



Date: 28 April 2021

VIRTUAL COACHING CLASSES ORGANISED BY BOS, ICAI

INTERMEDIATE LEVEL PAPER 4B: INDIRECT TAXES REGISTRATION

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Introduction- Why Registration?

- Fundamental Requirement for identification of tax payers
- First step towards becoming GST Compliant

Why Registration under GST?

Legally recognize a
Person as supplier

Collect Tax

Claim any Credit of Tax

- Does it mean that a person not registered is not liable to Pay?

He is still liable to **Pay** but not entitled to **Collect**. Because the charging section 9 says there shall be levied a tax called the CGST... and shall be paid by the taxable person.

Q. A Consultant with TO is Rs 50 Lakhs is not registered, what will he do?

- Registration ensures seamless flow of credit from supplier to recipient at national level
- Registration is PAN based / One Registration for all taxes i.e. CGST, SGST/UTGST, IGST & Cess



Registration Conditions

- No Centralised Registration, Registration is for each state / UT.
- Register in every state from where he makes a taxable supply

Taxable Turnover in Karnataka	10 Lakhs	Reg Required
Non Taxable Turnover in Maharashtra	30 Lakhs	Reg Not Required
Aggregate Turnover	40 Lakhs	

Which would imply that no registration is required in a state if he is not making any taxable supply



Branches within a state

- Multiple branches in a state, but single registration is sufficient. Mention PPoB and APoB
- Provided that a person having multiple places of Business in a state may be granted separate registration for each such place of Business

Situation	Registration
Business 1 – IT Software Services Business 2 – Employee Training Services Location – Common Office	Separate registration not possible since the businesses are operating from a common location
Business 1 – Hotel Business 2 – Hotel Location – Separate Locations	Separate registration possible since businesses are located at different Locations



Taxable Person & Sections

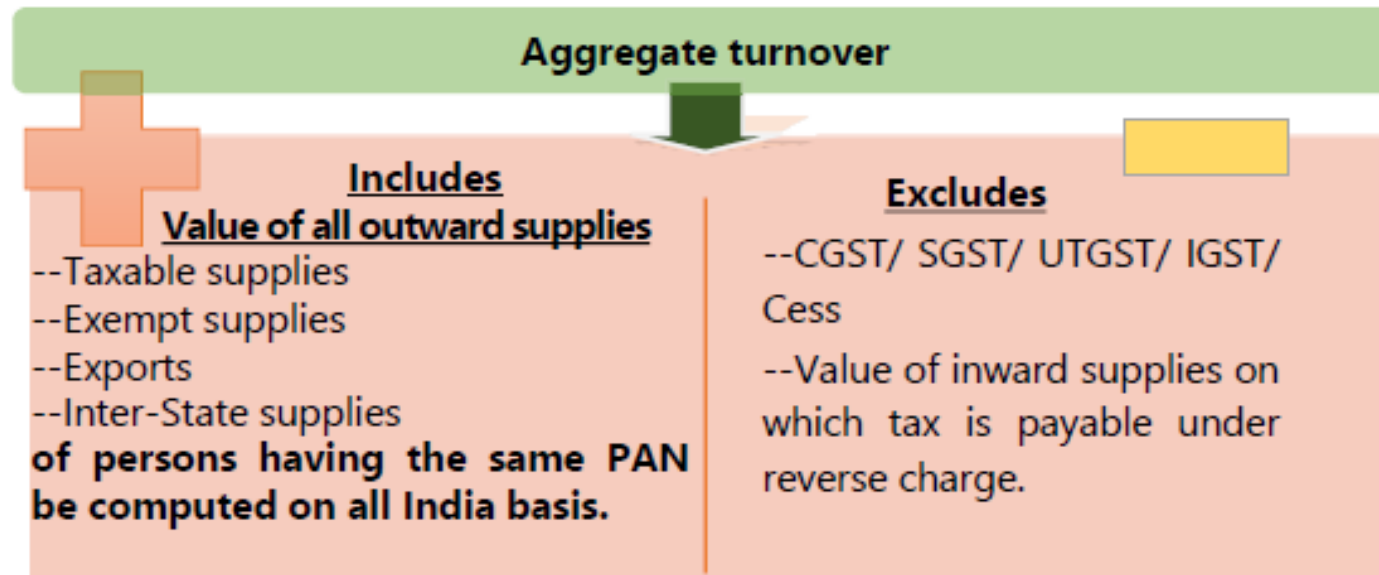
- Taxable Person - 2(107) – A person registered or liable to be registered.
- Registration - Sections

Sections	Scope
Section 22	Persons liable for registration
Section 23	Persons not liable for registration
Section 24	Compulsory registration in certain cases
Section 25	Procedure for registration
Section 26	Deemed Registration
Section 27	Special provisions related to casual taxable person (CTP) and non registered taxable person (NRTP)
Section 28	Amendment of Registration
Section 29	Cancellation or surrender of registration
Section 30	Revocation of cancellation of registration



Section 22

- Every supplier of goods or services or both is required to obtain registration
- In the State or UT from where he is making a taxable supply
- If his Aggregate Turnover > specified threshold limit



- Aggregate Turnover > Rs 20 Lakhs / Rs 10 Lakhs for Special Category States – (TNMM)



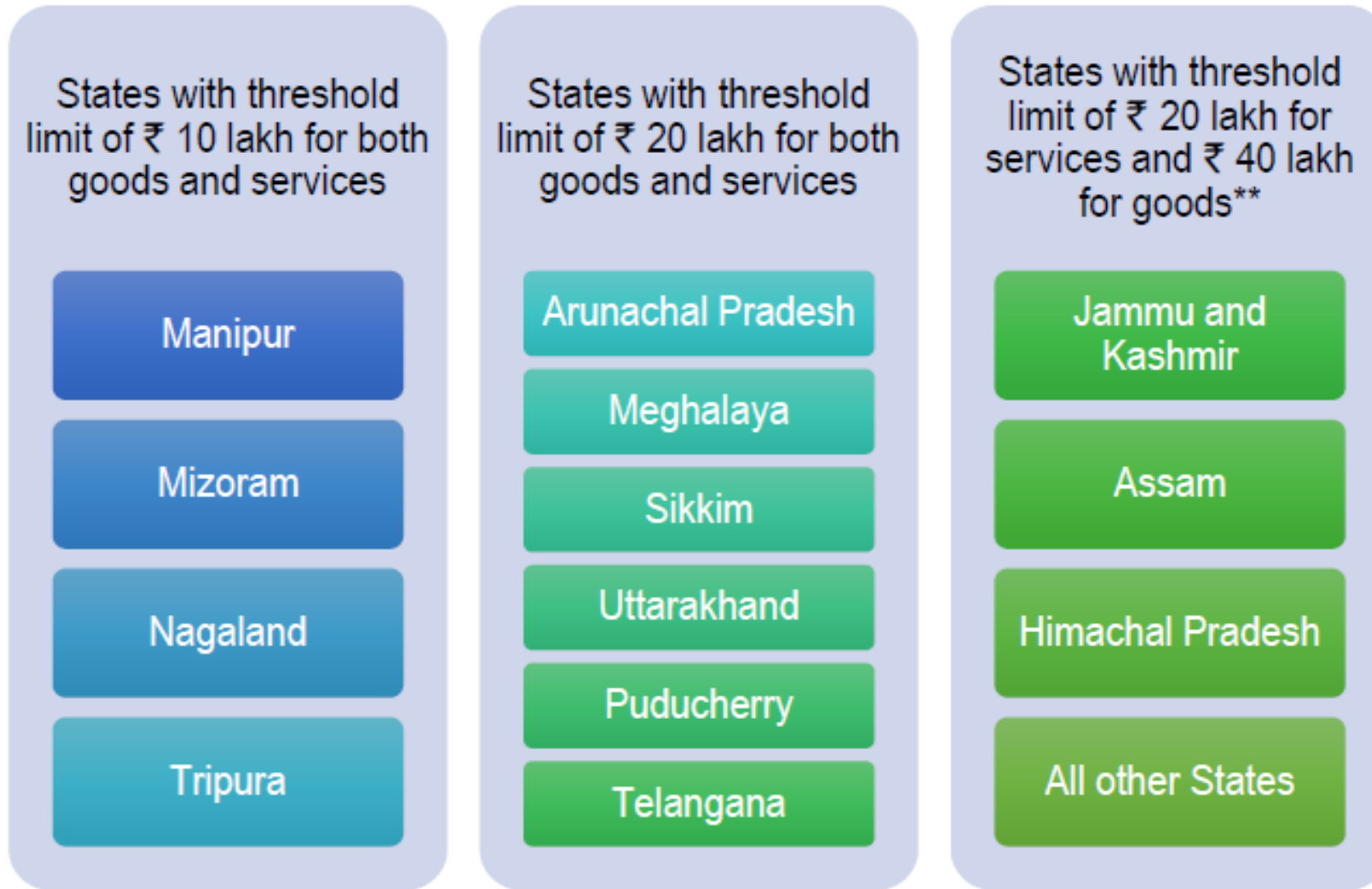
Section 22 contd..

- Case – Dayanand Sagar is providing Legal Services to Azim Premji Pvt Ltd for Rs 30 Lakh. Included in Aggregate Turnover of Dayanand Sagar but tax is payable by recipient.
- Aggregate TO excludes CGST/SGST/UTGST/IGST/Cess, what about TCS?
Circular No 76/50/2018 dt 7.3.19 - TCS is an interim levy & not having character of tax.
- Value of exported goods/services, exempted goods/services, Interstate supply between distinct person with same PAN to be included.
- Turnover on own account or on account of Principal to be included. TO -> Agents hands.
- Job worker, following supplies will not be included -
 - Goods returned to principal
 - Goods sent to another Job-work
 - Goods directly supplied from his premises by the Principal
- Aggregate Turnover Vs Turnover in a state



Threshold Calculation

- Threshold limit - 20 Lakhs for the Financial year. Illustration
- 20 Lakhs is reduced to 10 lakhs in case of TNMM
- Effect – If a Company has a branch in Mizoram and Kerala?
- The limit is reduced for Kerala as well
- Notification No 10/2019 dt 7.3.19 limit is 40 Lakhs who are in exclusive supply of goods
- The following person cannot opt for this benefit -
 - Persons covered under compulsory registration – section 24
 - Supplier of Ice-cream, Pan masala, tobacco and tobacco substitute products.
 - Persons opted for voluntary registration or any person who intends to continue
 - Persons engaged in intra-state supply in 10 states, in effect 6 states.



** 1) persons exclusively engaged in intra-state supply of goods

2) even if he is engaged in exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount



Registration – Transfer of Business

In case of
death of a
Proprietor

- Date of transfer /
Succession

In case of
Amalgamation
/ Demerger

- Date from which the ROC
issues Certificate of
Incorporation and not
Date of Court Order



Persons making Interstate taxable supply

- Exception: 1. Taxable services 2. Notified handicraft goods – 20 L / 10 L can be calculated

Casual taxable Person making taxable supplies

- exception - Notified handicraft goods

Person required to pay tax under RCM

- Person making exclusively outward supply liable to RCM is exempted

Non Resident Taxable Person

E-Commerce operator – however supply of services can claim exemption.

TDS Deductor – section 51

Agent

Input Service Distributor

Online Information Database access and Retrieval (OIDAR) Service provider

Any other person notified by Government.



WHO IS LIABLE TO REGISTER (IRRESPECTIVE OF THRESHOLD)





Persons not liable for Registration - 23

- Engaged **exclusively** in the business of supplying goods or/and services not liable to tax OR supply of wholly Exempt goods or/and services. [No limit]
 - Petroleum Products
 - Charitable Trust engaged exclusively in charitable activities, but if they engage in any supply of books/ rent some premise, then they cannot get the concession of this section.
- Agriculturist to the extent of supply of produce out of cultivation of land [No limit]
 - Definition of Agriculturist 2(7)
 - Individual / HUF who undertakes cultivation of land –
 - a. By own labour
 - b. By labour of the family
 - c. By servant on wages or hired labour - under personal supervision or supervision of any member of the family.



Persons not liable for Registration - 23

- Specified persons notified by Government
 - Notification No 5/2017 – Person making only RCM supplies
GTA -----→ Pvt Ltd Company
 - Persons making Inter-state taxable **supply of service** upto 20 Lakhs / 10 Lakh for TNMM.
 - Inter-state supply of notified handicraft goods.
 - Inter-state supply of notified products made by craftsmen predominantly by hand.
Conditions: 1. Upto 20 Lakh / 10 Lakh. 2. Obtain PAN and generate E-way bill
 - Casual Taxable Person - Handicraft goods / Goods made by craftsmen.
 - Commission Agent or sale/purchase of agricultural produce.
 - Principal should be taxable person
 - Supplies made by commission agent should be taxable.

Section 25 – Procedure for Registration

Application – Form GST REG 01.

UIN granted is a centralized UIN and applicable to the territory of India.

A person having UIN is not a registered person & thereby not a taxable person.. Then why this Registration / UIN number is needed? To claim refund on purchases they make..

SEZ within the same state, still it has to take separate Registration. SEZ is considered to be a place outside India for all tax purposes.

Casual Taxable Person (CTP)	<u>Non Resident Taxable Person (NRTP)</u>
Has no fixed place of Business in the state/UT from where he wants to undertake supply	Has no fixed place of Business or Residence in India
CTP needs to register in every state from where he wants to do Business	NRTP needs to register in the state from where he seeks to supply.
(1) CTP and NRTP cannot opt to pay tax under Composition Levy. (2) No Centralized scheme for both	

Timeline for Application

Person liable to Register under section 22 or 24

- within 30 days from the date on which he becomes liable for registration

CTP / NRTP

- have to apply 5 days prior to commencement of Business

One Registration per State – No Centralized Registration – separate state wise registration within state PPOB & APoB to be declared

Option to obtain independent registration with respect to each such separate place of Business, in such case treated as Distinct persons and transaction between them are taxable.

Apply separate Application in GST REG -01.

Composition Levy – If opted for regular then cannot opt for Composition for any other place of Business / If one place is ineligible then all places are ineligible.

Other aspects

Voluntary Registration - 25(3) - Not liable under 22 or 24 can still get registered, i.e If TO < 20L/10L

Distinct person section 25(4) and 25(5)

PAN Compulsory, even for CTP but not for NRTP [Passport for NRTP] Person under section 51 can apply through TAN

UIN Number –

For Claiming refund

They are not registered person so no return need to be filed by them

Centralized UIN for all operations in India

Issue UIN number within 3 working days from the date of submission.

Other aspects

Suo-moto Registration – On his own account [Registration by Proper Officer]

Temporary Registration

Submit an application with 90 days of TRN or

File an appeal against the TRN. IF rejected then apply with 30 days of the Order.

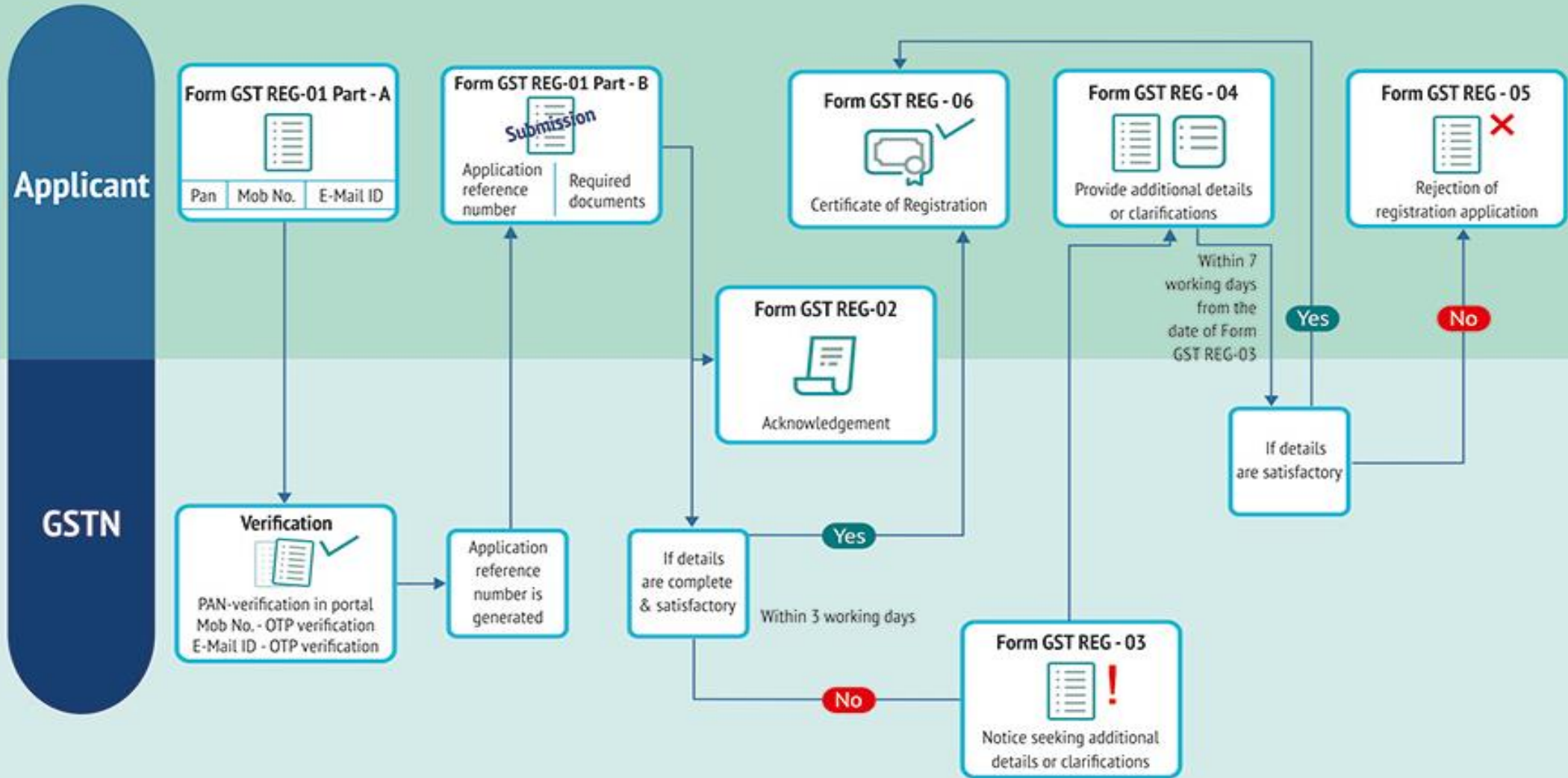
Procedure for Registration

Normal Registration Procedure - All Taxable Persons / CTP / Voluntary Registration /
Composition Levy **[GST REG 01]**

Special Registration Procedure - NRTP / TDS – 51 / TCS -52/ OIDAR



GST - Registration Process





If the proper officer fails to take any action in the following cases within the stipulated time, the application for grant of registration shall be deemed to have been approved-

in cases where a person successfully undergoes authentication of Aadhaar number or is exempt from Aadhaar authentication

•within a period of 3 working days from the date of submission of application

in cases where a person fails to undergo Aadhaar authentication or does not opt for Aadhaar authentication

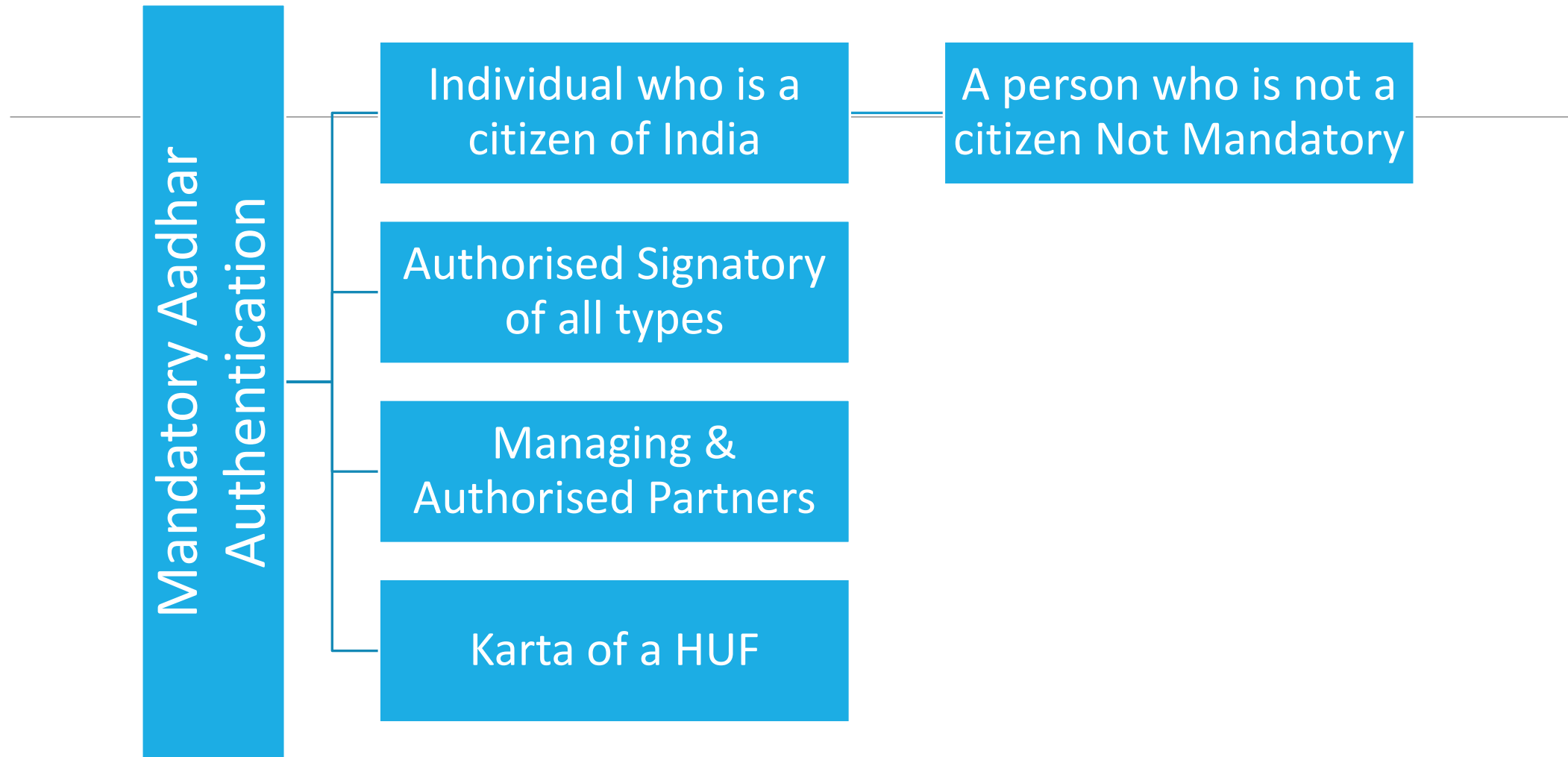
•within a period of 21 days from the date of submission of application

in cases where Proper Officer issues notice seeking clarification, information or documents from the applicant

•within 7 working days from the date of receipt of clarification, information or documents furnished by the applicant

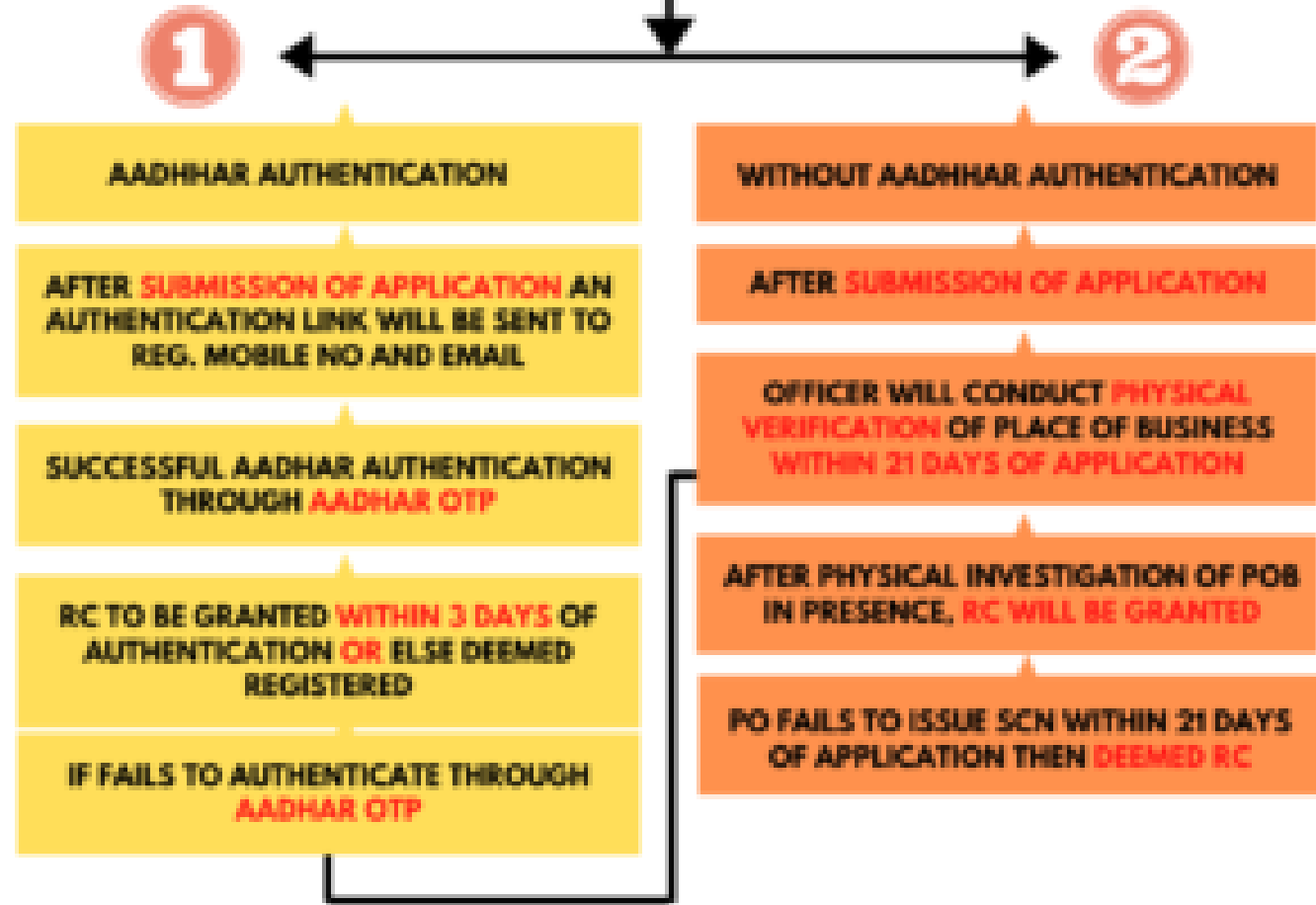


Aadhar Authentication



Aadhar Authentication

GST REGISTRATION (W.E.F. 21ST AUG, 2020)



note : If SCN (reg 03). received within specified period the applicant need to file clarification. After filing, clarification officer should grant RC within 7 days or else deemed RC.



Bank account details

The Bank account details of the proprietor or the Entity has to be given at the time of application

However, if it is not available at the time of application, it can be submitted within 45 days from the date of grant of registration or date of furnishing return whichever is Earlier.

But for TDS deductor / TCS collector and suo-moto registration, Bank account has to be mandatorily given at the time of application.

Effective date of Registration

Physical verification – After grant of Registration. Upload documents – verification report of photographs, within 15 days of verification.

Effective date of Registration

Where an applicant submits application for registration	effective date of registration is
<u>within</u> 30 days from the date he becomes liable to registration	the date on which he becomes liable to registration
<u>after</u> 30 days from the date he becomes liable to registration	date of grant of registration



GSTIN - GST Identification Number

Format of GSTIN

22 AAAAAA0000A 1 Z 5



Display the RC at a prominent location

Use it in all official documents

GSTIN should be displayed on the name board displayed at entrance of PPOB & APOB

CTP & NRTP

CTP – 2 (20)

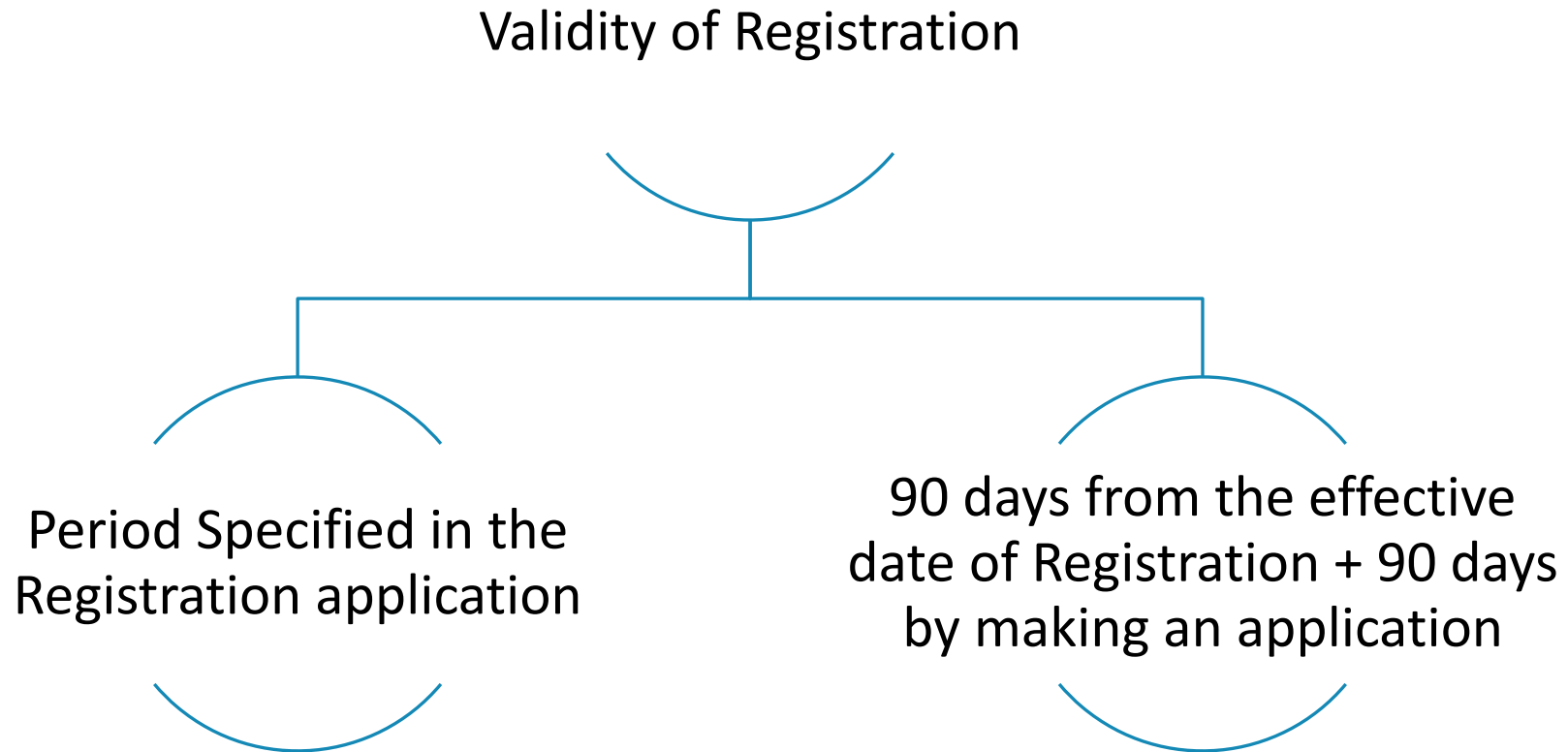
A person who occasionally undertakes transactions involving supply of goods or services or both in the course or furtherance of business, whether as principal, agent or in any other capacity, in a State or a UT where he has no fixed place of business;

NRTP - 2 (77)

Any person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India.

Casual Taxable Person (CTP)	Non Resident Taxable Person (NRTP)
Has no fixed place of Business in the state/UT from where he wants to undertake supply	Has no fixed place of Business or Residence in India
He might be registered in any other state where he undertakes supply	He is not registered in any other state
CTP needs to register in every state from where he wants to do Business	NRTP needs to register in the state from where he seeks to supply.
PAN is Compulsory	Passport for Individual Business Entity - Tax Identification Number or Unique Number
Normal Registration Process - GST REG 01	Special process GST REG 09
Duly verified by the Registered Person	Duly signed or verified through EVC by his authorised signatory who shall be a person resident in India having a valid PAN
Cannot opt to pay tax under Composition Levy	
No Centralized scheme	
Threshold Limit does not apply	
Exception: CTP - Notified Handicraft & craftsmen goods	
Advance Deposit of the estimated Tax liability	
Apply 5 days before commencement of Business	

CTP / NRTP – Validity of Registration



AMENDMENT OF REGISTRATION



Two Categories of details
in Registration

Core Fields

- Change in :
1. Name of Business
 2. Addition/Deletion of Stakeholders
 3. Principal/Additional Place of Business.

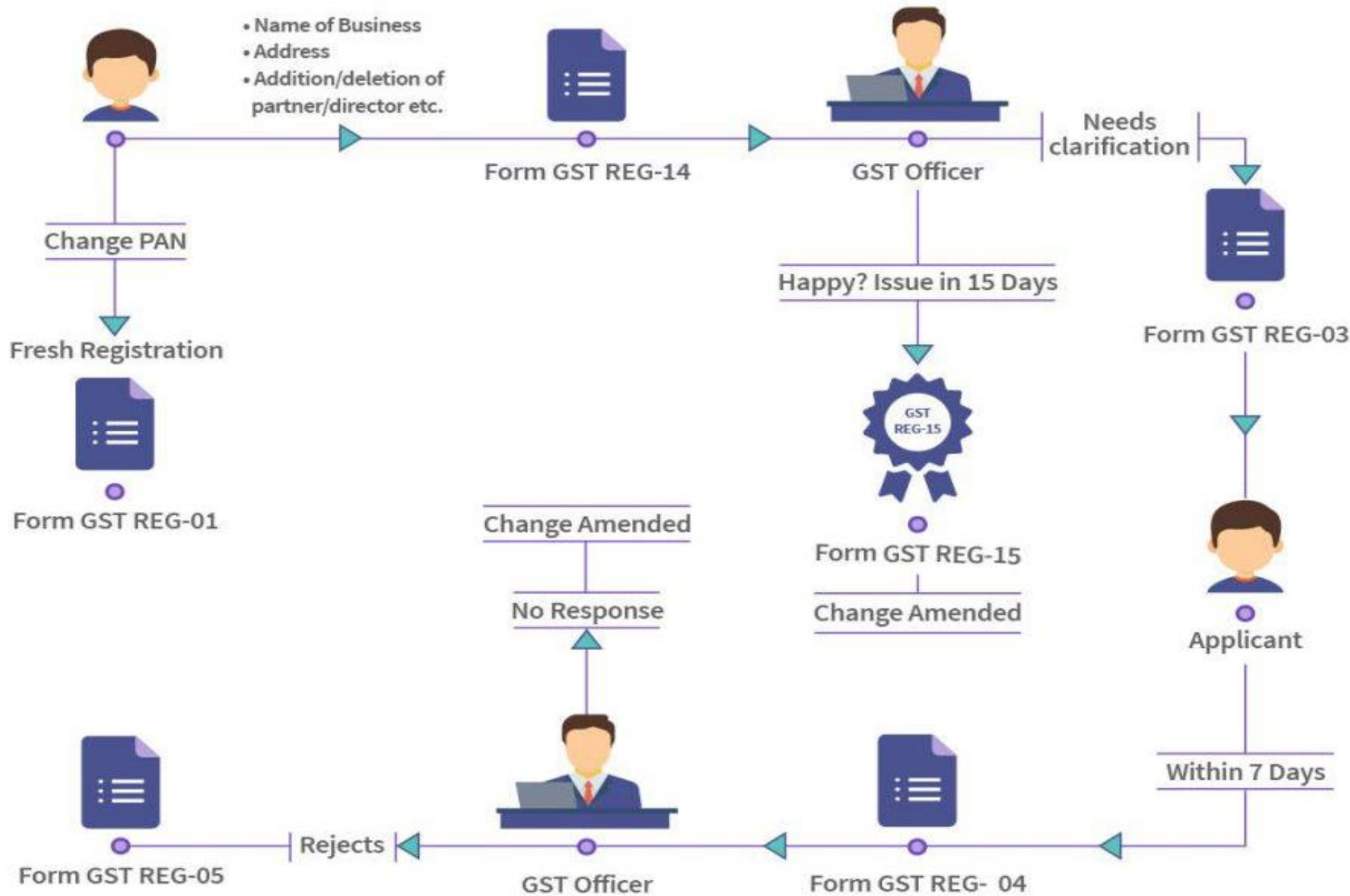
Approval of Proper
Officer Required

Non-Core Fields

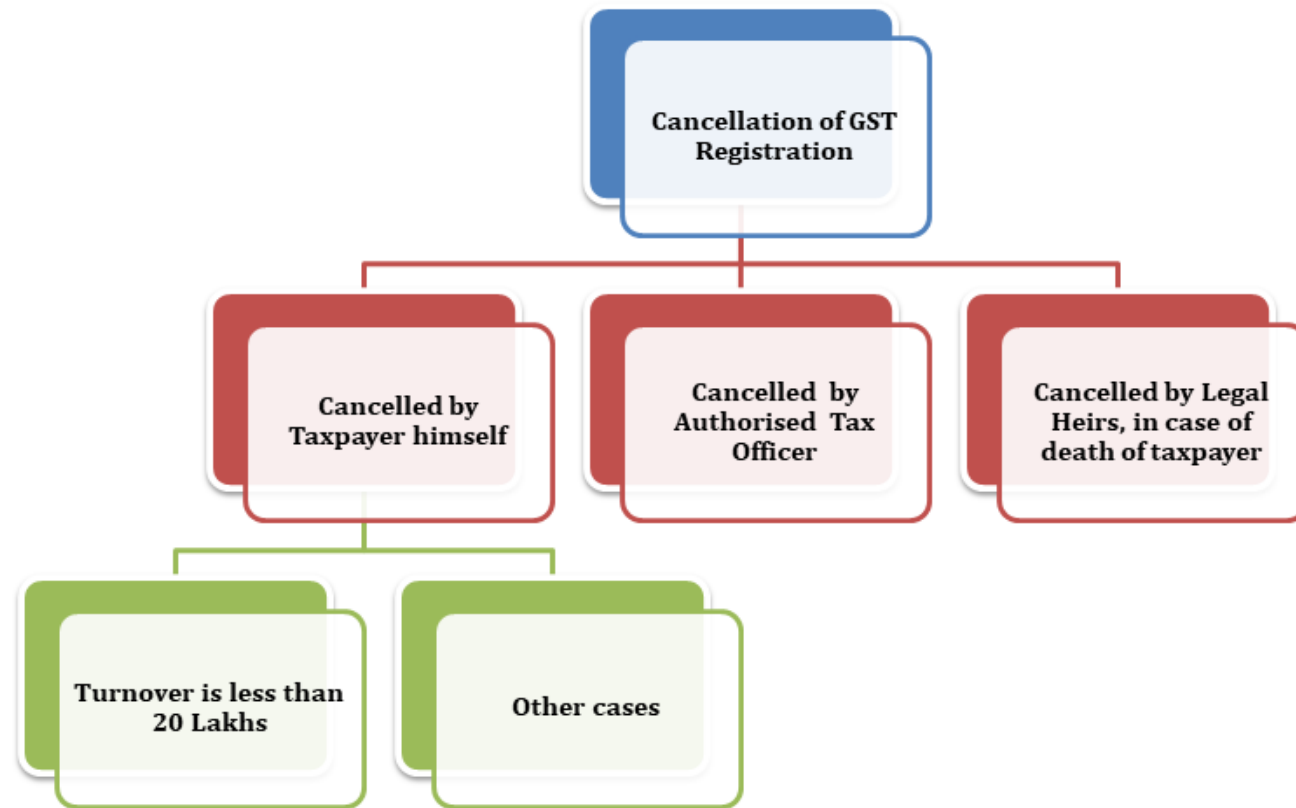
All other fields are
Non-Core Fields such
as Email Id, Mobile
Numbers, etc.

Approval of Proper
Officer **NOT** Required

Amendment of Registration



Section 29 – Cancellation for Registration



Cancellation by proper officer

Registered person contravenes provisions of GST Law

Any person paying tax under composition scheme failed to furnish GST returns for 3 consecutive tax periods

Any registered person, other than person opting to pay tax under composition scheme, fails to file GST return for continuous periods of 6 months

Any person who obtains voluntary registration under GST and not commences his business within 6 months from date of registration

Registration obtained by means of fraud, willful misstatement or suppression of facts.

SUSPENSION OF REGISTRATION IN GST

When an application is made for Cancellation of Registration whether by Taxable Person or Department, it takes time to Cancel the Registration. So during this period, Proper Officer may Suspend the Registration.

PERIOD OF SUSPENSION

Registered Person Applied for Cancellation

- From date of submission of application
- OR
- From date from which Cancellation is sought.
- Whichever is LATER
- Till Completion of Cancellation

Department initiated Cancellation on its Own

- From date to be decided by him.
- Till Completion of Cancellation.

- During Suspension, a Registered Person **shall not make any Taxable Supply** and File any *GST Returns*.
- In this way, a Taxpayer is freed from GST Compliances during Suspension.

❑ Clarification : The Expression “**SHALL NOT MAKE ANY TAXABLE SUPPLY**” shall mean that –

- The Registered Person shall not issue a TAX INVOICE and,
- Not Charge Tax on Supplies made during the Period of Suspension.

❑ In case an order came for *Reversal* of Suspension of Registration (i.e. Registration Not Cancelled), the Taxpayer has to –

- Issue Revised Tax Invoices and,
- File First Return

For the Supplies made during the Period of Suspension.

Procedure for Cancellation

Voluntary Cancellation

Electronically submit application within 30 days of occurrence of event.

Furnish details of inputs held in Stock / semi-FG / FG and Capital Goods

Proper Officer to pass an Order with 30 days from application submission

Suo-moto Cancellation

Officer to Issue a Show Cause Notice

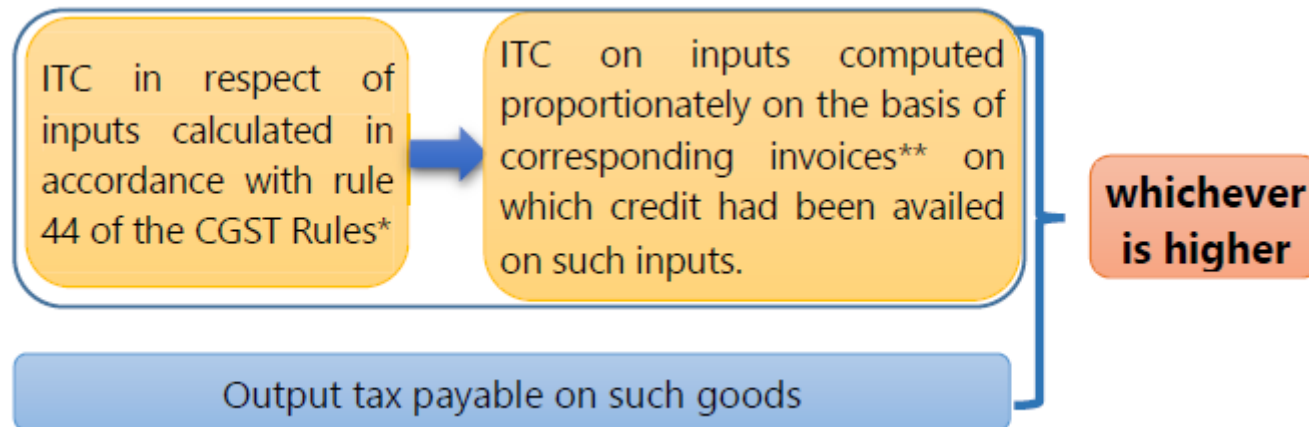
Registered Person to Reply within 7 days

If Reply if satisfactory, officer will drop cancellation. Else issue a cancellation Order within 30 days from date of reply.

Effective date of cancellation from a date determined by officer.

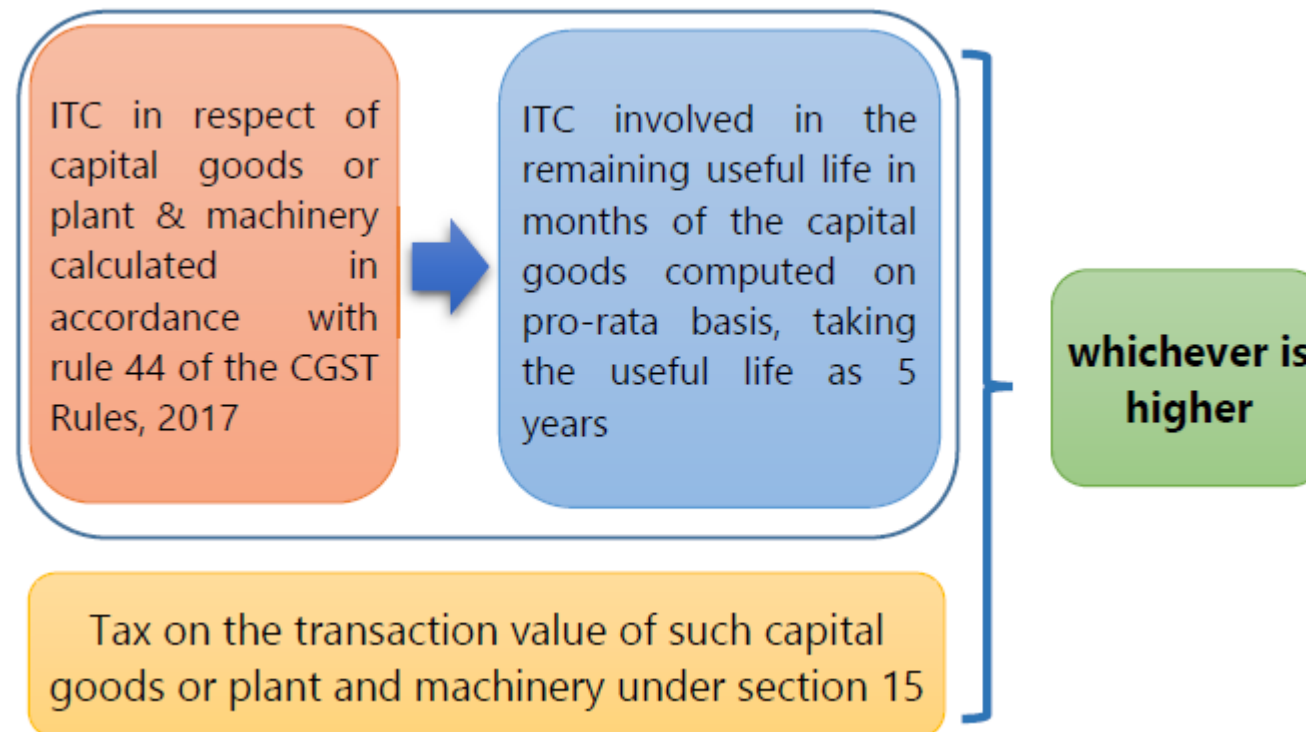
Amount payable on Cancellation

Amount Payable on cancellation - Inputs



Amount payable on Cancellation contd

Capital Goods



Revocation of Cancellation

Apply for Revocation within 30 days from the date of service of Order of Cancellation

If Proper Officer is satisfied he may revoke the cancellation Order within 30 days or receipt of application

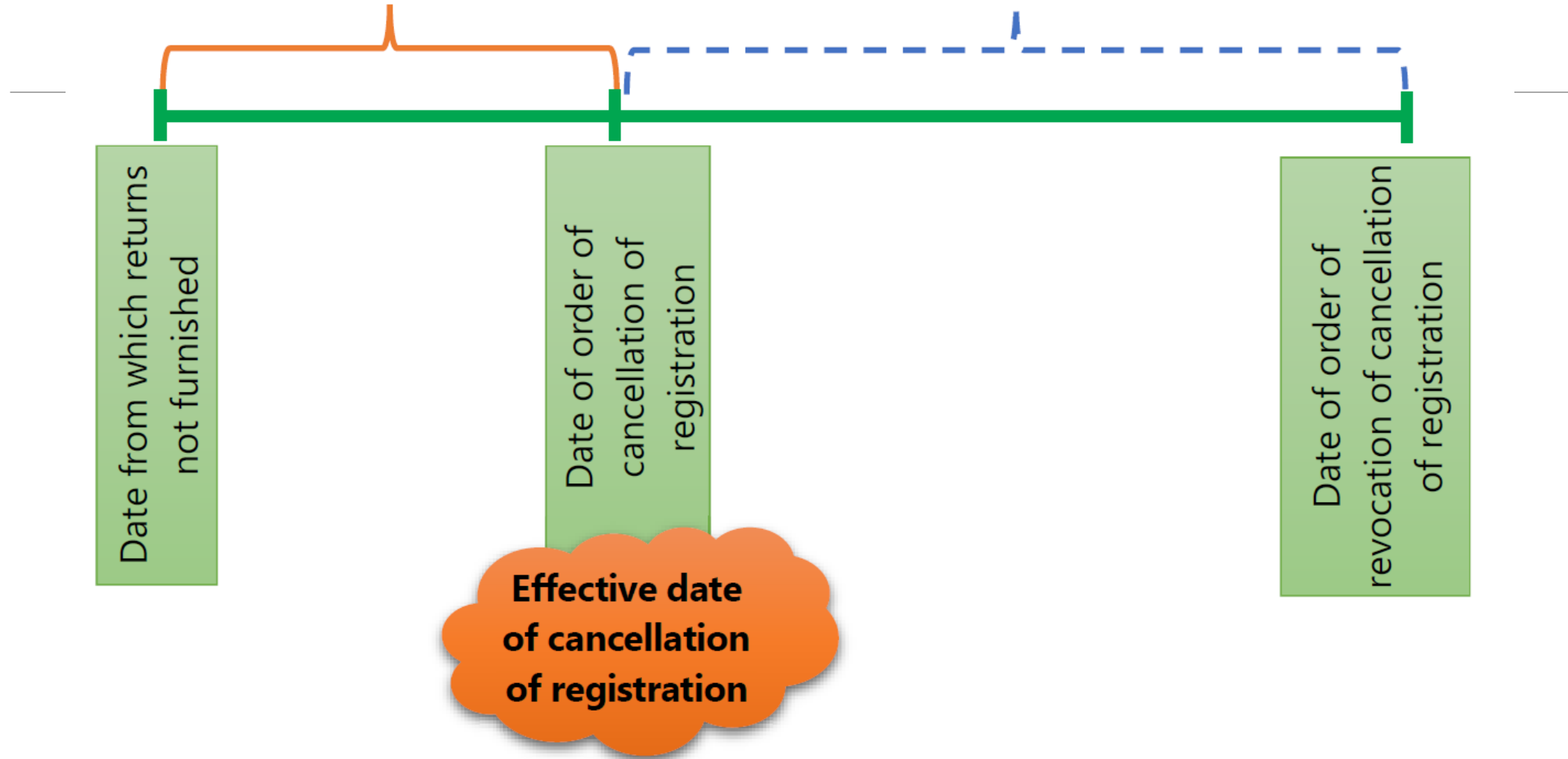
If not satisfied he may reject the revocation application by issuing a SCN to furnish clarification with 7 days.

The officer will have to dispose off the application within 30 days of receipt of clarification

When Registration was cancelled for failure to furnish returns

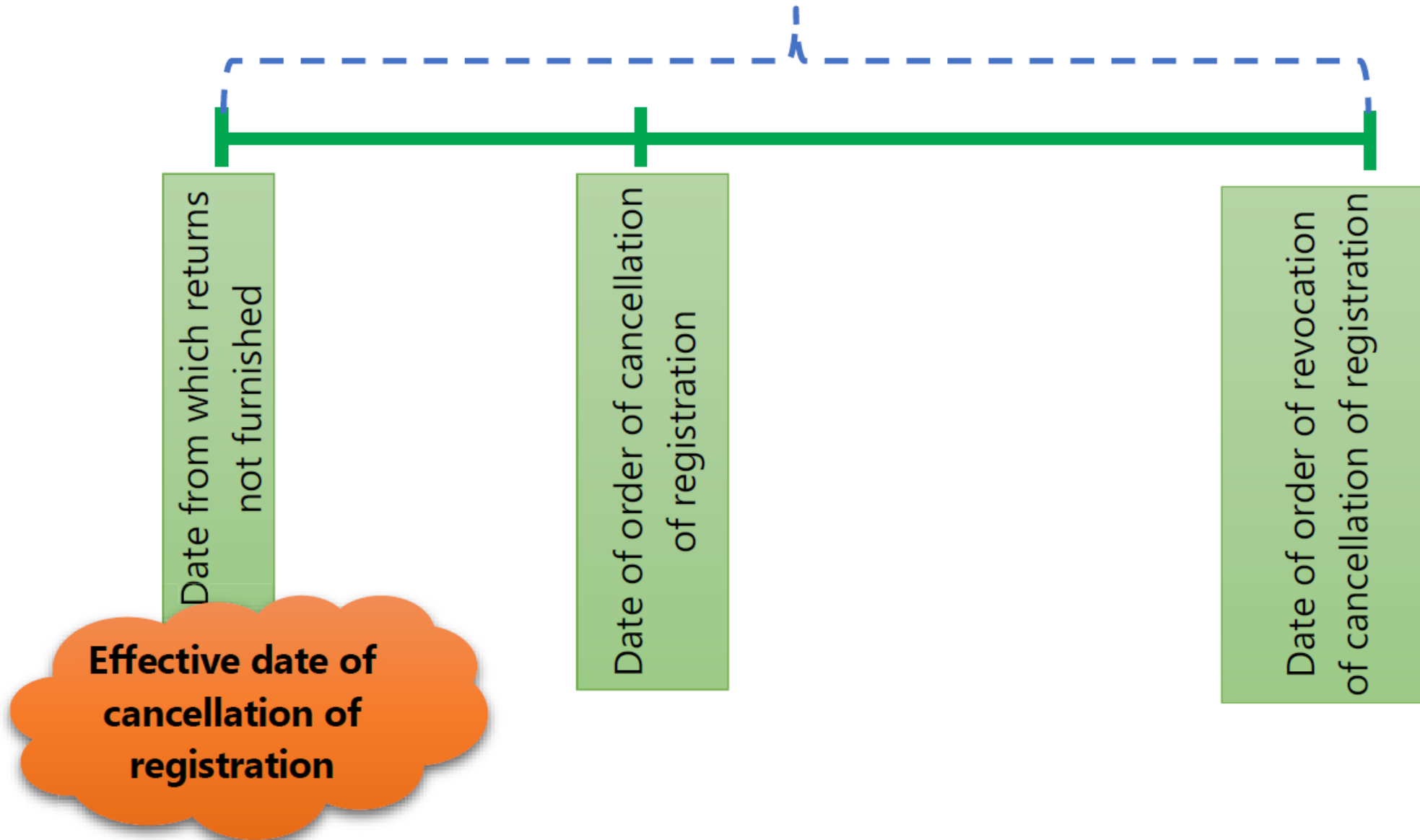
Returns for this period to be filed before applying for revocation of cancellation

Returns for this period to be filed within 30 days of the order of revocation of cancellation

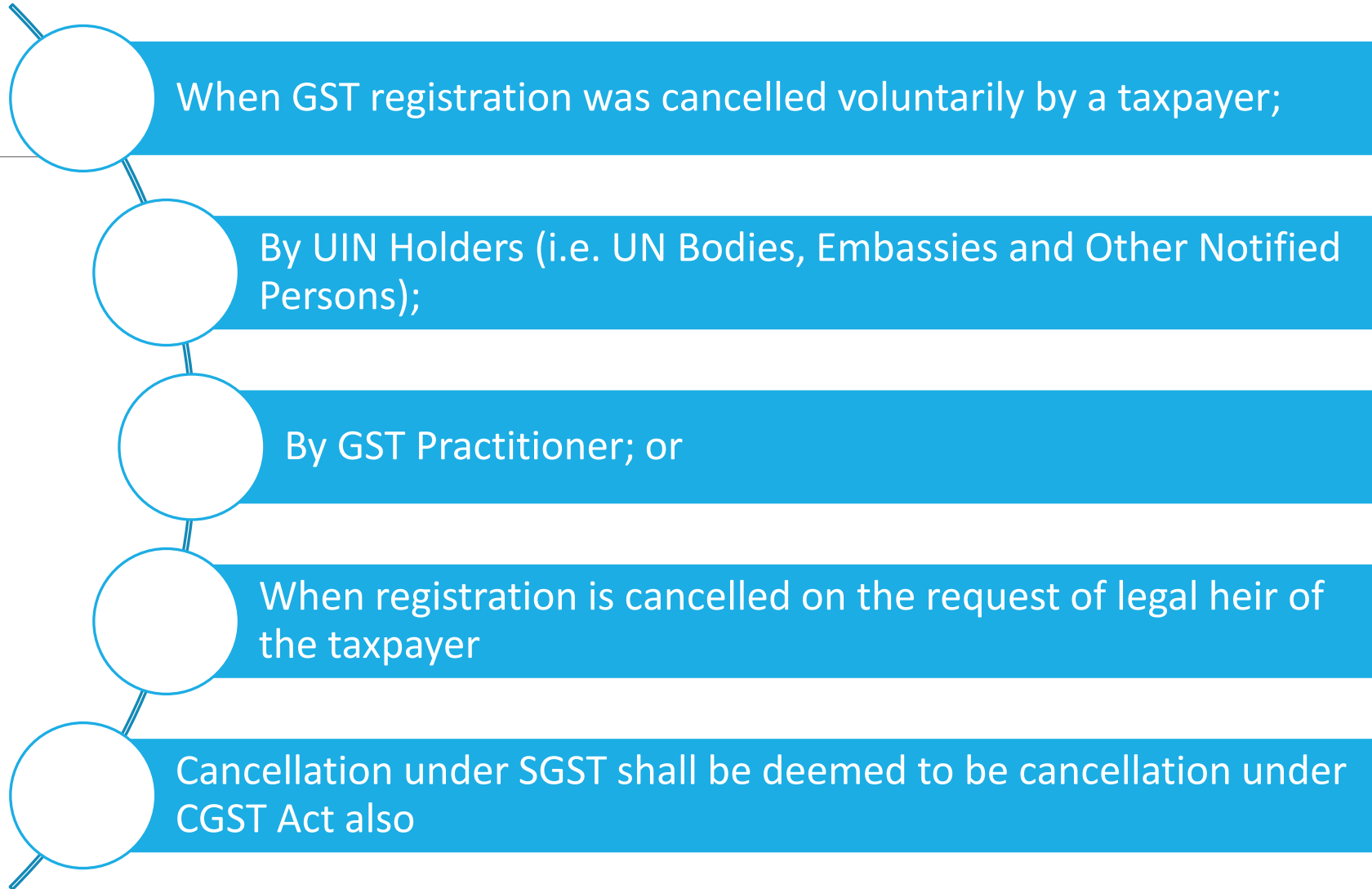


Effective date of cancellation of registration

Returns for this period to be filed within 30 days of the order of revocation of cancellation



Ineligible Application for Revocation



Questions to Wrap

Once Registered Voluntarily can a Person pay tax on crossing Rs 20L and not pay taxes before that?

Is it Mandatory to mention Bank Account number during Registration?

- It can be given within 45 days from grant of Registration or Due date of Furnishing Return WEE

Can a person register under GST without Aadhar?

Is there any Registration or Cancellation fee payable?

During period of Suspension, does the taxable person have to file returns?



THANK YOU