

THE GOA GOODS AND SERVICES TAX (SECOND AMENDMENT)

Bill, 2020

(Bill No. 19 of 2020)

A

Bill

further to amend the Goa Goods and Services Tax Act, 2017

(Goa Act 4 of 2017).

BE it enacted by the Legislative Assembly of Goa in the *Seventy-first* Year of the Republic of India as follows:—

1. Short title and commencement. — (1) This Act may be called the Goa Goods and Services Tax (Second Amendment) Act, 2020.

(2) Save as otherwise provided in this Act, —

(a) sections 2 and 13 of this Act shall be deemed to have come into force on the 30th day June, 2020;

(b) sections 3 to 11 and 14 of this Act shall come into force on such date as the Government may, by notification in the Official Gazette, appoint; and

(c) section 12 of this Act shall be deemed to have come into force on the 31st day of March, 2020.

2. Amendment of section 2.—In section 2 of the Goa Goods and Services Tax Act, 2017 (Goa Act 4 of 2017) (hereinafter referred to as the “principal Act”), in clause (114), for sub-clauses (c) and (d), the following sub-clauses shall be substituted, namely:—

“(c) Dadra and Nagar Haveli and Daman and Diu;

(d) Ladakh;”.

3. Amendment of section 10.— In section 10 of the principal Act, in sub-section (2), in clauses (b), (c) and (d), after the words “of goods”, the words “or services” shall be inserted.

4. Amendment of section 16.—In section 16 of the principal Act, in sub-section (4), the words “invoice relating to such” shall be omitted.

5. Amendment of section 29.— In section 29 of the principal Act, in sub-section (1), for clause (c), the following clause shall be substituted, namely:—

“(c) the taxable person is no longer liable to be registered under section 22 or section 24 or intends to opt out of the registration voluntarily made under sub-section (3) of section 25:”.

6. Amendment of section 30.— In section 30 of the principal Act, in sub-section (1), for the proviso, the following proviso shall be substituted, namely:—

“Provided that such period may, on sufficient cause being shown, and for reasons to be recorded in writing, be extended,—

(a) by the Additional Commissioner, for a period not exceeding thirty days;

- (b) by the Commissioner, for a further period not exceeding thirty days, beyond the period specified in clause (a).”.

7. Amendment of section 31.—In section 31 of the principal Act, in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

“Provided that the Government may, on the recommendations of the Council, by notification,—

(a) specify the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed;

(b) subject to the condition mentioned therein, specify the categories of services in respect of which,—

(i) any other document issued in relation to the supply shall be deemed to be a tax invoice; or

(ii) tax invoice may not be issued.”.

8. Amendment of section 51.— In section 51 of the principal Act,—

(a) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) A certificate of tax deduction at source shall be issued in such form and in such manner as may be prescribed.”;

(b) sub-section (4) shall be omitted.

9. Amendment of section 122.—In section 122 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Any person who retains the benefit of a transaction covered under clauses (i), (ii), (vii) or clause (ix) of sub-section (1) and at whose instance such transaction is conducted, shall be liable to a penalty of an amount equivalent to the tax evaded or input tax credit availed of or passed on.”.

10. Amendment of section 132.—In section 132 of the principal Act, in sub-section (1),—

(i) for the expression “Whoever commits any of the following offences”, the expression “Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences” shall be substituted;

(ii) for clause (c), the following clause shall be substituted, namely:—

“(c) avails input tax credit using the invoice or bill referred to in clause (b) or fraudulently avails input tax credit without any invoice or bill;”;

(iii) in clause (e), the expression “, fraudulently avails input tax credit” shall be omitted.

11. Amendment of section 140.— In section 140 of the principal Act, with effect from the 1st day of July, 2017,—

(a) in sub-section (1), after the words “existing law”, the words “within such time and” shall be inserted and shall be deemed to have been

inserted;

(b) in sub-section (2), after the words “appointed day”, the words “within such time and” shall be inserted and shall be deemed to have been inserted;

(c) in sub-section (3), for the words “goods held in stock on the appointed day subject to”, the expression “goods held in stock on the appointed day, within such time and in such manner as may be prescribed, subject to” shall be substituted and shall be deemed to have been substituted;

(d) in sub-section (5), for the words “existing law”, the expression “existing law, within such time and in such manner as may be prescribed” shall be substituted and shall be deemed to have been substituted;

(e) in sub-section (6), for the words “goods held in stock on the appointed day subject to”, the expression “goods held in stock on the appointed day, within such time and in such manner as may be prescribed, subject to” shall be substituted and shall be deemed to have been substituted;

12. Insertion of new section 168A.— After section 168 of the principal

Act, the following section shall be inserted, namely:—

“168A. (1) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, by notification, extend the time limit specified in, or prescribed or notified

under this Act in respect of actions which cannot be completed or complied with due to *force majeure*.

(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date not earlier than the date of commencement of this Act.

Explanation.— For the purposes of this section, the expression "*force majeure*" means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act."

13. Amendment of section 172.—In section 172 of the principal Act, in sub-section (1), in the proviso, for the words "three years", the words "five years" shall be substituted.

14. Amendment of Schedule II.— In Schedule II to the principal Act, in paragraph 4, the words "whether or not for a consideration," at both the places where they occur, shall be omitted and shall be deemed to have been omitted with effect from the 1st day of July, 2017.

15. Repeal and Saving.— (1) The Goa Goods and Services Tax (Second Amendment) Ordinance, 2020 (Ordinance No. 1 of 2020) and the Goa Goods and Services Tax (Amendment) Ordinance, 2020 (Ordinance No. 5 of 2020) are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinances, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

The Governor of Goa has promulgated the Goa Goods and Services Tax (Second Amendment) Ordinance, 2020 (Ordinance No.1 of 2020) on the 8th day of May, 2020 so as to insert section 168 A in the Goa Goods and Services Tax Act, 2017, (Goa Act 4 of 2017) (hereinafter referred to as the “said Act”) to empower the Government to extend time limit specified in the said Act, in respect of actions which cannot be completed or complied with due to force majeure.

The Governor of Goa has also promulgated another Ordinance namely, the Goa Goods and Services Tax (Amendment) Ordinance, 2020 (Ordinance No. 5 of 2020) on the 9th day of June, 2020 so as to,—

- (i) amend clause (114) of section 2 of the said Act so as to align the definition of “Union territory” in line with the Jammu and Kashmir Reorganisation Act, 2019 (Central Act No.34 of 2019) and the Dadra and Nagar Haveli and Daman and Diu (Merger of Union Territories), Act, 2019 (Central Act No.44 of 2019).
- (ii) amend clauses (b), (c) and (d) of sub-section (2) of section 10 of the said Act to harmonise the conditions for eligibility for opting to pay tax under sub-section (1) and sub- section (2A) of section 10 of the said Act.
- (iii) amend sub-section (4) of section 16 of the said Act so as to delink the date of issuance of debit note from the date of issuance of the underlying invoice for purposes of availing input tax credit.
- (iv) amend clause (c) of sub- section (1) of section 29 of the said Act so as to provide for cancellation of registration obtained voluntarily under sub-section (3) of section 25.

- (v) substitute the proviso to sub-section (1) of section 30 of the said Act so as to empower the Additional Commissioner and Commissioner to extend the time limit for filing an application for revocation of cancellation of registration.
- (vi) amend section 31 of the said Act so as to empower the Government to notify the categories of services or supplies in respect of which tax invoice shall be issued and to make rules regarding the time and manner of its issuance.
- (vii) amend section 51 of the said Act so as to empower the Government to make rules to provide for the form and manner in which a certificate of tax deduction at source shall be issued and to omit sub-section (4).
- (viii) insert a new sub-section (1A) in section 122 of the said Act so as to make the beneficiary of certain transactions at whose instance such transactions are conducted liable for penalty.
- (ix) amend section 132 of the said Act so as to make the offence of fraudulent availment of input tax credit without invoice or bill cognizable and non-bailable and to make any person who retains the benefit of certain transactions and at whose instance such transactions are conducted liable for punishment.
- (x) amend section 140 of the said Act with retrospective effect to empower the Government to make rules to provide for the time limit and the manner for availing input tax credit against certain unavailed credit under the existing law.

- (xi) amend section 172 of the said Act so as to extend the time limit provided for removal of difficulties thereunder from three years to five years, with effect from the date of commencement of the said Act.
- (xii) amend paragraph 4 of Schedule II to the said Act so as to omit the words “whether or not for consideration” from the 1st day of July, 2017, retrospectively so as to give clarity to the meaning of the entries (a) and (b) of said paragraph.

This Bill also seeks to repeal both the said Ordinances.

This Bill seeks to achieve the above objects.

FINANCIAL MEMORANDUM

The proposed Goa Goods and Services Tax (Second Amendment) Bill, 2020 does not involve any recurring or non-recurring expenditure from the Consolidated Fund of the State.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 1 (2) of the Bill empowers the Government to issue notification for appointing the date for bringing certain provisions of the Act into force.

Clause 7 of the Bill empowers the Government to issue notification to specify categories or supplies in respect of which a tax invoice shall be issued and to frame rules specifying time and manner for the said purpose.

Clause 8 of the Bill empowers the Government to make rules for prescribing form and manner in which a certificate of tax deduction at source shall be issued.

Clause 11 of the Bill empowers the Government to make rules for prescribing the time limit and the manner for the purposes specified in section 140 of the said Act.

Clause 12 of the Bill empowers the Government to issue notification for extending the time limit.

These delegations are of normal character.

Assembly Hall,
Porvorim, Goa.
_____, 2020

SHRI PRAMOD P. SAWANT
Hon. Chief Minister/Finance Minister

Assembly Hall,
Porvorim, Goa.
_____, 2020

Namrata Ulman
Secretary to the Legislative Assembly of Goa.

**Governor's Recommendation under article 207 of the
Constitution of India**

In pursuance of article 207 of the Constitution of India, I, Satya Pal Malik, the Governor of Goa hereby recommend, the introduction and consideration of the Goa Goods and Services Tax (Second Amendment) Bill, 2020, by the Legislative Assembly of Goa.

RAJ BHAVAN

Date: / /2020.

SATYA PAL MALIK

Governor of Goa

ANNEXURE
EXTRACTS FROM THE GOA GOODS AND SERVICES TAX ACT, 2017
(Goa Act 4 OF 2017)

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2. Definitions. - In this Act, unless the context otherwise requires,—

(114) “Union territory” means the territory of,-

- (a) the Andaman and Nicobar Islands;
- (b) Lakshadweep;
- (c) Dadra and Nagar Haveli;
- (d) Daman and Diu;
- (e) Chandigarh; and
- (f) other territory;

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CHAPTER III
LEVY AND COLLECTION OF TAX

10. Composition levy. —

(2) The registered person shall be eligible to opt under sub-section (1), if—

(a) save as provided in sub-section (1), he is not engaged in the supply of services;

(b) he is not engaged in making any supply of goods which are not leviable to tax under this Act;

(c) he is not engaged in making any inter-State outward supplies of goods;

(d) he is not engaged in making any supply of goods through an electronic commerce operator who is required to collect tax at source under section 52;

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CHAPTER V

INPUT TAX CREDIT

16. Eligibility and conditions for taking input tax credit.-. —

(4) A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier.

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CHAPTER - VI

REGISTRATION

29. Cancellation or suspension of registration.-

(1) The proper officer may, either on his own motion or on an application filed by the registered person or by his legal heirs, in case of death of such person, cancel the registration, in such manner and within such period as may be prescribed, having regard to the circumstances where,—

- (a) the business has been discontinued, transferred fully for any reason including death of the proprietor, amalgamated with other legal entity, demerged or otherwise disposed of; or
- (b) there is any change in the constitution of the business; or
- (c) the taxable person, other than the person registered under sub-section (3) of section 25, is no longer liable to be registered under section 22 or section 24.

30. Revocation of cancellation of registration.-

(1) Subject to such conditions as may be prescribed, any registered person, whose registration is cancelled by the proper officer on his own motion, may apply to such officer for revocation of cancellation of the registration in the prescribed manner within thirty days from the date of service of the cancellation order.

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CHAPTER- VII

TAX INVOICE, CREDIT AND DEBIT NOTES

31. Tax invoice.-

(2) A registered person supplying taxable services shall, before or after the provision of service but within a prescribed period, issue a tax invoice, showing the

description, value, tax charged thereon and such other particulars as may be prescribed:

Provided that the Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which—

(a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or

(b) tax invoice may not be issued.

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CHAPTER-X

PAYMENT OF TAX

51. Tax deduction at source.-

(3) The deductor shall furnish to the deductee a certificate mentioning therein the contract value, rate of deduction, amount deducted, amount paid to the Government and such other particulars in such manner as may be prescribed.

(4) If any deductor fails to furnish to the deductee the certificate, after deducting the tax at source, within five days of crediting the amount so deducted to the Government, the deductor shall pay, by way of a late fee, a sum of one hundred rupees per day from the day after the expiry of such five day period until the failure is rectified, subject to a maximum amount of five thousand rupees.

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CHAPTER—XVIII APPEALS AND REVISION

109. Appellate Tribunal and Benches thereof.—(1) Subject to the provisions of this Chapter, the Goods and Services Tax Appellate Tribunal constituted under the Central Goods and Services Tax Act shall be the Appellate Tribunal for hearing appeals against the orders passed by the Appellate Authority or the Revisional Authority under this Act.

(2) The constitution and jurisdiction of the State Bench and the Area Benches located in the State shall be in accordance with the provisions of section 109 of the Central Goods and Services Tax Act or the rules made thereunder.

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CHAPTER XIX OFFENCES AND PENALTIES

122. Penalty for certain offences.—

(1) Where a taxable person who—

- (i) supplies any goods or services or both without issue of any invoice or issues an incorrect or false invoice with regard to any such supply;

- (ii) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act or the rules made thereunder;
- (iii) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;
- (iv) collects any tax in contravention of the provisions of this Act but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;(v) fails to deduct the tax in accordance with the provisions of sub-section (1) of section 51, or deducts an amount which is less than the amount required to be deducted under the said sub-section, or where he fails to pay to the Government under sub-section (2) thereof, the amount deducted as tax;
- (vi) fails to collect tax in accordance with the provisions of sub-section (1) of section 52, or collects an amount which is less than the amount required to be collected under the said sub-section or where he fails to pay to the Government the amount collected as tax under sub-section (3) of section 52;
- (vii) takes or utilizes input tax credit without actual receipt of goods or services or both either fully or partially, in contravention of the provisions of this Act or the rules made thereunder;
- (viii) fraudulently obtains refund of tax under this Act;
- (ix) takes or distributes input tax credit in contravention of section 20, or the rules made thereunder;

- (x) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information or return with an intention to evade payment of tax due under this Act;
- (xi) is liable to be registered under this Act but fails to obtain registration;
- (xii) furnishes any false information with regard to registration particulars, either at the time of applying for registration, or subsequently;
- (xiii) obstructs or prevents any officer in discharge of his duties under this Act;
- (xiv) transports any taxable goods without the cover of documents as may be specified in this behalf;
- (xv) suppresses his turnover leading to evasion of tax under this Act;
- (xvi) fails to keep, maintain or retain books of account and other documents in accordance with the provisions of this Act or the rules made thereunder;
- (xvii) fails to furnish information or documents called for by an officer in accordance with the provisions of this Act or the rules made thereunder or furnishes false information or documents during any proceedings under this Act;
- (xviii) supplies, transports or stores any goods which he has reasons to believe are liable to confiscation under this Act;
- (xix) issues any invoice or document by using the registration number of another registered person;
- (xx) tampers with, or destroys any material evidence or documents;
- (xxi) disposes off or tampers with any goods that have been detained, seized, or attached under this Act,

he shall be liable to pay a penalty of ten thousand rupees or an amount equivalent to the tax evaded or the tax not deducted under section 51 or short deducted or deducted but not paid to the Government or tax not collected under section 52 or short collected or collected but not paid to the Government or input tax credit availed of or passed on or distributed irregularly, or the refund claimed fraudulently, whichever is higher.

132. Punishment for certain offences.-(1) Whoever commits any of the following offences, namely:—

- (a) supplies any goods or services or both without issue of any invoice, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;
- (b) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax;
- (c) avails input tax credit using such invoice or bill referred to in clause (b);
- (d) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;
- (e) evades tax, fraudulently avails input tax credit or fraudulently obtains refund and where such offence is not covered under clauses (a) to (d);
- (f) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information with an intention to evade payment of tax due under this Act;

- (g) obstructs or prevents any officer in the discharge of his duties under this Act;
- (h) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, purchasing or in any other manner deals with, any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;
- (i) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;
- (j) tampers with or destroys any material evidence or documents;
- (k) fails to supply any information which he is required to supply under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by him is true) supplies false information; or
- (l) attempts to commit, or abets the commission of any of the offences mentioned in clauses (a) to (k) of this section,

shall be punishable—

(i) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;

(ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh

rupees, with imprisonment for a term which may extend to three years and with fine;

(iii) in the case of any other offence where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;

(iv) in cases where he commits or abets the commission of an offence specified in clause (f) or clause (g) or clause (j), he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.

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CHAPTER XX TRANSITIONAL PROVISIONS

140. Transitional arrangements for input tax credit.- (1) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, credit of the amount of Value Added Tax, and Entry Tax, if any, carried forward in the return relating to the period ending with the day immediately preceding the appointed day, furnished by him under the existing law in such manner as may be prescribed:

Provided that the registered person shall not be allowed to take credit in the following circumstances, namely: –

- (i) where the said amount of credit is not admissible as input tax credit under this Act; or
- (ii) where he has not furnished all the returns required under the existing law for the period of six months immediately preceding the appointed date; or

- (iii) where the said amount of credit relates to goods sold under notification no. 4/5/2005-FIN(R&C)(13) dated 31/03/2005 (The Goa Value Added Tax Deferment –cum-Net Present Value Compulsory Payment Scheme, 2005) and claiming refund of value added tax paid thereon:

Provided further that so much of the such credit as is attributable to any claim related to section 3, sub-section (3) of section 5, section 6, section 6A or sub-section (8) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) which is not substantiated in the manner, and within the period, prescribed in rule 12 of the Central Sales Tax (Registration and Turnover) Rules, 1957 shall not be eligible to be credited to the electronic credit ledger:

Provided also that an amount equivalent to the credit specified in the second proviso shall be refunded under the existing law when the said claims are substantiated in the manner prescribed in rule 12 of the Central Sales Tax (Registration and Turnover) Rules, 1957.

(2) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, credit of the unavailed input tax credit in respect of capital goods, not carried forward in a return, furnished under the existing law by him, for the period ending with the day immediately preceding the appointed day in such manner as may be prescribed:

Provided that the registered person shall not be allowed to take credit unless the said credit was admissible as input tax credit under the existing law and is also admissible as input tax credit under this Act.

Explanation.—For the purposes of this section, the expression “unavailed input tax credit” means the amount that remains after subtracting the amount of input tax credit already availed in respect of capital goods by the taxable person under the existing law from the aggregate amount of input tax credit to which the said person was entitled in respect of the said capital goods under the existing law.

(3) A registered person, who was not liable to be registered under the existing law or who was engaged in the sale of exempted goods or tax free goods, by whatever name called, or goods which have suffered tax at the first point of their sale in the State and the subsequent sales of which are not subject to tax in the State under the existing law but which are liable to tax

under this Act or where the person was entitled to the credit of input tax at the time of sale of goods, if any, shall be entitled to take, in his electronic credit ledger, credit of the value added tax and entry tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions namely:—

- (i) such inputs or goods are used or intended to be used for making taxable supplies under this Act;
- (ii) the said registered person is eligible for input tax credit on such inputs under this Act;
- (iii) the said registered person is in possession of invoice or other prescribed documents evidencing payment of tax under the existing law in respect of such inputs; and
- (iv) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day:

Provided that where a registered person, other than a manufacturer or a supplier of services, is not in possession of an invoice or any other documents evidencing payment of tax in respect of inputs, then, such registered person shall, subject to such conditions, limitations and safeguards as may be prescribed, including that the said taxable person shall pass on the benefit of such credit by way of reduced prices to the recipient, be allowed to take credit at such rate and in such manner as may be prescribed.

(4) A registered person, who was engaged in the sale of taxable goods as well as exempted goods or tax free goods, by whatever name called, under the existing law but which are liable to tax under this Act, shall be entitled to take, in his electronic credit ledger,-

(a) the amount of credit of the value added tax and entry tax, if any, carried forward in a return furnished under the existing law by him in accordance with the provisions of sub-section (1); and

(b) the amount of credit of the value added tax and entry tax, if any, in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day, relating to such exempted goods or tax free goods, by whatever name called, in accordance with the provisions of sub-section (3).

(5) A registered person shall be entitled to take, in his electronic credit ledger, credit of value added tax and entry tax, if any, in respect of inputs received on or after the appointed day but the tax in respect of which has been paid by the supplier under the existing law, subject to the condition that the invoice or any other tax paying document of the same was recorded in the books of account of such person within a period of thirty days from the appointed day:

Provided that the period of thirty days may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding thirty days:

Provided further that the said registered person shall furnish a statement, in such manner as may be prescribed, in respect of credit that has been taken under this sub-section.

(6) A registered person, who was either paying tax at a fixed rate or paying a fixed amount in lieu of the tax payable under the existing law shall be entitled to take, in his electronic credit ledger, credit of value added tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions, namely:—

(i) such inputs or goods are used or intended to be used for making taxable supplies under this Act;

(ii) the said registered person is not paying tax under section 10;

(iii) the said registered person is eligible for input tax credit on such inputs under this Act;

(iv) the said registered person is in possession of invoice or other prescribed documents evidencing payment of tax under the existing law in respect of inputs; and

(v) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day.

(7) The amount of credit under sub-sections (3), (4) and (6) shall be calculated in such manner as may be prescribed.

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CHAPTER XXI MISCELLANEOUS

168. Power to issue instructions or directions.- The Commissioner may, if he considers it necessary or expedient so to do for the purpose of uniformity in the implementation of this Act, issue such ⁱorders, instructions or directions to the State tax officers as it may deem fit, and thereupon all such officers and all other persons employed in the implementation of this Act shall observe and follow such orders, instructions or directions.

172. Removal of difficulties.-(1) If any difficulty arises in giving effect to any provisions of this Act, the Government may, on the recommendations of the Council, by a general or a special ⁱⁱorder published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be necessary or expedient for the purpose of removing the said difficulty:

Provided that no such order shall be made after the expiry of a period of three years from the date of commencement of this Act.

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SCHEDULE II

[See section 7]

ACTIVITIES OR TRANSACTIONS TO BE TREATED AS SUPPLY OF GOODS OR
SUPPLY OF SERVICES

4. Transfer of business assets

(a) where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, whether or not for a consideration, such transfer or disposal is a supply of goods by the person;

(b) where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration, the usage or making available of such goods is a supply of services;

(c) where any person ceases to be a taxable person, any goods forming part of the assets of any business carried on by him shall be deemed to be supplied by him in the course or furtherance of his business immediately before he ceases to be a taxable person, unless—

(i) the business is transferred as a going concern to another person; or

(ii) the business is carried on by a personal representative who is deemed to be a taxable person.

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Statement showing existing provisions and proposed amendments

Existing Provision	Amendment Proposed	Justification
2	3	4
<p><u>Section 2</u> (114) “Union territory” means the territory of,- (a) the Andaman and Nicobar Islands; (b) Lakshadweep; (c) Dadra and Nagar Haveli; (d) Daman and Diu; (e) Chandigarh; and (f) other territory;;</p>	<p>2. Amendment of section 2.- In section 2 of the Goa Goods and Services Tax Act, 2017 (Goa Act 4 of 2017) (hereinafter referred to as the “principal Act”), in clause (114), for clauses (c) and (d), the following clauses shall be substituted, namely:— “(c) Dadra and Nagar Haveli and Daman and Diu; (d) Ladakh;”.</p>	<p>Amendment is proposed to align the definition of “Union territory” in line with the Jammu and Kashmir Reorganisation Act, 2019 and the Dadra and Nagar Haveli and Daman and Diu (Merger of Union Territories), Act, 2019</p>
<p><u>Section 10 (2)</u></p>	<p>3. Amendment of section 10.— In section 10 of the Principle Act, in sub-section (2), in clauses (b), (c) and (d), after the words “of goods”, the words “or services” shall be inserted.</p>	<p>Amendment is proposed to harmonise the conditions for eligibility for opting to pay tax</p>

<p>(b) he is not engaged in making any supply of goods which are not leviable to tax under this Act;</p> <p>(c) he is not engaged in making any inter-State outward supplies of goods;</p> <p>(d) he is not engaged in making any supply of goods through an electronic commerce operator who is required to collect tax at source under section 52;</p>		<p>under sub-section (1) and subsection (2A)</p>
<p>16. Eligibility and conditions for taking input tax credit.-</p> <p>(4)A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of</p>	<p>4. Amendment of section 16.—In section 16 of the principle Act, in sub-section (4), the words “invoice relating to such” shall be omitted.</p>	<p>Amendment is proposed so as to delink the date of issuance of debit note from the date of issuance of the underlying invoice for purposes of availing input tax credit.</p>

<p>furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier.</p>		
<p>29. Cancellation or suspension of registration.- (1) (c) the taxable person, other than the person registered under <u>sub-section (3) of section 25</u>, is no longer liable to be registered under <u>section 22</u> or <u>section 24</u>.</p>	<p>5. Amendment of section 29.— In section 29 of the principle Act, in sub-section (1), for clause (c), the following clause shall be substituted, namely:—</p> <p style="padding-left: 40px;">“(c)the taxable person is no longer liable to be registered under section 22 or section 24 or intends to opt out of the registration voluntarily made under sub-section (3) of section 25:”.</p>	<p>Amendment is proposed to provide for cancellation of registration obtained voluntarily under sub-section (3) of section 25.</p>

<p>30. Revocation of cancellation of registration.- (1) Provided that the registered person who was served notice under sub-section (2) of section 29 in the manner as provided in clause (c) or clause (d) of sub-section (1) of section 169 and who could not reply to the said notice, thereby resulting in cancellation of his registration certificate and is hence unable to file application for revocation of cancellation of registration under sub-section (1) of section 30 of the Act, against such order passed up to 31-03-2019, shall be allowed to file application for revocation of</p>	<p>6. Amendment of section 30.—In section 30 of the principal Act, in sub-section (1), for the proviso, the following proviso shall be substituted, namely:—</p> <p>“Provided that such period may, on sufficient cause being shown, and for reasons to be recorded in writing, be extended,—</p> <p>(a) by the Additional Commissioner, for a period not exceeding thirty days;</p> <p>(b) by the Commissioner, for a further period not exceeding thirty days, beyond the period specified in clause (a).”.</p>	<p>The amendment empowers the Additional Commissioner and Commissioner to extend the period provided to file an application for revocation of cancellation of registration</p>
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<p>cancellation of the registration not later than 22-07-2019.</p>		
<p>31. Tax invoice.- (2) A registered person supplying taxable services shall, before or after the provision of service but within a <u>prescribed</u> period, issue a tax invoice, showing the description, value, tax charged thereon and such other particulars as may be <u>prescribed</u>: Provided that the Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which—</p>	<p>7. Amendment of section 31.—In section 31 of the principal Act, in sub-section (2), for the proviso, the following proviso shall be substituted, namely:— “Provided that the Government may, on the recommendations of the Council, by notification,— (a) specify the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed; (b) subject to the condition mentioned therein, specify the categories of services in respect of which— i.any other document issued in relation to the supply shall be deemed to be a tax invoice; or ii. tax invoice may not be issued.”.</p>	<p>Amendment empowers the Government to notify the categories of services or supplies in respect of which tax invoice shall be issued and to make rules regarding the time and manner of its issuance.</p>

<p>(a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or</p> <p>(b) tax invoice may not be issued.</p>		
<p>51. Tax deduction at source.-</p> <p>(3) The deductor shall furnish to the deductee a certificate mentioning therein the contract value, rate of deduction, amount deducted, amount paid to the Government and such other particulars in such manner as may be prescribed.</p> <p>(4) If any deductor fails to furnish to the deductee the certificate, after deducting the tax at source, within five days of crediting the amount so deducted to the Government, the</p>	<p>8. Amendment of section 51.— In section 51 of the principle Act,—</p> <p>(c) for sub-section (3), the following sub-section shall be substituted, namely:—</p> <p>“(3) A certificate of tax deduction at source shall be issued in such form and in such manner as may be prescribed.”.</p> <p>(d) sub-section (4) shall be omitted.”.</p>	<p>Amendment empower the Government to make rules to provide for the form and manner in which a certificate of tax deduction at source shall be issued .</p>

<p>deductor shall pay, by way of a late fee, a sum of one hundred rupees per day from the day after the expiry of such five day period until the failure is rectified, subject to a maximum amount of five thousand rupees.</p>		
	<p>9. Amendment of section 122.—In section 122 of the principle Act, after sub-section (1), the following sub-section shall be inserted, namely:—</p> <p>“(1A) Any person who retains the benefit of a transaction covered under clauses (i), (ii), (vii) or clause (ix) of sub-section (1) and at whose instance such transaction is conducted, shall be liable to a penalty of an amount equivalent to the tax evaded or input tax credit availed of or passed on.”.</p>	<p>A new section is proposed to be inserted to make the beneficiary of certain transactions at whose instance such transactions are conducted liable for penalty.</p>

<p>132. Punishment for certain offences.-(1) Whoever commits any of the following offences, namely:—</p> <p>(a) supplies any goods or services or both without issue of any invoice, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;</p> <p>(b) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or</p>	<p>10. Amendment of section 132.—In section 132 of the principle Act, in sub-section (1),—</p> <p>(i) for the expression “Whoever commits any of the following offences”, the expression “Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences” shall be substituted;</p> <p>(ii) for clause (c), the following clause shall be substituted, namely:—</p> <p>“(c) avails input tax credit using the invoice or bill referred to in clause (b) or fraudulently avails input tax credit without any invoice or bill;”;</p> <p>(iii) in sub-clause (e), the words “, fraudulently avails input tax credit” shall be omitted.</p>	<p>Amendment is proposed to make the offence of fraudulent availment of input tax credit without invoice or bill cognizable and non-bailable under sub-section(1) of section 69 and to make any person who retains the benefit of certain transactions and at whose instance such transactions are conducted liable for punishment.</p>
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<p>utilisation of input tax credit or refund of tax;</p> <p>(c) avails input tax credit using such invoice or bill referred to in clause (b);</p> <p>(d) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;</p> <p>(e) evades tax, fraudulently avails input tax credit or fraudulently obtains refund and where such offence is not covered under clauses (a) to (d);</p>		
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<p>(f) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information with an intention to evade payment of tax due under this Act;</p> <p>(g) obstructs or prevents any officer in the discharge of his duties under this Act;</p> <p>(h) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, purchasing or in any other manner deals with, any goods which he knows or</p>		
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<p>has reasons to believe are liable to confiscation under this Act or the rules made thereunder;</p> <p>(i) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;</p> <p>(j) tampers with or destroys any material evidence or documents;</p> <p>(k) fails to supply any information which he is</p>		
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<p>required to supply under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by him is true) supplies false information; or</p> <p>(l) attempts to commit, or abets the commission of any of the offences mentioned in clauses (a) to (k) of this section, shall be punishable—</p> <p>(i) in cases where the amount of tax evaded or the amount of input tax credit</p>		
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<p>wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;</p> <p>(ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;</p>		
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<p>(iii) in the case of any other offence where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;</p> <p>(iv) in cases where he commits or abets the commission of an offence specified in <u>clause (f)</u> or <u>clause (g)</u> or <u>clause (j)</u>, he shall be punishable with imprisonment</p>		
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<p>for a term which may extend to six months or with fine or with both.</p>		
<p>140. Transitional arrangements for input tax credit.-(1) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, credit of the amount of Value Added Tax, and Entry Tax, if any, carried forward in the return relating to the period ending with the day immediately preceding the appointed day, furnished by him under the</p>	<p>11. Amendment of section 140.— In section 140 of the principle Act, with effect from the 1st day of July, 2017,—</p> <p>(f) in sub-section (1), after the words “existing law”, the words “within such time and” shall be inserted and shall be deemed to have been inserted;</p> <p>(g) in sub-section (2), after the words “appointed day”, the words “within such time and” shall be inserted and shall be deemed to have been inserted;</p> <p>(h) in sub-section (3), for the words “goods held in stock on the appointed day subject to”, the words “goods held in stock on the appointed day, within such time and in such manner as may be</p>	<p>Amendment is proposed to prescribe the time limit and the manner for availing input tax credit against certain unavailed credit under the existing law.</p>

<p>existing law in such manner as may be prescribed:</p> <p>Provided that the registered person shall not be allowed to take credit in the following circumstances, namely: –</p> <p>(i) where the said amount of credit is not admissible as input tax credit under this Act; or</p> <p>(ii) where he has not furnished all the returns required under the existing law for the period of six months immediately preceding the appointed date; or</p>	<p>prescribed, subject to” shall be substituted and shall be deemed to have been substituted;</p> <p>(i) in sub-section (5), for the words “existing law”, the words “existing law, within such time and in such manner as may be prescribed” shall be substituted and shall be deemed to have been substituted;</p> <p>(e) in sub-section (6), for the words “goods held in stock on the appointed day subject to”, the words “goods held in stock on the appointed day, within such time and in such manner as may be prescribed, subject to” shall be substituted and shall be deemed to have been substituted;</p>	
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<p>(iii) where the said amount of credit relates to goods sold under notification no. 4/5/2005-FIN(R&C)(13) dated 31/03/2005 (The Goa Value Added Tax Deferment –cum-Net Present Value Compulsory Payment Scheme, 2005) and claiming refund of value added tax paid thereon:</p> <p>Provided further that so much of the such credit as is attributable to any claim related to section 3, sub-section (3) of section 5, section 6, section 6A or sub-section (8)</p>		
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<p>of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) which is not substantiated in the manner, and within the period, prescribed in rule 12 of the Central Sales Tax (Registration and Turnover) Rules, 1957 shall not be eligible to be credited to the electronic credit ledger:</p> <p>Provided also that an amount equivalent to the credit specified in the second proviso shall be refunded under the existing law when the said claims are substantiated in the manner prescribed in rule 12 of the Central Sales Tax</p>		
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(Registration and Turnover)

Rules, 1957.

(2) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, credit of the unavailed input tax credit in respect of capital goods, not carried forward in a return, furnished under the existing law by him, for the period ending with the day immediately preceding the appointed day in such manner as may be prescribed:

Provided that the registered person shall not be

<p>allowed to take credit unless the said credit was admissible as input tax credit under the existing law and is also admissible as input tax credit under this Act.</p> <p><i>Explanation.</i>—For the purposes of this section, the expression “unavailed input tax credit” means the amount that remains after subtracting the amount of input tax credit already availed in respect of capital goods by the taxable person under the existing law from the aggregate amount of input tax credit to which the said person was entitled in</p>		
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respect of the said capital goods under the existing law.

(3) A registered person, who was not liable to be registered under the existing law or who was engaged in the sale of exempted goods or tax free goods, by whatever name called, or goods which have suffered tax at the first point of their sale in the State and the subsequent sales of which are not subject to tax in the State under the existing law but which are liable to tax under this Act or where the person was entitled to the credit of input tax at the time of sale of

<p>goods, if any, shall be entitled to take, in his electronic credit ledger, credit of the value added tax and entry tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions namely:—</p> <ul style="list-style-type: none">(i) such inputs or goods are used or intended to be used for making taxable supplies under this Act;(ii) the said registered person is eligible for input tax credit on such inputs under this Act;		
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<p>(iii) the said registered person is in possession of invoice or other prescribed documents evidencing payment of tax under the existing law in respect of such inputs; and</p> <p>(iv) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day:</p> <p>Provided that where a registered person, other than a manufacturer or a supplier of services, is not in possession of an invoice or any other</p>		
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<p>documents evidencing payment of tax in respect of inputs, then, such registered person shall, subject to such conditions, limitations and safeguards as may be prescribed, including that the said taxable person shall pass on the benefit of such credit by way of reduced prices to the recipient, be allowed to take credit at such rate and in such manner as may be prescribed.</p> <p>(4) A registered person, who was engaged in the sale of taxable goods as well as exempted goods or tax free goods, by whatever name</p>		
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<p>called, under the existing law but which are liable to tax under this Act, shall be entitled to take, in his electronic credit ledger,-</p> <p>(a) the amount of credit of the value added tax and entry tax, if any, carried forward in a return furnished under the existing law by him in accordance with the provisions of sub-section (1); and</p> <p>(b) the amount of credit of the value added tax and entry tax, if any, in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on</p>		
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<p>the appointed day, relating to such exempted goods or tax free goods, by whatever name called, in accordance with the provisions of sub-section (3).</p> <p>(5) A registered person shall be entitled to take, in his electronic credit ledger, credit of value added tax and entry tax, if any, in respect of inputs received on or after the appointed day but the tax in respect of which has been paid by the supplier under the existing law, subject to the condition that the invoice or any other tax paying document of the same was</p>		
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<p>recorded in the books of account of such person within a period of thirty days from the appointed day:</p> <p>Provided that the period of thirty days may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding thirty days:</p> <p>Provided further that the said registered person shall furnish a statement, in such manner as may be prescribed, in respect of credit that has been taken under this subsection.</p>		
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<p>(6) A registered person, who was either paying tax at a fixed rate or paying a fixed amount in lieu of the tax payable under the existing law shall be entitled to take, in his electronic credit ledger, credit of value added tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions, namely:—</p> <p>(i) such inputs or goods are used or intended to be used for</p>		
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<p>making taxable supplies under this Act;</p> <p>(ii) the said registered person is not paying tax under section 10;</p> <p>(iii) the said registered person is eligible for input tax credit on such inputs under this Act;</p> <p>(iv) the said registered person is in possession of invoice or other prescribed documents evidencing payment of tax under the existing law in respect of inputs; and</p> <p>(v) such invoices or other prescribed documents were</p>		
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<p>issued not earlier than twelve months immediately preceding the appointed day.</p>		
<p>—</p>	<p>Insertion of new section 168A.— After section 168 of the principal Act, the following section shall be inserted, namely:—</p> <p>‘168A. (1) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, by notification, extend the time limit specified in, or prescribed or notified under, this Act in respect of actions which cannot be completed or complied with due to force majeure.</p> <p>(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date not earlier than the date of commencement of this Act.</p>	<p>The amendment is proposed to empower the Government to extend time limit specified in the Goa GST Act, 2017 which cannot be complied due to certain circumstances like war, epidemics, flood, drought, fire, Cyclone etc.</p>

	<p>Explanation.— For the purposes of this section, the expression "force majeure" means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act.’.</p>	
<p>172. Removal of difficulties.- (1) If any difficulty arises in giving effect to any provisions of this Act, the Government may, on the recommendations of the Council, by a general or a special ⁱⁱⁱ order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be</p>	<p>14. Amendment of section 172.—In section 172 of the principal Act, in sub-section (1), in the proviso, for the words “three years”, the words “five years” shall be substituted.</p>	<p>Amendment is proposed to extend the time limit provided for removal of difficulties there under from three years to five years, with effect from the date of commencement of the Act.</p>

<p>necessary or expedient for the purpose of removing the said difficulty:</p> <p>Provided that no such order shall be made after the expiry of a period of three years from the date of commencement of this Act.</p>		
<p>SCHEDULE II [See <u>section 7</u>] ACTIVITIES OR TRANSACTIONS TO BE TREATED AS SUPPLY OF GOODS OR SUPPLY OF SERVICES</p> <p>4. Transfer of business assets (a) where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no</p>	<p>13. Amendment of Schedule II.— In Schedule II to the principal Act, in paragraph 4, the words “whether or not for a consideration,” at both the places where they occur, shall be omitted and shall be deemed to have been omitted with effect from the 1st day of July, 2017.</p>	<p>The amendment is proposed to omit the words “whether or not for consideration” so as to give clarity to the meaning of the entries (a) and (b) of said paragraph.</p>

<p>longer to form part of those assets, whether or not for a consideration, such transfer or disposal is a supply of goods by the person;</p> <p>(b) where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration, the usage or making available of such goods is a supply of services;</p>		
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