

No GST for the No claim Bonus (NCB) offered by the Insurance Companies

NCB is a reward given by an insurance company to an insured for not raising any claim requests during a policy year. The NCB is a discount ranging between 20%-50% and is given to the insured while renewing a policy.

It is clarified that there will be no GST charged against the NCB offered by the insurance companies.

No Claim Bonus (NCB) is a permissible deduction under clause (a) of sub-section (3) of section 15 of the CGST Act for the purpose of calculation of value of supply of the insurance services provided by the insurance company to the insured.

Accordingly, where the deduction on account of No claim bonus is provided in the invoice issued by the insurer to the insured, GST shall be leviable on actual insurance premium amount, payable by the policy holders to the insurer, after deduction of No Claim Bonus mentioned on the invoice.

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Insertion of clause (fa) in Section 17(5) under CGST Act

ITC cannot be claimed for goods or services intended for corporate social responsibility activities.

According to the newly inserted provision in Section 17(5)(fa), ITC is specifically blocked for goods or services received by a taxable person, which are used or intended to be used for activities relating to their obligations under Corporate Social Responsibility as referred to in Section 135 of the Companies Act, 2013.

In Re GRB Dairy Foods (P) Ltd. (2022) - AAR Tamil Nadu

Issue: Eligibility of Input Tax Credit (ITC) for promotional scheme inputs.

Decision: ITC not available as goods and services were without consideration, meant for personal consumption by retailers, not for further supply or direct advertising by the company.

Reversal of ITC under GST



- If a registered person claims input tax credit for goods or services but fails to pay the supplier within the specified time limit, they must repay the credited amount with interest in the next GSTR-3B return after 180 days from the invoice date.
- **The repayment is proportionate to the unpaid amount**
- As per Rule 37(1), the ITC will be reversed only in proportion to the unpaid invoice and tax payable amount. This was in response to [Notification No. 19/2022-CT \(R\)](#), which needed to be clarified about whether ITC had to be reversed on the full amount or only on the unpaid amount.
- It has added a new rule 37A to the CGST Act, 2017, based on its Section 16(2)(c). Accordingly, buyers must reverse the ITC claims on taxes not deposited by their supplier by September 30th of the following year via the GSTR-3B form filed by November 30th. However, this ITC can be reclaimed when the supplier pays the requisite taxes.



GST rate of 28% on the value of initial deposits staked / chips purchased by players with online real money gaming platforms / casinos will be implemented from 1 October 2023.

In effect, to place a bet of Rs 100/-, a consumer will have to shell out Rs 128/- (Rs 28/- being the GST) or if the available amount is Rs 100/- the full value of the bet will be Rs 78/- (and the GST is Rs 22/-) if GST is included therein.

Moreover , there will be 30 per cent TDS on net winnings.

E-Way Bill for Imitation Jewellery

New Rules of E-Way Bill in 2023



The Central Board of Indirect Taxes and Customs (CBIC) has introduced Rule 138F to the Central Goods and Services Tax (CGST) Rules, 2017, through Notification No. 38/2023. This rule mandates the requirement of e-way bills for the intra-state movement of gold and precious stones falling under Chapter 71 of the Customs Tariff Act, 1975.

The introduction of Rule 138F signifies a pivotal step in regulating the intra-state movement of specified goods, particularly gold and precious stones.

E-way bill applicable on intra-state and inter-state movement of Imitation Jewellery

E-waybill is required to be generated in case of transportation of 'Imitation Jewellery'.

According to the notification, any person transporting gold and precious metals valued at Rs. 2 lakhs or more within a state will be required to generate e-way bills, if the state/UT GST laws notifies so.

This rule is intended to improve transparency and aid governments in monitoring the movement of valuable commodities, ultimately helping curb potential tax evasion.

Annexure [See Rule 138(14)]

Sl. No.	Description of Goods
1	Liquefied petroleum gas for supply to household and non domestic exempted category (NDEC) customers
2	Kerosene oil sold under PDS
3	Postal baggage transported by Department of Posts
4	Natural or cultured pearls and precious or semi-precious stones; precious metals and metals clad with precious metal (Chapter 71)
5	Jewellery, goldsmiths' and silversmiths' wares and other articles (Chapter 71)
6	Currency
7	Used personal and household effects
8	Coral, unworked (0508) and worked coral (9601)

▶ **CGST Rule 138(14) Exempt form GST E-way Bill**

- ▶ "(14) Notwithstanding anything contained in this rule, no GST e-way bill is required to be generated-
- ▶ (a) where the goods being transported are specified in Annexure;



The Central Board of Indirect Taxes (CBIC) announced [Notification No. 10/2023–Central Tax dated May 10, 2023](#), as an amendment to **Notification No. 13/2020 – Central Tax, dated March 21, 2020**, to reduce the **e-invoicing turnover limit to Rs 5 Crore**, to be implemented wef **August 1, 2023**.

This means that e-Invoice generation will be Mandatory for every taxpayer with an annual aggregate turnover exceeding Rs 5 Crore.