

Bill Summary

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

- The Manipur Goods and Services Tax (Amendment) Bill, 2025 was introduced in Lok Sabha on August 7, 2025. It seeks to replace the Manipur Goods and Services Tax (Amendment) Ordinance, 2025 promulgated on June 9, 2025. The Ordinance amended the Manipur Goods and Services Tax Act, 2017, which provides for levy and collection of State GST (SGST) on intra-state supply of goods and services.
- **Exemption for alcohol for human consumption:** Under the Act, alcoholic liquor for human consumption is exempt from levy of SGST. The Bill also extends the exemption to extra-neutral alcohol or rectified spirit used in the manufacture of such liquor.
- **Determination of liabilities in certain cases:** The Bill specifies a new framework for determining liabilities in cases of: (i) tax not paid, (ii) tax short-paid, (iii) tax incorrectly refunded, and (iv) input tax credit (ITC) wrongly utilised. This framework will apply to liabilities pertaining to the financial year 2024-25 onwards. The concerned officer will serve a notice in this regard within 42 months from the due date for filing the annual return, or from the date of refund.
- **Waiver of SGST recovery:** The Bill empowers the state government to waive recovery of SGST, if it is satisfied that SGST was not levied or short-levied on any supply of goods or services as a result of general practice.
- **Pre-deposit amount for filing appeals:** Under the Act, a person must deposit a specified amount for filing an appeal. This is applicable for appeals before the Appellate Authority (against orders of adjudicating officers) and the Appellate Tribunal (against orders of the Appellate Authority). The Bill lowers the deposit amount from 20% to 10% of the tax in dispute. Under the Act, the deposit amount is subject to a maximum of Rs 25 crore for appeals before the Authority, and Rs 50 crore for appeals before the Tribunal. The Bill lowers both of these thresholds to Rs 20 crore.
- **Timeline for appeals before the Appellate Tribunal:** Under the Act, an appeal to the Appellate Tribunal must be filed within three months from the date of the communication of an order. The Bill allows this period to be extended until a date notified by the state government, whichever is later.
- **Certain insurance services not treated as supplies:** Schedule III of the Act specifies a list of activities that are not considered as supply of goods and services. Hence, these are exempt from levy of SGST. The Bill adds certain activities related to co-insurance and reinsurance to this Schedule. Apportionment of co-insurance premium by the lead insurer to the co-insurer will not be treated as supply, where the lead insurer pays GST on the full premium. Similarly, services by an insurer to a reinsurer will not be treated as a supply, where the insurer deducts a commission from the premium and the reinsurer pays GST on the total premium (including the commission).

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