

# TAX INFO

*Dated 19/05/2022*

Latest update on GST Law: **Due dates extension for FORM GSTR-3B and FORM PMT-06.**

**Also, IGST is not leviable on Ocean Freight as given in Landmark Judgement by SC on 19.05.22**

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## **Notification No. 05/2022 – Central Tax dated 17th May, 2022**

The due date for furnishing the return in FORM GSTR-3B for the month of April, 2022 is extended till 24<sup>th</sup> May, 2022.

## **Notification No. 06/2022 – Central Tax dated 17th May, 2022**

The due date for payment of tax for taxpayers under QRMP Scheme in FORM PMT-06 for the month of April, 2022 is extended till 27<sup>th</sup> May, 2022.

The due dates for FORM GSTR-3B and FORM PMT-06 are extended as some technical glitch has been reported by Infosys in generation of April 2022 GSTR-2B & auto-population of GSTR-3B on portal. Technical team is working to provide GSTR-2B & correct auto-populated GSTR-3B at the earliest.

## **Landmark Judgement by SC on the Ocean Freight matter in the case of Mohit Minerals**

The Supreme Court has ruled that the GST Council recommendations are not binding on the Centre and the states, and are only 'persuasive'. The Parliament and state legislatures possess equal powers to legislate on GST. The Supreme Court upheld the judgement of the Gujarat High Court in Ocean Freight matter in the case of Mohit Minerals.

The Supreme Court's judgement clarifies that GST Council is an informal body whose inputs should be taken into account, but it does not have a legislative power and laws have to be legislated by the bodies that are empowered to do so i.e the Parliament and the state legislative assemblies.

The Supreme Court struck down IGST levy on ocean freight. It upheld the Gujarat HC order to quash levy of IGST on ocean freight under reverse charge, dismissing Revenue's special leave petition challenging the Gujarat HC decision that had gone in favour of taxpayers.

The Supreme Court has held that GST on ocean freight paid in case of import of goods is unconstitutional. The Indian importers who had paid such tax will be eligible to refund. Further, those importers who had not paid the tax on import of services will now not be required to pay tax.

The Supreme Court acknowledged that imposing tax on ocean freight is in violation of composite tax and the government cannot dissect the unified import transaction to levy IGST on 'Ocean Freight' on transportation of goods from a place outside India to a place in India.

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