

# TAX INFO

*Dated: 19.09.2020*

Latest update on GST Law: Information regarding **Delhi GST (Amendment) Bill, 2020** based on the **Notification issued dated 14.09.2020.**

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Delhi GST Act, 2017 has been amended on 14<sup>th</sup> September, 2020 by Delhi GST (Amendment) Act, 2020 which is issued by Delhi State Government.

1. **Amendment of Section 2:** To align the definition of “Union territory” in line with the Jammu and Kashmir Reorganisation Act, 2019 and the Dadra and Nagar Haveli and Daman and Diu (Merger of Union Territories), Act, 2019, in clause (114), for clauses (c) and (d), the clauses “Dadra and Nagar Haveli and Daman and Diu; Ladakh”, shall be substituted
2. **Amendment of Section 10:** To harmonise the conditions for eligibility for opting to pay tax under sub-section (1) and sub-section (2A), in section 10 (2), in clauses (b), (c) and (d), after the words “of goods”, the words “or services” shall be inserted.
3. **Amendment of Section 16:** In Section 16(4) the words “invoice relating to such” shall be omitted to delink the debit note from the invoice.
4. **Amendment to Section 29:** To amend clause (c) of sub-section (1) of section 29 of the Delhi Goods and Services Act so as to provide for cancellation of registration obtained voluntarily under sub-section (3) of section 25, the following clause shall be substituted:  
“(c) the taxable person is no longer liable to be registered under section 22 or section 24 or intends to opt out of the registration voluntarily made under sub-section (3) of section 25:”
5. **Amendment of section 30:** To empower the jurisdictional tax authorities to extend the period provided to file an application for revocation of cancellation of registration, proviso to Section 30(1) shall be substituted:  
“Provided that such period may, on sufficient cause being shown, and for reasons to be recorded in writing, be extended,—  
(a) by the Additional Commissioner or the Joint Commissioner, as the case may be, for a period not exceeding thirty days;  
(b) by the Commissioner, for a further period not exceeding thirty days, beyond the period specified in clause (a).”
6. **Amendment of section 31:** To empower the Government to notify the categories of services or supplies in respect of which tax invoice shall be issued and to make rules regarding the time and manner of its issuance, the proviso of Section 31(2) shall be substituted:  
“Provided that the Government may, on the recommendations of the Council, by notification,—  
(a) specify the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed;  
(b) subject to the condition mentioned therein, specify the categories of services in respect of which—  
(i) any other document issued in relation to the supply shall be deemed to be a tax invoice; or  
(ii) tax invoice may not be issued.”
7. **Amendment of section 51:** To empower the Government to make rules to provide for the form and manner in which a certificate of tax deduction at source shall be issued  
(a) for sub-section (3), the following sub-section shall be substituted, namely:—  
“(3) A certificate of tax deduction at source shall be issued in such form and in such manner as may be prescribed.”  
(b) sub-section (4) shall be omitted.”
8. **Amendment to Section 122:** A new sub-section (1A) is inserted in section 122 so as to make the beneficiary of certain transactions at whose instance such transactions are conducted liable for penalty:  
  
“(1A) Any person who retains the benefit of a transaction covered under clauses (i), (ii), (vii) or clause (ix) of sub-section (1) and at whose instance such transaction is conducted, shall be liable to a penalty of an amount equivalent to the tax evaded or input tax credit availed of or passed on.”
9. **Amendment of section 132:** Section 132 is amended so as to make the offence of fraudulent availment of input tax credit without invoice or bill cognizable and non-bailable under sub-section (1) of section 69 and to make any person who retains the benefit of certain transactions and at whose instance such transactions are conducted liable for punishment.

- (a) for the words “Whoever commits any of the following offences”, the words “Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences” shall be substituted;
- (b) for clause (c), the following clause shall be substituted, namely:—  
“ (c) avails input tax credit using the invoice or bill referred to in clause (b) or fraudulently avails input tax credit without any invoice or bill;”;
- (c) in sub-clause (e), the words “, fraudulently avails input tax credit” shall be omitted

10. **Amendment to Section 140:** Section 140 is amended relating to transitional arrangements for input tax credit, so as to prescribe the time limit and the manner for availing input tax credit against certain unavailed credit under the existing law. This amendment shall take effect retrospectively from the 1st day of July, 2017.

- (a) in sub-section (1), after the words “existing law”, the words “within such time and” shall be inserted and shall be deemed to have been inserted;
- (b) in sub-section (2), after the words “appointed day”, the words “within such time and” shall be inserted and shall be deemed to have been inserted;
- (c) in sub-section (3), for the words “goods held in stock on the appointed day subject to”, the words “goods held in stock on the appointed day, within such time and in such manner as may be prescribed, subject to” shall be substituted and shall be deemed to have been substituted;
- (d) in sub-section (5), for the words “existing law”, the words “existing law, within such time and in such manner as may be prescribed” shall be substituted and shall be deemed to have been substituted;
- (e) in sub-section (6), for the words “goods held in stock on the appointed day subject to”, the words “goods held in stock on the appointed day, within such time and in such manner as may be prescribed, subject to” shall be substituted and shall be deemed to have been substituted;

11. **Amendment to Section 168:** A new Section 168A is inserted after Section 168 so as to empower the Government, on the recommendations of the Council and by notifications, extend the time limit specified in or prescribed under this Act in respect of actions which may not be completed or complied with due to force majeure

“168A. (1) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, by notification, extend the time limit specified in, or prescribed or notified under this Act in respect of actions which may not be completed or complied with due to force majeure.

(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date not earlier than the date of commencement of this Act.

Explanation.-For the purpose of this section, the expression “force majeure” means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act.”.

12. **Amendment to Section 172:** The time limit provided for removal of difficulties thereunder has been extended from three years to five years, with effect from the date of commencement of the said Act.

13. **Amendment to Schedule II:-**In Schedule II to the principal Act, in paragraph 4, the words “whether or not for a consideration,” at both the places where they occur, shall be omitted and shall be deemed to have been omitted with effect from the 1st day of July, 2017.

14. It seeks to provide retrospective exemption from State tax on supply of fishmeal, during the period from the 1st day of July, 2017 up to 30th day of September, 2019 (both days inclusive).

15. It further seeks to retrospectively levy State tax at the reduced rate of six per cent. on supply of pulley, wheels and other parts (falling under heading 8483) and used as parts of agricultural machinery of headings 8432, 8433 and 8436, during the period from the 1st day of July, 2017 up to 31st day of December, 2018 (both days inclusive).

16. It also seeks to provide that no refund shall be made of the tax which has already been collected.

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