CGST ACT CHARGING SECTION

Sec. 9(5)

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A. Transportation of passengers by Radio Taxis, Rickshaw, Metered Taxis & Any other Motor vehicle excluding omnibus

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Tax to be paid by ECO

B. Transportation of passenger Service by omnibus

i) Supplier = Other than Company → ECO ii) Supplier = Company → Company

C. 1. Hotel accommodation service 2. House keeping service

(i) If supplier is registered → Supplier
(ii) If supplier is not registered → ECO

D. Restaurant Service

If Restaurant (RP or URP) Supply service through ECO ⟶ ECO u/s 9(5)

If Restaurant is situated in a Hotel having declared tariff of more than ₹7500/day & supplies such service through ECO ⟶ Restaurant u/s 9(1)

ECO has physical presence	ECO itself
ECO does not have physical presence	Representative of ECO
ECO doesn't have physical presence nor has reprentative	Person appointed by ECO

Situation	Person Liable to pay tax
Shiv Sagar Restaurant, a registered person in GST is supplying service through Zomato, an ECO	Zomato u/s 9(5)
Status Restaurant, an unregistered person supplying service through Swiggy, an ECO	Swiggy u/s 9/5)
Masala Kraft, a restaurant in Hotel Decent where the declared tariff is 2500/day supplies service through Zomato, ECO	Zomato u/s 9(5)
Shamiana, a restaurant in Taj Hotel where the declared tariff is 1,00,000/day supplies service through Zomato, ECO	Shamiana u/s 9(1) Restaurant
Neeta Travels Pvt ltd is supplying transportation of passenger service in an omnibus through REDBUS app.	Neeta Travels Pvt ltd u/s 9(1)
Eagle Travels, a partnership firm is providing transportation of passenger ger service in an omnibus through GOIBIBO app	GOIBIBO, an ECO u/s 9(5)

TCS

ECO

Every ECO not being an agent who goods & collects consideration on behalf of supplier from customer on net value of taxable supplies made through it by suppliers has been mandated to collect TCS.

E.g. OLX is an agent as consideration is not routed through him to supplier and hence it is not covered u/s 52

Collect TCS @1% on 'net value of taxable' supplies and deposit by 10th of next month

Flipkart

Rs. 99,000 + Rs. 18,000

Rs. 1,18,000

ECO

NIKE

Recipient

Sale of goods

SP	=	1,00,000
+GST @18%	=	18,000
		1,18,000

GST = 18,000 payable

Amount of Rs. 1000 shall be reflected in E-Cash Ledger of 'Nike'

Net Value of taxable supplies:

Add: Aggregate value of taxable supplies of G/S [Other than those notified u/s 9(5)]
Less: Taxable supplies returned to suppliers

<u>**Cases where TCS is not collected**</u>

→ Supplies on which tax is payable as per RCM.
→ Import of goods/service.
→ Supplies on which Goods/Services are Exempt.

Rate of TCS = 1%

- Intra:- → CGST @ 0.5%, SGST@ 0.5%
- Inter:- → IGST@ 1%

Due date of TCS = 10th of next month following the month in which such supplies takes place.

Delay in Depositing TCS = Interest @ 18% p.a.

Return = Form No:- GSTR-8

Late fees on filing delayed return:

Rs. 100/ day
Or
5,000
} W.I.L.

Due date of filing Annual Statement = 31st December of next FY.

Notice to ECO

Deputy Commissioner → Send Notice → ECO

Furnish details:
- Volume of G/Sr.
- Stock of goods lying in godown

ECO shall furnish details within 15 working days.

Fails to furnish info → Penalty u/s 122 (+) Penalty upto 25,000

REGISTRATION

Person supplying Through ECO who deducts TCS u/s 51

- **Goods**
  - **Intra-state** → o/s Sec 24 → Compulsory Registration is not required → For this, the Supplier & ECO have to follow procedure
  - **Interstate** → Covered u/s 24 → Compulsory Register is required u/s 24
- **Service** → o/s ambit of sec 24 → Register only after it exceeds 20L/10L

ECO → Who collects TCS u/s 52 →

Eg.
Flipkart, ECO required TCS u/s 52, C/R = ✓
OLX, ECO is not required to collect TCS u/s 52, C/R = ×

Unregistered persons who are supplying goods, through ECO (TCS u/s 52)

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Not required to obtain Compulsory Registration u/s 24

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Subject to following conditions

i) not make any inter-State supply of goods;
ii) not make supply of goods through ECO in more than one State/Union territory;
iii) PAN
(iv) such persons shall, before making any supply of goods through ECO, declare on the common portal:
   a. their PAN b. address of POB
   c. State/UT in which such persons seek to make such supply,
   which shall be subjected to validation on the common portal;
(v) He is granted enrolment number on the common portal
(vi) not be granted more than one enrolment number
(vii) no supply of goods shall be made by such persons through ECO unless such persons have been granted an enrolment number on the common portal

A special procedure has been followed by ECO through which above unregistered persons supply goods

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(i) ECO shall allow the supply of goods through it by the said person only if enrolment number has been allotted on the common portal to the said person;
(ii) ECO shall not allow inter-state supply of goods through it by the said person
(iii) ECO shall not collect TCS u/s 52(1).
(iv) ECO shall furnish the details of supplies of goods made through it by the said person in Form GSTR-8

COMPOSITION SCHEME

Sec 10(2) - [All these restriction are to be followed in CFY as Composition scheme shall be opted in CFY]

- Supply of service other than restaurant should not exceed: 10% x T/o in PFY or 5L, w.i.h
- not supply goods & service that are **not leviable to tax** (ie Alcoholic liquor, 5 Petroleum Products)
- not engaged in **inter-state outward** supplies of goods/service
- not engaged in ~~goods*~~/service supplied through **e-commerce operator**

Compo Taxpayer

Supplies Goods within state through ECO	Supplies Goods Outside state through ECO	Supplies service through ECO (within/outside state)
Continue to pay tax as per compo scheme	Opt out of compo scheme	Opt out of compo scheme

Special procedure to be followed by ECO through which composition supplier supplies goods

The composition suppliers are permitted to make supply of goods through such ECOs.
Composition suppliers are yet not permitted to supply service through ECO.

i) Not allow any inter-State supply of goods
ii) The ECO shall collect TCS u/s 52(1) in respect of supply of goods made through it
iii) The ECO shall furnish the details of supplies of goods made through it by the said person in the statement in Form GSTR-8 electronically on the common portal.

OFFENCES AND PENALTIES

Section 122(1B)

If ECO permits unregistered person to make inter-state supply through it

or

fails to furnish correct details in Form GSTR-8 with respect to any outward supply of goods through it by an uneegistered person who is exempted from registration

Penalty = ₹10,000
or
100% x Tax involved
(if the supply had been made by registered person under normal scheme)
} W.I.Higher

RETURNS

TCS Deductor u/s 52

Form No. GSTR-8

Due Date : 10th of next month

Rectification of any omission / incorrect particulars shall be allowed by

= 30th November foll. the end of FY
or
Actual date of filing Annual Statement
} w.i.e.