Bill Summary

The Manipur Goods and Services Tax (Second Amendment) Bill, 2025

- The Manipur Goods and Services (Second Amendment) Bill, 2025 was introduced in Lok Sabha on December 1, 2025. It seeks to replace the Manipur Goods and Services (Second Amendment) Ordinance, 2025 which was promulgated on October 7, 2025. The Ordinance amended the Manipur Goods and Services Tax Act, 2017. The Act provides for levy and collection of State GST (SGST) on intra-state supply of goods and services. The Ordinance aligned the Manipur Act with the amendments made to the Central Goods and Services Tax Act, 2017 by the Finance Act, 2025.
- **Unique identification marking for certain goods:** The Bill adds that the government may require certain goods to have a unique identification marking. This marking may include a digital stamp, digital mark, or any other unique, secure, and non-removable marking. The government may provide a system for affixing these markings to such goods, and for storing and accessing related information electronically. Manufacturers may be required to furnish details of machinery installed for manufacturing such goods. These include details such as identification, capacity, and duration of operation. Failure to comply with these provisions will be punishable with a penalty of one lakh rupees or 10% of the tax payable on such goods, whichever is higher.
- **Issuance of credit notes:** A supplier may issue a credit note to the recipient of goods or services if: (i) the taxable value or tax charged in the invoice exceeds the taxable value or tax charged, (ii) goods or services have been returned, or (iii) goods or services have been found to be deficient. The supplier's tax liability for sales can accordingly be adjusted. The Bill adds that no reduction in tax liability will be permitted if the input tax credit attributable to that credit note has been availed by the recipient and has not been reversed. Input tax credit refers to the credit received for tax paid on purchases (inputs), which can be used to reduce GST payable on sales.
- **Exemption to certain supply of goods housed in Special Economic Zones:** Schedule III of the Act specifies a list of transactions that are not considered as supply of goods and services. Hence, these are exempt from levy of SGST. The Bill expands the list by adding supply of goods warehoused in a Special Economic Zone (SEZs) or Free Trade Warehousing Zone (FTWZ) to any person before clearance for exports or to the Domestic Tariff Area (DTA). SEZs are special areas set up by the government where businesses get concessions to attract investment and increase exports. FTWZ is a special type of SEZ focused on warehousing and logistics. All parts of India outside SEZs are referred to as DTA.
- **Pre-deposit amount for filing appeals:** Under the Act, a person must deposit a specified amount when filing an appeal. This requirement applies to appeals before both the Appellate Authority (against orders of adjudicating officers) and the Appellate Tribunal (against orders of the Appellate Authority). The Bill clarifies that where an order imposes only a penalty and does not involve any tax demand, the pre-deposit amount will be as follows: (i) for an appeal before the Appellate Authority, 10% of the penalty amount, and (ii) for an appeal before the Appellate Tribunal, an additional 10% of the penalty amount.

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