.

Commissioner + ROC + reasons recorded in writing + notification + extend time limit for furnishing annual return + class of registered persons

extension of time limit notified by Commissioner of State/ UT deemed to be notified by Commissioner.

Sec 44(2) : Regt person + accounts audited u/s 35(5) + electronically + copy of audited annual accounts and reconciliation statement + along with annual return

reconciling value of supplies declared in return furnished with audited annual financial statement,

Sec 45 : Final return

- Regt person + required to furnish a return u/s 39(1)
- registration has been cancelled
- **E file GSTR -10**
- within 3 months of the date of cancellation or
- date of order of cancellation,
- whichever is later,

Sec 46. Notice to return defaulters

- Regt person + fails to furnish return u/s 39 or u/s 44 or u/s 45,
- Notice issued requiring him to furnish
- return within 15 days

Sec 47 : Levy of late fee

(1) Regt person + fails return u/s 37 or u/s 38 u/s 39 or u/s 45 + by due date

shall pay a late fee of 100 rupees for every day of failure + max 5,000

(2) Regt person + fails to furnish return u/s 44 + by the due date

shall pay a late fee of 100 rupees for every day of failure + max 0.25% of turnover in State/UT.

Sec 48 : GSTP

Regt person may authorise + approved GSTP return u/s 37, u/s38 u/s 39 or u/s 44 or u/s 45 and to perform prescribed functions

Responsibility for correctness of particulars furnished in return or other details filed by GSTP shall pf regt person

GST RETURN SUMMARY CHART

Return	Details	Period	DDR
GSTR-1	Details of outward supply by Normal RP	Monthly	11th of next month
GSTR-2	Details of inward supply Normal RP	Monthly	15th of next month
GSTR-3	Monthly return + outward & inward supplies + payment of tax Normal RP	Monthly	20th of next month
GSTR-3B	summary of outward supply + ITC declared + payment of tax Normal RP	Monthly	20th of next month
GSTR-4	Composition dealer	Annually	30th April of next year
GSTR-5	NRTP	Monthly	20th of next month or within 7 days of expiry of regn ,earlier
GSTR-5A	OIDAR	Monthly	20th of next month
GSTR-6	ISD	Monthly	13th of next month
GSTR-7	TDS u/s 51	Monthly	10th of next month
GSTR-8	ECO u/s 52	Monthly	10th of next month
GSTR-9	Annual return Normal RP other than ISD, TDS, Comp.dealer, TCS & NRTP	Annually	31st Dec of next month
GSTR-9A	Annual return Composition dealer	Annually	31st Dec of next month
GSTR-9B	Annual return for ECO	Annually	31st Dec of next month

GSTR-9C	Normal tax payer having ATO more than 2 crore	Annually	31st Dec of next month
GSTR-10	Final return	Only when GST reg. cancelled or surrendered	within 3 months of date of cancellation or date of order of cancellation, later
GSTR-11	Details of inward supply + person having UIN + claiming a refund	Monthly	Not mentioned

Normal Supplier (GSTR 3B)

UPTO 31/12/2019 : 20th of following month (All States in all cases)

WEF JAN 2020 :

1. Aggregate annual turnover of previous year of more than 5 crores : 20th of following month

(All States in All cases)

2. Aggregate annual turnover of previous year upto 5 crores –

Chhattisgarh, Madhya Pradesh, Gujarat, Daman & Diu Dadra and Nagar Haveli, Maharashtra, Karnataka, Goa, Lakshadweep, Kerala, Tamil Nadu, Puducherry, Andaman and Nicobar Islands, Telangana and Andhra Pradesh : **22nd of following month**

J&K, Ladakh, Himachal Pradesh, Punjab, Chandigarh, Uttara hand, Haryana, Delhi, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand and Odisha : **24th of following month**

Composite Supplier

Period	Frequency	Statement/ Return	Due date
Tax payment	Quarterly	Statement in Form GST CMP- 08	18th of following month
Return filing	Annual	Statement in Form GSTR-4	30 th April of subsequent year