

Goods and Services Tax

Reverse Charge Mechanism

by

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REVERSE CHARGE CGST Section 2 (98)

- RCM means **liability** to pay tax
- by the **recipient** of supply of **goods** or **services** or **both**
- instead of the **supplier** of such **G** or **S** or **both**
- u/s **9 (3)** or **9 (4)** of the CGST, or
- u/s **5 (3)** or **5 (4)** of the **IGST** Act;

CHAPTER III - LEVY OF AND EXEMPTION FROM TAX

- **Levy /Collection** of **Central Goods & Services Tax** is as per **S9**
- Levy of tax called **Central Goods and Services Tax (CGST)**
- Levy is on **intra-State supplies** of **Goods /Services/** both
 - Other than **alcoholic liquor** for **human** consumption
- **Rate** of tax specified in the **Schedule . . . not exceeding 20%**.
- **CGST** is to be paid by every **taxable person**.
- Value as per **S15**
- Enforced with effect from **1-7-2017***
- **Rate** : [Notification No. 1/2017-Central Tax \(Rate\), dated 28-6-2017](#)
- [Notification No. 11/2017-Central Tax \(Rate\), dated 28-6-2017](#) for CGST rate schedule for **services**.
- [Notification No. 17/2017-Central Tax \(Rate\), dated 28-6-2017](#) for **notified** categories of **services** on which tax shall be paid by **electronic commerce operator**.

CHAPTER III - LEVY OF AND EXEMPTION FROM TAX

- **S9(2) CGST** on
 - petroleum crude, high speed diesel,
 - motor spirit (commonly known as petrol),
 - natural gas **and** aviation turbine fuel
 - **shall** be levied **later** to be **notified**

CHAPTER III - LEVY OF AND EXEMPTION FROM TAX - **RCM**

- **Levy /Collection** of **Central Goods & Services Tax** **S9-3.4.5.**
- For certain **categories** - tax due -**reverse charge basis** -**CG specify**
- **Supply from unregd person to regd person RCM**
- tax thereon shall be **paid by person receiving** Goods **and/or** Services
- All provisions shall apply as if he is person **liable** for paying tax
- **E Com operator to pay tax and appoint** a person when he is
 - **not** having physical presence **or** **representative** in taxable territory
- [Notific No. 4/2017-CT \(Rate\), dtd 28-6-2017](#) for **reverse charge** on certain specified supplies of **goods**.
- [Notific No. 12/2017-CT \(Rate\), dtd 28-6-2017](#) for **EXEMPTION** on certain supplies of **services** .
- [Notific No.13/2017-CT \(Rate\),dtd 28-6-2017](#) for notified categories of **services** on which tax will be payable under **reverse charge** mechanism.

RCM on GOODS

CGST Sec 9(3)

- Notification No.4/2017-Central Tax (Rate) dated 28th June, 2017
- Cashew nuts (not shelled or peeled), Bids wrapper leaves(tendu), Tobacco leaves.
- **Raw Cotton** from w e f **15 11 17** - **notifc 43/2017 CT(rate)- 14th Nov, 2017**
 - supplied **by** an **agriculturist** **to** any registered person
- Supply of silk yarn
 - **by** any person who manufactures silk yarn from raw silk **or** silk worm cocoons for supply of silk yarn **to** any registered person
- Supply of lottery
 - **by** the SG or UT or local authority **to** lottery distributor or selling agent.
- Used vehicles seized and confiscated goods, old and used goods, waste and scrap
 - w e f **13 0 17** Notif 36/2017-CT (rate)-13th Oct, 2017
 - **by** CG,SG, UT or local authority **to** any Registered person
- Priority Sector Lending Certificate **notif 11/2018 CT(rate)-28th May,2018 wef 28- 05-18)**
 - **by** any registered Person **to** any registered Person
- CGST Section 2(7) "**Agriculturist**" means an individual or a HUF who undertakes cultivation of land—
 - by own labour, or
 - by the labour of family, or
 - by servants on wages payable in cash or kind or by hired labour under personal supervision or the personal supervision of any member of the family;

RCM vs EXEMPTION GTA....

- [Exemption Notification No. 12/2017- Central Tax \(Rate\) 28th June, 2017](#)
- Sl no 18 Heading 9965 **Services** by way of transportation of **goods**-

	Rate	Conditions
– (a) by road except the services of—		
– (i) a goods transportation agency ;		
– (ii) a courier agency;		
– (b) by inland waterways.	Nil	Nil
- 2. **Definitions.** - For the purposes of this notification, unless the context otherwise requires, -
 - (ze) “**goods transport agency**” means any person who **provides service** in relation to transport of **goods** by **road** and issues **consignment note**, *by whatever name called*;

RCM GTA INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of **services** liable under **RCM**
- 1. Supply of **services** by a **Goods Transport Agency(GTA)** - transportation of **goods** by **road to** any factory, any society, any co-operative society, any person regd under CGST / SGST/ IGST/ UTGST, any body corporate, any partnership firm including AOP, any casual taxable person, LLP
 - Supplier : GTA, who has **not** paid GST @ 12% [\(Notif 22/2017 CT\(Rate\)-22/7/17\)](#)
 - **Receiver** Any factory, any society, any co-operative society, any person regd under CGST/SGST/IGST/UTGST, any body corporate, any partnership firm including AOP, any casual taxable person, Limited Liability Partnership [\(Notification 22/2017 CT\(Rate\)-22/7/17\)](#)
- person who pays **or** is liable to pay freight for the transportation of **goods** by road in **goods** carriage, located in the taxable territory shall be **treated** as the person who **receives** the **service** for the purpose of this notification.
- : **Nothing** contained in the entry shall apply **to**, -
 - (i) (a) a Department **or** Establishment of the CG or SG or UT, **or**
 - (b) local authority, **or**
 - (c) Government agencies,
 - which has taken regn under the CGST Act, 2017 **only** for the purpose of **deducting** tax u/s 51 of the said Act and **not** for making a taxable supply of **goods** or **services**,
 - [Notification. No.29/2018-Central Tax \(Rate\) dated 31.12.2018. w.e.f.1.1.2019](#)

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under **RCM**
- **2. Services Supplied** **by** an individual **advocate incldg a Sr advocate** by way of representational services before any court, tribunal or authority, directly or indirectly, **to** any business entity located in the taxable territory, incldg where contract for provision of such service has been entered thro another advocate or a firm of advocates, or by a firm of advocates, by way of legal services, **to** a business entity.
 - Supplier : An individual advocate including a senior advocate or firm of advocates
 - **Receiver :** Any business entity located in the taxable territory.
 - business entity **located** in the **taxable territory** who is litigant, applicant or petitioner, shall be **treated** as the person who **receives** legal services for the purpose of this notification.
 - **Sec 2 (n) in 12/2017 Exemp** : “business entity” *means* any person carrying out business

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under **RCM**
- **2. Services Supplied** by an individual **advocate incldg a Sr advocate** by way of representational services before any court, tribunal or authority, directly or.....
- [Exemption Notification No. 12/2017- Central Tax \(Rate\) 28th June, 2017](#) **sl # 45 b**

	b Services by a partnership firm of advocates or an individual as an advocate other than a senior advocate, by way of legal services to-	
1	an advocate or partnership firm of advocates providing legal services;	
2	any person other than a business entity;	
3	a business entity with an aggregate turnover up to such amount in the preceding financial year as makes it eligible for exemption from registration under the GST	
4	the Central Government, State Government, Union territory, local authority, Governmental Authority or Government Entity	

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under RCM
- 2. Services Supplied by an individual advocate incldg a Sr advocate by way of representational services before any court, tribunal or authority, directly or.....
- [Exemption Notification No. 12/2017- Central Tax \(Rate\) 28th June, 2017](#) sl # 45 (c)
- (c) a senior advocate by way of legal services to-
 - (i) any person other than a business entity; or
 - (ii) a business entity with an aggregate turnover up to such amount in the preceding financial year as makes it eligible for exemption from registration under the GST
 - (iii) the CG, SG, UT, local authority, Governmental Authority or Government Entity

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under RCM
- 3. Services supplied by **Arbitral Tribunal** to a business entity.
 - Supplier : Arbitral Tribunal
 - Receiver : Any business entity located in the taxable territory.

[Exemption Notification No. 12/2017- Central Tax \(Rate\) 28th June, 2017](#)

sl # 45 a

(a) an arbitral tribunal to –

	any person other than a business entity;
	a business entity with an aggregate turnover up to such amount in the preceding financial year as makes it eligible for exemption from registration under GST
	the Central Government, State Government, Union territory, local authority, Governmental Authority or Government Entity;

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under **RCM**
- **4. Services** provided by way of **sponsorship** to any body corporate or partnership firm.
 - Supplier : Any person
 - Receiver : Anybody corporate or partnership firm located in the taxable territory.

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under RCM
- **5. Services** supplied **by the CG, SG, UT** or local authority **to** a business entity **excluding**, -
 - (1) renting of immovable property, **and**
 - (2) services specified below-
 - (i) services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services **provided to a person** **other than** CG, SG or Union territory or local authority;
 - (ii) services in relation to an aircraft or a vessel, inside or **outside** the precincts of a port or an airport;
 - (iii) transport of **goods** or passengers.
 - Supplier : Central Government, State Government, Union territory or local authority
 - **Receiver** : Any business entity located in the taxable territory.
- provisions of this notification, shall **also** apply to Parliament and State Legislatures - **Notific No.29/2018-Central Tax (Rate) dated 31.12.2018. w.e.f.1.1.2019**
- **5A. Services** supplied **by the CG, SG, UT** or local authority by way of renting of immovable property **to** a person **registered** under the CGST Act- [Notification 3/2018-CT \(Rate\) 25th Jan, 2018.](#)
 - Supplier : Central Government, State Government, Union territory or local authority
 - **Receiver** : Any person registered under the Central Goods and Services Tax Act, 2017.
 - **Sec 2 (n) in 12/2017 Exemp** : “business entity” means any person carrying out business

REVERSE CHARGE MECHANISM INTRA State

- [Notific No. 05/2019- CT \(R\) Dt 29/03/19](#) categories of [services](#) liable under **RCM**
- with effect from the 1st of April, 2019.
- **5B. Services** supplied **by** any person by way of **transfer of development rights** or Floor Space Index (FSI) (including additional FSI) for construction of a project **by** a promoter.
 - Supplier : Any person
 - Receiver : Promoter.
- **5C. Services Long term lease of land (30 years or more)** **by** any person against consideration in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name) and/or periodic rent for construction of a project by a promoter.
 - Supplier : Any person
 - Receiver : Promoter.

REVERSE CHARGE MECHANISM INTRA State

- **Notific No. 05/2019- CT (R) Dt 29/03/19** categories of services liable under **RCM**
- with effect from the 1st of April, 2019.
- “apartment” meaning = S 2(e) and “promoter” meaning = S 2(zk) of the Real Estate (Regulation and Development) Act, 2016
- “**project**” mean a Real Estate Project (REP) or a Residential Real Estate Project (RREP);
- “**Real Estate Project (REP)**” meaning = S 2 (zn) of the Real Estate (Regulation and Development) Act, 2016
- “**Residential Real Estate Project (RREP)**” mean REP in which the carpet area of the commercial apartments is **not more than 15 per cent.** of the total carpet area of all the apartments in the REP.
- “**floor space index (FSI)**” shall mean the ratio of a building’s total floor area (gross floor area) to the size of the piece of land upon which it is built.”.

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under RCM
- 6. Services supplied by a **director** of a company or a body corporate to the said company or the body corporate.
 - Supplier : A director of a company or a body corporate
 - Receiver : The company or a body corporate located in the taxable territory.
- 7. Services supplied by an **insurance agent** to any person carrying on insurance business.
 - Supplier : An insurance agent
 - Receiver : Any person carrying on insurance business, located in the taxable territory
 - “Body Corporate” has same meaning as assigned to it in S 2(11) of the Companies Act, 2013.
 - “insurance agent” meaning as assigned to it in S 2(10) of the Insurance Act, 1938 [Notification 3/2018-CT \(Rate\) 25th Jan, 2018..](#)

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under RCM
- 8. Services supplied by a **recovery agent** to a banking company or a financial institution or a non-banking financial company.
 - Supplier : A recovery agent
 - Receiver : A banking co or a financial institution or a non-banking financial co, located in the taxable territory.
- 9. Supply of Services by an author, music composer, photographer, artist or **the like** by way of transfer or permitting the use or enjoyment of a copyright covered u/s 13(1)(a) of the Copyright Act, 1957 relating to original literary, dramatic, musical or artistic works to a publisher, music company, producer or the like..
 - Supplier : Author or music composer, photographer, artist, or the like
 - Receiver : Publisher, music company, producer or the like, located in the taxable territory.
 - This was amended later

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under RCM
- 9. Supply of Services by an **author, music composer**, photographer, artist or the like.....
- [Notif 22/2019-CT\(Rate\)dt30-9-2019](#) notified categories of services liable under RCM
- This notification shall come into force on the 1st day of October, 2019.
- 9. Supply of Services by an **author, music composer**, photographer, artist or the like by way of transfer or permitting the use or enjoyment of a copyright covered Section 13(1)(a) of the Copyright Act, 1957 relating to original dramatic, musical or artistic works to a music company, producer or the like.
 - Supplier : ~~Author or~~ music composer, photographer, artist, or the like
 - Receiver : ~~Publisher~~, music company, producer or the like, located in the taxable territory.

REVERSE CHARGE MECHANISM INTRA State

- [Notif13/2017-CT\(Rate\)dt28-6-2017](#) notified categories of services liable under **RCM**
- 9. Supply of Services by an **author, music composer**, photographer, artist or the like.....
- [Notif 22/2019-CT\(Rate\)dt30-9-2019](#) notified categories of services liable under **RCM**
- 9. Supply of Services by an **author, music composer**, photographer, artist or the like
- [Notif 22/2019-CT\(Rate\)dt30-9-2019](#) notified categories of services liable under **RCM**
- This notification shall come into force on the **1st day of October, 2019**.
- **9A.** Supply of Services by an **author**, by way of transfer or permitting the use or enjoyment of a copyright covered u/s 13(1)(a) of the Copyright Act, 1957 relating to original literary works to a publisher.
 - Supplier : Author-
 - Receiver : Publisher, located in the taxable territory.
 - Conditions

REVERSE CHARGE MECHANISM INTRA State

- [Notif 22/2019-CT\(Rate\)dt30-9-2017](#) notified categories of services liable under **RCM**
- This notification shall come into force on the 1st day of October, 2019.
- **9A.** Supply of **Services** by an **author**, by way of transfer or permitting the use **or** enjoyment of a copyright covered u/s 13(1)(a) of the Copyright Act, 1957 relating to original literary works to a publisher.
- : **nothing** contained in this entry shall **apply where**, -
- (i) author has taken **registration** under CGST Act, and filed a **declaration**, in the form at **Annexure I**, within prescribed time limit, with the jurisdictional CGST/SGST commissioner, that he exercises the option to pay central tax on the service under **forward charge** [S9 (1) of the CGST Act, 2017 under forward charge], and to comply with all the provisions of CGST Act, 2017 as they apply to a person liable for paying the tax in relation to the supply of any **G** or **S** or **both** and that he shall **not** withdraw the said option within a period of **1** year from the date of exercising such option;
- (ii) author makes a declaration, in Annexure II on the **invoice** issued by **him** in **Form GST Inv-I** to the publisher.

REVERSE CHARGE MECHANISM INTRA State

• **Notif 22/2019-CT(Rate)dt30-9-20179**

Annexure I FORM (9A of Table)

- (Declaration to be filed by an author for exercising the option to pay tax on the “supply of services by an author by way of transfer or permitting the use or enjoyment of a copyright covered under clause (a) of sub-section (1) of section 13 of the Copyright Act, 1957 relating to original literary works to a publisher” under forward charge on or before 31.10.2019 for the option to be effective from 1.11.2019 or before the commencement of any Financial Year for the option to be effective from the commencement of that Financial Year.)

• Reference No. _____ Date _____

• To _____

• _____

• _____

• _____

• (To be addressed to the jurisdictional Commissioner)

• 1. Name of the author:

• 2. Address of the author:

• 3. GSTIN of the author:

• **Declaration**

- 1. I have taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017), and I hereby exercise the option to pay central tax on the service specified against serial No. 9A in column (2) of the Table in the notification No. 13/2017 - Central Tax (Rate), dated the 28th June, 2017, supplied by me, under forward charge in accordance with section 9 (1) of CGST Act, and to comply with all the provisions of CGST Act, 2017 (12 of 2017) as they apply to a person liable for paying the tax in relation to the supply of any goods or services or both;

- 2. I understand that this option, once exercised, shall not be allowed to be changed within a period of 1 year from the date of exercising the option and shall be valid, at least, till the end of Financial Year following the year in which it is made.

• Signature _____

• Name _____

• GSTIN _____

• Place _____

• Date SAMPATH KUMAR _____

Mobile # +919444080439

Email : vvsampat@yahoo.com

REVERSE CHARGE MECHANISM INTRA State

- **Notif22/2019-CT(Rate)dt30-9-20179**

Annexure II

- (Declaration to be made in the invoice by the author exercising the option to pay tax on the “supply of service by an author by way of transfer or permitting the use or enjoyment of a copyright covered under clause (a) of sub-section (1) of section 13 of the Copyright Act, 1957 relating to original literary works to a publisher” under forward charge.)

Declaration

(9A of Table)

- I have exercised the option to pay central tax on the service specified against serial No. 9A in column (2) of the Table in the notification No. 13/2017-Central Tax (Rate) dated 28th June, 2017 under forward charge.

REVERSE CHARGE MECHANISM INTRA State

- [Notif 33/2017-CT\(Rate\)-13/10/2017](#) notified categories of services liable under **RCM**
- **10.** Supply of **Services** by the **members of Overseeing Committee** to Reserve Bank of India
 - Supplier : Members of Overseeing Committee constituted by Reserve Bank of India
 - Receiver : Reserve Bank of India.
- [Notification 15/2018-CT\(Rate\)-26th July, 2018](#)
- **11.** Services supplied by **individual Direct Selling Agents** (DSAs) **other than** a body corporate, partnership or limited liability partnership firm to bank or non-banking financial co (NBFCs)
 - Supplier : Individual Direct Selling Agents (DSAs) **other than** a body corporate, partnership or limited liability partnership firm.
 - Receiver : Banking co or non-banking financial co, located in the taxable territory.

REVERSE CHARGE MECHANISM INTRA State

- [Notific No.29/2018-Central Tax \(Rate\) dated 31.12.2018. w.e.f.1.1.2019 services](#) liable under **RCM**
- **12.** Services provided by **business facilitator** (BF) **to** a banking company.
 - Supplier : Business facilitator(BF)
 - Receiver :A banking company, located in the taxable territory.
- **13** Services provided by an agent of **Business correspondent (BC)** **to** business correspondent
 - Supplier : An agent of business correspondent (BC).
 - Receiver :A business correspondent, located in the taxable territory.

REVERSE CHARGE MECHANISM INTRA State

- Notification. No.29/2018-Central Tax (Rate) dated 31.12.2018. w.e.f.1.1.2019 services liable under **RCM**
- **14. Security Services** (services provided by way of supply of **security personnel**) provided **to** a regd person
- : **Nothing** contained in the entry shall apply **to**,-
- (i) (a) a Department or Establishment of the CG or SG or UT, **or**
- (b) local authority, **or**
- (c) Government agencies,
 - which has taken regn under the CGST Act, 2017 only for the purpose of deducting tax u/s 51 of the said Act and **not** for making a taxable supply of goods or services, **or**
- (ii) a registered person paying tax u/s 10 of the said Act
 - Supplier : Any person other than a body corporate.
 - Receiver : A registered person, Located in the “taxable territory.

REVERSE CHARGE MECHANISM INTRA State

- ~~• Notif 22/2019-CT(Rate) dt 30-9-2019 notified categories of **services** liable under **RCM**~~
- ~~• This notification shall come into force on the 1st day of October, 2019.~~
- ~~• **15. Services** provided **by** way of **renting of a motor vehicle** provided **to** a body corporate.
 - ~~— Supplier : Any person other than a body corporate, paying central tax at the rate of 2.5% on renting of motor vehicles with input tax credit only of input service in the same line of business~~
 - ~~**Receiver :** Any body corporate located in the taxable territory.~~~~
- 15 Notification 13/2017 substituted in **Notif 29/2019-CT(Rate) dt 31-12-2019.**
- **15. Services** provided **by** way of **renting of any motor vehicle** designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient, provided **to** a **body corporate**.
 - Supplier : Any person, other than a body corporate who supplies the service to a body corporate and does not issue an invoice charging central tax at the rate of 6 per cent. to the service recipient
 - **Receiver :** Any body corporate located in the taxable territory.”.

REVERSE CHARGE MECHANISM INTRA State

- Notif 22/2019-CT(Rate) dt 30-9-2019 notified categories of services liable under RCM
- This notification shall come into force on the 1st day of October, 2019.
- **16. Services of lending** of securities under Securities Lending Scheme, 1997 of Securities and Exchange Board of India (“SEBI”), as amended
 - Supplier : Lender i.e. a person who deposits the securities registered in his name or in the name of any other person duly authorised on his behalf with an approved intermediary for the purpose of lending under the Scheme of SEBI
 - Receiver : Borrower i.e. a person who borrows the securities under the Scheme through an approved intermediary of SEBI.”.

REVERSE CHARGE MECHANISM INTER State

- [Notific No. 10/2017-Integrated Tax \(Rate\), dated 28-6-2017](#) **services** liable under **RCM**
- 1. Any **service** supplied by any person who is **located** in a **non-taxable territory** to any **person other than non-taxable online recipient**.
 - Supplier : Any person located in a non-taxable territory
 - Receiver : Any person located in the taxable territory **other than** non-taxable online recipient.
- **10** Services supplied by a person located in **non- taxable territory** by way of **transportation of goods by a vessel** from a place outside India up **to** the customs station of clearance in India.
 - Supplier : A person located in non-taxable territory
 - Receiver : Importer, defined in S 2(26) of Customs Act, 1962 located in taxable territory.
 - Legality?

REVERSE CHARGE MECHANISM INTER State

- **[2020] 113 taxmann.com 436 (Gujarat) Mohit Minerals (P.) Ltd. v. Union of India R/SPECIAL CIVIL APPLN NOS. 726 OF 2018, 1984, 1988 OF 2019 & OTHS. JANUARY 23, 2020**
- **GST : No tax is leviable under Integrated Goods and Services Tax Act, 2017, on ocean freight for services provided by a person located in a non-taxable territory by way of transportation of goods by a vessel from a place outside India upto customs station of clearance in India and levy and collection of tax of such ocean freight is not permissible in law; Notification No.8/2017-Integrated Tax (Rate) dated 28-6-2017 and Entry 10 of Notification No.10/2017-Integrated Tax (Rate) dated 28-6-2017 are unconstitutional**
- • In a case of CIF contract, contract for transportation is entered into by seller, i.e. foreign exporter, and not buyer, i.e. importer, and importer is not recipient of service of transportation of goods

REVERSE CHARGE MECHANISM

- [Notification No.8/2017-Central Tax \(Rate\)](#) dated the 28th June, 2017
- **exempts intra-State supplies** of goods or services or both
- received by a regd person from any supplier, who is **not** registered,
- from the whole of the central tax leviable u/s 9(4))

- : exemption shall **not** be **applicable** if agg value of such supplies recd by a regd person from any or all the suppliers, who is or are **not** regd, **exceeds 5000** in a day:
- notification shall come into force w e f 1st day of July, 2017.

- [Notification No. 38/2017 – Central Tax \(Rate\) dated 13th October, 2017](#)
 - Amendment in notification No.8/2017- CT (Rate), dated the 28th June, 2017,
 - the proviso mentioning Rs 5000/- is **omitted**
 - shall apply to all registered persons **till** the 31st day of March, 2018.
- **Extended** to 30th day of June,2018 [Notification No. 10/2018 – Central Tax \(Rate\) dated 23 March 2018](#)
- **Extended** to 30th day of September, 2018 [Notification No. 12/2018 – Central Tax \(Rate\) dated the 29th June, 2018](#)
- **Extended** to 30th day of September, 2019 [Notification No. 22/2018 – Central Tax \(Rate\) the 6th August, 2018](#)

- [Notification No.8/2017- CT \(Rate\), dated the 28th June, 2017](#) **rescinded** - [Notification No.1/2019-Central Tax \(Rate\) dated the 29th January, 2019](#)
- Notification No. 32/2017 – **Integrated Tax (Rate)** 3th October, 2017 exemption contained in this notification shall apply to all registered persons till the 31st day of March, 2018

REVERSE CHARGE MECHANISM

- [Notification No.8/2017-Central Tax \(Rate\)](#) dated the 28th June, 2017
- **exempts intra-State supplies** of goods or services or both
- received by a regd person from any supplier, who is **not** registered,
- from the whole of the central tax leviable u/s 9(4))

- : exemption shall **not** be **applicable** if agg value of such supplies recd by a regd person from any or all the suppliers, who is or are **not** regd, **exceeds 5000** in a day:
- notification shall come into force w e f 1st day of July, 2017.

- [Notification No. 38/2017 – Central Tax \(Rate\) dated 13th October, 2017](#)
 - Amendment in notification No.8/2017- CT (Rate), dated the 28th June, 2017,
 - the proviso mentioning Rs 5000/- is **omitted**
 - shall apply to all registered persons **till** the 31st day of March, 2018.
- Extended to 30th day of June,2018 [Notification No. 10/2018 – Central Tax \(Rate\) dated 23 March 2018](#)
- Extended to 30th day of September, 2018 [Notification No. 12/2018 – Central Tax \(Rate\) dated the 29th June, 2018](#)
- Extended to 30th day of September, 2019 [Notification No. 22/2018 – Central Tax \(Rate\) the 6th August, 2018](#)

- [Notification No.8/2017- CT \(Rate\), dated the 28th June, 2017](#) **rescinded** - [Notification No.1/2019-Central Tax \(Rate\) dated the 29th January, 2019](#)

REVERSE CHARGE MECHANISM

- [Notification No. 32/2017 – Integrated Tax \(Rate\)](#) 13th October, 2017
- **exempts** the inter-State supply of **goods** or **services** or both received by a registered person from any supplier, who is **not** registered, from the whole of the integrated tax leviable thereon under Section 5(4) of the said Act.
- exemption shall apply to all registered persons till the 31st day of March, 2018
- [Notification No.13/2018 – Integrated Tax \(Rate\)](#) 29th June, 2018
- exemption shall apply to all registered persons till “30th day of September, 2018”
- [Notification No.23/2018 – Integrated Tax \(Rate\)](#) 6th August, 2018
- exemption shall apply to all registered persons till “30th day of September, 2019”
- [Notification No.1/2019-IGST \(Rate\)](#) dated the 29th January, 2019
 - Notification **No.32/2017- IGST (Rate)**, dated the 13th October, 2017 **rescinded** -

REVERSE CHARGE MECHANISM

- [Notification No.9/2017](#)-Central Tax (Rate) dated the 28th June, 2017
- CG, **exempts** intra-State supplies of **goods** or **services** or **both**
- received by a **deductor** under section **51** of the said Act,
- from any supplier, who is **not** registered,
- from the whole of the central tax leviable thereon u/s 9(4) Act,
- subject to the condition that the **deductor** is
- **not liable** to be **registered** otherwise than u/s 24(vi) of the Act
- notification shall come into force w e f 1st day of July, 2017.

REVERSE CHARGE MECHANISM

- Notification No.9/2017-Central Tax (Rate) dated the 28th June, 2017
- **exempts** intra-State supplies of **second hand goods**
- received **by** a regd person, dealing in buying and selling of second hand **goods** and who pays the central tax on the value of outward supply of such second hand **goods** as determined under rule 32(5) of rule 32 of CGST Rules, 2017,
- **from any** supplier, who is **not** registered,
- **from the whole** of the central tax leviable u/s.9(4) of the CGST Act, 2017.
- notification shall come into force w e f 1st day of July, 2017.

REVERSE CHARGE MECHANISM

- [Notification No.17/2017-Central](#) Tax (Rate) dated the 28th June, 2017
- tax shall be **paid** by **e-commerce operator** for following categories of **services** –
 - **services** by way of
 - (i) **transportation** of passengers by a radio-taxi, motorcab, maxicab and motor cycle;
 - (ii) providing **accommodation** in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes, except where the person supplying such service through electronic commerce operator is **liable** for **registration** u/s 22(1) of CGST Act.
 - (a) “radio taxi” means a taxi including a radio cab, by whatever name called, which is in two-way radio communication with a central control office and is enabled for tracking using Global Positioning System (GPS) or General Packet Radio Service (GPRS);
 - (b) “maxicab”, “motorcab” and “motor cycle” shall have the same meanings as assigned to them respectively in clauses (22), (25) and (26) of section 2 of the Motor Vehicles Act, 1988.
- notification shall come into force w e f 1st day of July, 2017.

REVERSE CHARGE MECHANISM

- [Notification No.7/2019-Central](#) Tax (Rate) dated the 29th March,2019
- Regd person **specified below** (Promoter) **received** from an unregd supplier shall **pay** tax on **RCM** basis as recipient of **goods** or **services** or both, **services** by way of
 - Supply of **G** and **S** or **both other than** services by way of **grant of development rights**, long term lease of land (against upfront payment in the form of premium, salami, development charges etc.) **or** FSI (including additional FSI)] **which constitute the shortfall** from the minimum value of **G** and **S** or **both required** to be **purchased** by a promoter for construction of project, in a FY (or part of the FY till the date of issuance of completion certificate or first occupation, whichever is earlier) as prescribed in notification No. 11/ 2017- Central Tax (Rate), dated 28th June, 2017 as amended.
 - **Recipient** : Promoter.
- notification shall come into force w e f 1st of April, 2019.

REVERSE CHARGE MECHANISM

- Notification No.7/2019-Central Tax (Rate) dated the 29th March,2019
- Regd person **specified below received** (Promoter) from an unregd supplier shall **pay** tax on **RCM** basis as recipient of **goods** or **services** or both, **services** by way of
 - **Cement** (2523 first schedule to the Customs Tariff Act, 1975) (51 of 1975) which constitute the shortfall from the minimum value of **G** and **S** or **both** reqd to be purchased by a promoter for construction of project, in a FY (or part of the FY till the date of issuance of completion certificate or first occupation, whichever is earlier) as prescribed in notification No. 11/ 2017- CT (R), dt 28th June, 2017, at items (i), (ia), (ib), (ic) and (id) against serial number 3 in the Table, as amended
 - **Recipient** : Promoter.
- notification shall come into force w e f 1st of April, 2019.

REVERSE CHARGE MECHANISM

- Notification No.7/2019-Central Tax (Rate) dated the 29th March,2019
- Regd person **specified below received** (Promoter) from an unregd supplier shall **pay** tax on **RCM** basis as recipient of **G** and **S** or **both** , **services** by way of
 - **Capital goods** (any chapter in first schedule to the Customs Tariff Act, 1975) (51 of 1975) supplied to a promoter for construction of a project on which tax is payable or paid at the rate prescribed for items (i), (ia), (ib), (ic) and (id) against serial number 3 in the Table, in notification No. 11/ 2017- CT (R), dtd 28th June, 2017as amended.
 - **Recipient** : Promoter.
- notification shall come into force w e f 1st of April, 2019.

THANK YOU !!

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