

SKKA IDT ALERT

21/2023-24

The CBIC has issued a series of Notifications/Circular dated 31st Jul 2023 & 1st Aug 2023 to bring into effect provisions of Finance Act 2021, 2023 and give effect to the recommendations of the 50th GST Council meeting held in July 2023. In this alert, we are covering the brief synopsis of various changes/amendments notified.

1. Notification No. 27/2023-Central Tax dated 31st July 2023

Vide this Notification, the provisions of Section 123 of the Finance Act 2021 amending Section 16 of IGST Act has been notified w.e.f. 1st October 2023 **to provide for notifying class of goods/service and the class of persons who shall not be eligible to export with payment of IGST and also to allow zero rate benefit to supplies to SEZ only when the goods/service are used for authorised operations of SEZ.**

2. Notification No. 28/2023-Central Tax dated July 31, 2023

Vide this Notification, the provisions of Section 137 to 162 (except sections 149 to 154) of the Finance Act 2023* have been notified w.e.f. 1st October 2023.

Further, the provisions of Section 149 to 154 of the Finance Act 2023* have been notified w.e.f. 1st August 2023.

* **SKKA alert on Finance Act, 2023 amendment shall be issued separately.**

3. Notification No. 29/2023-Central Tax dated July 31, 2023

- Central Government notifies special procedure for filing an appeal against the order passed by the proper officer under section 73 or 74 of the said Act in accordance with **transitional claims pursuant to the directions of the Hon'ble Supreme Court in the case of Union of India v/s Filco Trade Centre Pvt. Ltd.**
- The appeal shall be made in duplicate in the specified form and shall be submitted manually.
- Requirement to pay deposit in terms of Section 107(6) has been done away with in this case.

4. Notification No. 30/2023-Central Tax dated July 31, 2023

For the manufacturer of Tobacco & Tobacco related products, CBIC has notified a special procedure to be followed as was done under the erstwhile Excise regime also.

- ✓ Submit a details of packaging machine used for filling pouches/container in Form **SRM-I**, within 30 days from issuance of this notification on common portal. For the new manufacturer, the details shall be furnished within 15 days of grant of registration.

- ✓ In case new packaging machine is installed or existing machine is removed the details shall be furnished within 24hrs of such activity in Form **SRM-IIA & SRM-IIB** respectively.
- ✓ Where a declaration has already been submitted to any other government department or any other agency or organization, the same shall be furnished by the said registered person in **FORM SRM-IA**.
- ✓ Maintain records of inputs procured, quantity utilized in production along with details of waste generated.
- ✓ Submit a monthly statement electronically on the common portal in **FORM SRM-IV**, the due date of which shall be 10th of the succeeding month.

The above is being done to regulate the sector as the said sector is prone to tax litigation on account of clandestine supplies etc.

5. Notification No. 31/2023–Central Tax dated July 31, 2023

Biometric based Aadhaar authentication shall be applicable for applicants in the state of Puducherry. Earlier the same was applicable only for the state of Gujarat.

6. Notification No. 32/2023–Central Tax dated July 31, 2023

Taxpayers having aggregate annual turnover up to **₹2 crores in FY 22-23 have been exempted from filing annual returns in Form GSTR-9. The same is in line with previous FYs also.**

7. Notification No. 33/2023–Central Tax dated July 31, 2023

Vide this notification, CG hereby notifies NBFCs [Operating as an Account Aggregator] as the systems with which information may be shared by the common portal based on consent under Section 158A of the CGST Act, 2017.

“Account Aggregator” means a non-financial banking company which undertakes the business of an Account Aggregator in accordance with the policy directions issued by the Reserve Bank of India under section 45JA of the Reserve Bank of India Act, 1934 (2 of 1934) and defined as such in the Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016

8. Notification No. 34/2023–Central Tax dated July 31, 2023

A supplier making supplies through ECOs who are required to collect tax at source, and have turnover below specified threshold as specified u/s 22(1) of CGST Act, shall be **exempted** from registration **subject to certain conditions.**

9. Notification No. 35/2023–Central Tax dated July 31, 2023

Appointment of Adjudicating Authorities in respect of notices issued to M/s BSH Household Appliances Manufacturing Pvt Ltd. under CGST Act & IGST Act.

10. Notification No. 1/2023–Integrated Tax dated July 31, 2023 w.e.f. 01.10.2023

Vide this notification, the Central Government has notified Pan Masala, Tobacco and related products cannot be exported with payment of Integrated Tax w.e.f. 01.10.2023.

11. Circular No. 201/13/2023-GST Dated 1st August 2023

These circular aims to clarify on applicability of GST on Services supplied by Director and supply of food or beverages in cinema hall.

Whether services supplied by director of a company in his personal capacity to the company or body corporate are subject to Reverse Charge mechanism

Issues	Taxability
Service supplied in the capacity of Director.	Taxable under RCM
Service supplied in personal or individual capacity such as renting of immovable property	Taxable under FCM subject to Director being GST registered person.

Whether supply of food or beverages in cinema hall is taxable as restaurant service.

Issues	Taxability
Supply of food or beverages in cinema hall independent of cinema exhibition service	Taxable as Restaurant Service
Sale of cinema ticket and food & beverages supplied in a bundle	Taxable at the rate applicable to cinema exhibition service, being a principal supply



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