

## MAJOR CHANGES IN GST - EFFECTIVE FROM 01.02.2019

1. Upper limit of turnover for opting composition scheme - *raised from Rs. 1 Cr to Rs. 1.50 Cr.*
2. A Composite dealer(in goods) shall be allowed to supply services (other than restaurant services), for a value not exceeding — *Higher of 10% of turnover in the preceding financial year, or Rs. 5 lakh.*
3. In case of purchase of goods from unregistered suppliers- *Reverse charge mechanism shall be applicable to notified registered persons only.*
4. The threshold limit of Turnover for exemption from registration in the States of Assam, Arunachal Pradesh, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand - *increased to Rs. 20 Lakh from Rs. 10 Lakh.*
5. Taxpayers may opt for multiple registrations within a State/U.T in respect of multiple places of business located within the same State/U.T on the same PAN even if same vertical of business. Earlier it was allowed for different vertical of business only.
6. Registration shall remain temporarily suspended while cancellation of registration is under process, so that the taxpayer could get relief of further continued compliance. (i.e Taxpayers will not be required to file returns for that period of pending order).
7. Mandatory registration is required for only those e-commerce operators who are required to collect tax at source.
8. The following transactions shall not treated as supply (i.e no tax payable under GST) under Schedule III:-
  - Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India;
  - Supply of warehoused goods to any person before clearance for home consumption; and
  - Supply of goods in case of high sea sales.
9. Registered persons may issue consolidated credit/debit notes to a party in respect of multiple invoices issued in a Financial Year to that party.
10. Commissioner may extend the time limit for return of inputs and capital sent on job work, upto a period of 1 year and 2 years, respectively.
11. Place of supply shall be outside India, where job work or any treatment or process has been done on goods temporarily imported into India and then exported out of India without putting them to any other use in India except the uses which were necessary for the purpose of such job work or treatment or process.
12. Recovery of taxes, interest, fine, penalty etc. can be made from distinct persons, even if such distinct persons are present in different State/Union territories.
13. If RBI would permit, Supply of services outside India shall be regarded as exports, even if payment is received in Indian Rupees.
14. Input tax credit will be available in respect of the following:-
  - Most of the activities or transactions specified in Schedule III;

- Motor vehicles for transportation of persons having seating capacity of more than thirteen (including driver), vessels and aircraft;
- Services of general insurance, repair and maintenance in respect of motor vehicles, vessels and aircraft on which credit is available; and
- Goods or services which are obligatory for an employer to provide to its employees, under any law for the time being in force.