



LEGISLATIVE ASSEMBLY OF THE STATE OF GOA

**The Goa Goods and Services Tax  
(Second Amendment) Bill, 2024**

**(Bill No. 16 of 2024)**

---

(AS introduced in the Legislative Assembly of the State of Goa)

---

**GOA LEGISLATURE SECRETARIAT,  
ASSEMBLY HALL, PORVORIM, GOA  
July, 2024**

# The Goa Goods and Services Tax (Second Amendment) Bill, 2024

(Bill No. 16 of 2024)

A

Bill

*further to amend the Goa Goods and Services Tax Act, 2017 (Goa Act 4 of 2017).*

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

**1. Short title and commencement.**— (1) This Act may be called the Goa Goods and Services  
10 Tax (Second Amendment) Act, 2024.

(2) The provisions of this Act shall come into force on such date as the Government may, by notification in the Official Gazette appoint and different dates may be appointed for different  
15 provisions of this Act.

**2. Amendment of section 2.**— In the Goa Goods and Services Tax Act, 2017 (Goa Act 4 of 2017) (hereinafter referred to as the “principal Act”), in section 2, for clause (61), the following  
20 clause shall be substituted, namely:—

“(61) “Input Service Distributor” means an office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in  
25 respect of services liable to tax under sub-section (3) or sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, and liable to distribute the input

tax credit in respect of such invoices in the manner provided in section 20;”.

**3. Substitution of section 20.**— For section 20 of the principal Act, the following section shall be substituted, namely:—

5

**“20. Manner of distribution of credit by Input Service Distributor.**— (1) Any office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, shall be required to be registered as Input Service Distributor under clause (viii) of section 24 and shall distribute the input tax credit in respect of such invoices.

10

15

(2) The Input Service Distributor shall distribute the credit of State tax or integrated tax charged on invoices received by him, including the credit of State or integrated tax in respect of services subject to levy of tax under sub-section (3) or sub-section (4) of section 9 paid by a distinct person registered in the same State as the said Input Service Distributor, in such manner, within such time and subject to such restrictions and conditions as may be prescribed.

20

25

(3) The credit of State tax shall be distributed as State tax or integrated tax and integrated tax as integrated tax or State tax, by way of issue of a document containing the amount of input tax credit, in such manner as may be prescribed.”.

30

**4. Insertion of new section 122A.**— After section 122 of the principal Act, the following section shall be inserted, namely:—

5       **“122A. Penalty for failure to register certain machines used in manufacture of goods as per special procedure.**— (1) Notwithstanding anything contained in this Act, where any person, who is engaged in the manufacture of goods in respect of which any special  
10       procedure relating to registration of machines has been notified under section 148, acts in contravention of the said special procedure, he shall, in addition to any penalty that is paid or is payable by him under Chapter XV or any  
15       other provisions of this Chapter, be liable to pay a penalty equal to an amount of one lakh rupees for every machine not so registered.

20       (2) In addition to the penalty under subsection (1), every machine not so registered shall be liable for seizure and confiscation:

      Provided that such machine shall not be confiscated where,—

      (a) the penalty so imposed is paid; and

25       (b) the registration of such machine is made in accordance with the special procedure within three days of the receipt of communication of the order of penalty.”.

## **STATEMENT OF OBJECTS AND REASONS**

Clause 2 and 3 of the Bill seeks to amend clause (61) of section 2 and section 20 of the Goa Goods and Services Tax Act, 2017 (Goa Act 4 of 2017) (herein after may be referred to as “the said Act”) so as to make registration of Input Service Distributor (ISD) mandatory in case of procurement of common input services and distribution of Input Tax Credit (ITC) thereof to distinct persons and also to include the ISD to distribute Input Tax Credit in respect of services, the tax on which is liable to be paid under reverse charge mechanism under sub-sections (3) and (4) of section 9 of the said Act and also to make mandatory the procedure as laid down in section 20 for distribution of ITC by ISD.

Clause 4 of the Bill seeks to insert a new section 122A to provide for penalty and confiscation of the unregistered machines in case of failure to register certain machines used in manufacture of notified goods as per special procedure notified under section 148 of the said Act.

This Bill seeks to achieve the above objects.

## **FINANCIAL MEMORANDUM**

The proposed Goa Goods and Services Tax (Second Amendment) Bill, 2024 does not involve any recurring or non-recurring expenditure from the Consolidated Fund of the State.

**MEMORANDUM REGARDING DELEGATED  
LEGISLATION**

Clause 3 of the Bill empowers the Government to frame rules for prescribing the manner, time and conditions and restrictions for distributing the credit of State tax or integrated tax charged on invoices received by Input Service Distributor, including the credit of State or integrated tax in respect of services subject to levy of tax under sub-section (3) or sub-section (4) of section 9 of the Goa Goods and Services Tax Act, 2017 (Goa Act 4 of 2017).

These delegations are of normal character.

Assembly Hall,  
Porvorim, Goa.  
22<sup>nd</sup> July, 2024

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

Assembly Hall,  
Porvorim, Goa.  
\_\_\_ July, 2024

**SMT. 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, P. S. Sreedharan Pillai, the Governor of Goa, hereby recommend the introduction and consideration of the Goa Goods and Services Tax (Second Amendment) Bill, 2024 by the Legislative Assembly of Goa.

RAJ BHAVAN  
Date: 18th July, 2024

**P. S. SREEDHARAN PILLAI**  
Governor of Goa

**ANNEXURE**

.....  
**Extracts from the Goa Goods and Services  
Tax Act, 2017  
(Goa Act 4 of 2017)**  
.....

**Section 2. Definitions.— (61)** “Input Service Distributor” means an office of the supplier of goods or services or both which receives tax invoices issued under section 31 towards the receipt of input services and issues a prescribed document for the purposes of distributing the credit of central tax, State tax, integrated tax or Union territory tax paid on the said services to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office;

\*\*\*\*\*

**Section 20 – Manner of distribution of credit by Input Service Distributor.—**

(1) The Input Service Distributor shall distribute the credit of central tax as central tax or integrated tax and integrated tax as integrated tax or central tax, by way of issue of a document containing the amount of input tax credit being distributed in such manner as may be prescribed.

(2) The Input Service Distributor may distribute the credit subject to the following conditions, namely:—

(a) the credit can be distributed to the recipients of credit against a document containing such details as may be prescribed;

(b) the amount of the credit distributed shall not exceed the amount of credit available for distribution;

(c) the credit of tax paid on input services attributable to a recipient of credit shall be distributed only to that recipient;



(d) the credit of tax paid on input services attributable to more than one recipient of credit shall be distributed amongst such recipients to whom the input service is attributable and such distribution shall be pro rata on the basis of the turnover in a State or turnover in a Union territory of such recipient, during the relevant period, to the aggregate of the turnover of all such recipients to whom such input service is attributable and which are operational in the current year, during the said relevant period;

(e) the credit of tax paid on input services attributable to all recipients of credit shall be distributed amongst such recipients and such distribution shall be pro rata on the basis of the turnover in a State or turnover in a Union territory of such recipient, during the relevant period, to the aggregate of the turnover of all recipients and which are operational in the current year, during the said relevant period.

Explanation.— For the purposes of this section,—

(a) the “relevant period” shall be—

(i) if the recipients of credit have turnover in their States or Union territories in the financial year preceding the year during which credit is to be distributed, the said financial year; or

(ii) if some or all recipients of the credit do not have any turnover in their States or Union territories in the financial year preceding the year during which the credit is to be distributed, the last quarter for which details of such turnover of all the recipients are available, previous to the month during which credit is to be distributed;

(b) the expression “recipient of credit” means the supplier of goods or services or both having the same Permanent Account Number as that of the Input Service Distributor;

(c) the term “turnover”, in relation to any registered person engaged in the supply of taxable goods as well as goods not taxable under this Act, means the value of turnover, reduced by the amount of any duty or tax levied [under entries 84 and 92A] of List I of the Seventh Schedule to the Constitution and entries 51 and 54 of List II of the said Schedule.

\* \* \* \* \*

