

**THE TRIPURA STATE GOODS AND SERVICES TAX
(EIGHTH AMENDMENT) BILL, 2024**

(AS INTRODUCED IN THE TRIPURA LEGISLATIVE ASSEMBLY)

**THE TRIPURA STATE GOODS AND SERVICES TAX
(EIGHTH AMENDMENT) BILL, 2024**

**A
BILL**

to further amend the Tripura State Goods and Services Tax Act, 2017.

WHEREAS, the Central Goods and Services Tax Act, 2017 has been amended, under Section 11 to 13 of the Finance Act, 2024 (No. 8 of 2024) and under Section 114 to 150 of the Finance (No. 2) Act, 2024 (No. 15 of 2024);

AND WHEREAS, similar amendments are required to be made in the Tripura State Goods and Services Tax Act, 2017 to avoid repugnancy with the Central Act;

BE it enacted by The Tripura Legislative Assembly in the seventy fifth year of the Republic of India as follows:

Short title and commencement.

1. (1) This may be called the 'Tripura State Goods and Services Tax (Eighth Amendment) Act, 2024';

(2) Save as otherwise provided in this Act, sections 2 to 40 shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

Amendment of section 2.

2. In the Tripura State Goods and Services Tax Act, 2017 (hereinafter referred to as the Tripura State Goods and Services Tax Act), in section 2, for clause (61), the following 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 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;'

Amendment of section 9.

3. In the Tripura State Goods and Services Tax Act, in section 9, in sub-section (1), after the words "alcoholic liquor for human consumption", the words "and un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human

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- consumption" shall be inserted.
- Amendment of section 10. 4. In section 10 of the Tripura State Goods and Services Tax Act, in sub-section (5), after the words and figures "section 73 or section 74", the words, figures and letter "or section 74A" shall be inserted.
- Insertion of new section 11A. 5. After section 11 of the Tripura State Goods and Services Tax Act, the following section shall be inserted, namely:—
- Power not to recover Goods and Services Tax not levied or short-levied as a result of general practice.
- "11A. Notwithstanding anything contained in this Act, if the Government is satisfied that —
- (a) a practice was, or is, generally prevalent regarding levy of state tax (including non-levy thereof) on any supply of goods or services or both; and
- (b) such supplies were, or are, liable to, —
- (i) state tax, in cases where according to the said practice, state tax was not, or is not being, levied, or
- (ii) a higher amount of state tax than what was, or is being, levied, in accordance with the said practice,
- the Government may, on the recommendation of the Council, by notification in the Official Gazette, direct that the whole of the state tax payable on such supplies, or, as the case may be, the state tax in excess of that payable on such supplies, but for the said practice, shall not be required to be paid in respect of the supplies on which the state tax was not, or is not being levied, or was, or is being, short-levied, in accordance with the said practice."
- Amendment of section 13. 6. In section 13 of the Tripura State Goods and Services Tax Act, in sub-section (3),—
- (i) in clause (b), for the words "by the supplier.", the words "by the supplier, in cases where invoice is required to be issued by the supplier, or" shall be substituted;
- (ii) after clause (b), the following clause shall be inserted, namely:—
- "(c) the date of issue of invoice by the recipient, in cases where invoice is to be issued by the recipient:"
- (iii) in the first proviso, after the words, brackets and letter "or clause (b)", the words, brackets and letter "or clause (c)" shall be inserted.
- Amendment of section 16. 7. In section 16 of the Tripura State Goods and Services Tax Act, with effect from the 1st day of July, 2017, after sub-section (4), the following sub-sections shall be inserted, namely:—

"(5) Notwithstanding anything contained in sub-section (4), in respect of an invoice or debit note for supply of goods or services or both pertaining to the Financial Years 2017-18, 2018-19, 2019-20 and 2020-21, the registered person shall be entitled to take input tax credit in any return under section 39 which is filed up to the thirtieth day of November, 2021.

(6) Where registration of a registered person is cancelled under section 29 and subsequently the cancellation of registration is revoked by any order, either under section 30 or pursuant to any order made by the Appellate Authority or the Appellate Tribunal or court and where availment of input tax credit in respect of an invoice or debit note was not restricted under sub-section (4) on the date of order of cancellation of registration, the said person shall be entitled to take the input tax credit in respect of such invoice or debit note for supply of goods or services or both, in a return under section 39,—

(i) filed up to thirtieth day of November following the financial year to which such invoice or debit note pertains or furnishing of the relevant annual return, whichever is earlier; or

(ii) for the period from the date of cancellation of registration or the effective date of cancellation of registration, as the case may be, till the date of order of revocation of cancellation of registration, where such return is filed within thirty days from the date of order of revocation of cancellation of registration,

whichever is later."

Amendment of section 17. 8. In section 17 of the Tripura State Goods and Services Tax Act, in sub-section (5), in clause (i), for the words and figures "sections 74, 129 and 130", the words and figures "section 74 in respect of any period up to Financial Year 2023-24" shall be substituted.

Substitution of Section 20. 9. For section 20 of the Tripura State Goods and Services Tax Act, the following section shall be substituted, namely:—

Manner of distribution of credit by Input Service Distributor. "20. (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.

(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 tax 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.
- (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.”
- Amendment of section 21.** 10. In section 21 of the Tripura State Goods and Services Tax Act, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 30.** 11. In section 30 of the Tripura State Goods and Services Tax Act, in sub-section (2), after the proviso, the following proviso shall be inserted, namely:—
- “Provided further that such revocation of cancellation of registration shall be subject to such conditions and restrictions, as may be prescribed.”
- Amendment of section 31.** 12. In section 31 of the Tripura State Goods and Services Tax Act,—
- (a) in sub-section (3), in clause (f), after the words and figure “of section 9 shall”, the words “, within the period as may be prescribed,” shall be inserted;
- (b) after clause (g), the following Explanation shall be inserted, namely:—
- ‘Explanation.—For the purposes of clause (f), the expression “supplier who is not registered” shall include the supplier who is registered solely for the purpose of deduction of tax under section 51.’
- Amendment of section 35.** 13. In section 35 of the Tripura State Goods and Services Tax Act, in sub-section (6), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 39.** 14. In section 39 of the Tripura State Goods and Services Tax Act, for sub-section (3), the following sub-section shall be substituted, namely:—
- “(3) Every registered person required to deduct tax at source under section 51 shall electronically furnish a return for every calendar month of the deductions made during the month in such form and manner and within such time as may be prescribed:
- Provided that the said registered person shall furnish a return for every calendar month whether or not any deductions have been

- made during the said month.”
- Amendment of section 49.** 15. In section 49 of the Tripura State Goods and Services Tax Act, in sub-section (8), in clause (c), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 50.** 16. In section 50 of the Tripura State Goods and Services Tax Act, in sub-section (1), in the proviso, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 51.** 17. In section 51 of the Tripura State Goods and Services Tax Act, in sub-section (7), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 54.** 18. In section 54 of the Tripura State Goods and Services Tax Act,—
- (a) in sub-section (3), the second proviso shall be omitted;
- (b) after sub-section (14) and before the Explanation, the following sub-section shall be inserted, namely:—
- “(15) Notwithstanding anything contained in this section, no refund of unutilised input tax credit on account of zero rated supply of goods or of integrated tax paid on account of zero rated supply of goods shall be allowed where such zero rated supply of goods is subjected to export duty.”
- Amendment of section 61.** 19. In section 61 of the Tripura State Goods and Services Tax Act, in sub-section (3), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 62.** 20. In section 62 of the Tripura State Goods and Services Tax Act, in sub-section (1), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 63.** 21. In section 63 of the Tripura State Goods and Services Tax Act, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 64.** 22. In section 64 of the Tripura State Goods and Services Tax Act, in sub-section (2), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 65.** 23. In section 65 of the Tripura State Goods and Services Tax Act, in sub-section (7), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 66.** 24. In section 66 of the Tripura State Goods and Services Tax Act, in sub-section (6), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.

Amendment of section 70. 25. In section 70 of the Tripura State Goods and Services Tax Act, after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) All persons summoned under sub-section (1) shall be bound to attend, either in person or by an authorised representative, as such officer may direct, and the person so appearing shall state the truth during examination or make statements or produce such documents and other things as may be required.”

Amendment of section 73. 26. In section 73 of the Tripura State Goods and Services Tax Act,—

(i) in the marginal heading, after the words “Determination of tax”, the words and figures “, pertaining to the period up to Financial Year 2023-24,” shall be inserted;

(ii) after sub-section (11), the following sub-section shall be inserted, namely:—

“(12) The provisions of this section shall be applicable for determination of tax pertaining to the period up to Financial Year 2023-24.”

Amendment of section 74. 27. In section 74 of the Tripura State Goods and Services Tax Act, —

(i) in the marginal heading, after the words “Determination of tax”, the words and figures “, pertaining to the period up to Financial Year 2023-24,” shall be inserted;

(ii) after sub-section (11) and before Explanation 1, the following sub-section shall be inserted, namely:—

“(12) The provisions of this section shall be applicable for determination of tax pertaining to the period up to Financial Year 2023-24.”;

(iii) the Explanation 2 shall be omitted.

Insertion of new section 74A. 28. After section 74 of the Tripura State Goods and Services Tax Act, the following section shall be inserted, namely:—

Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason

“74A. (1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder:

pertaining to
Financial Year
2024-25
onwards.

Provided that no notice shall be issued, if the tax which has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised in a financial year is less than one thousand rupees.

(2) The proper officer shall issue the notice under sub-section (1) within forty-two months from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within forty-two months from the date of erroneous refund.

(3) Where a notice has been issued for any period under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under sub-section (1), on the person chargeable with tax.

(4) The service of such statement shall be deemed to be service of notice on such person under sub-section (1), subject to the condition that the grounds relied upon for such tax periods other than those covered under sub-section (1) are the same as are mentioned in the earlier notice.

(5) The penalty in case where any tax which has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised,—

(i) for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, shall be equivalent to ten per cent. of tax due from such person or ten thousand rupees, whichever is higher,

(ii) for the reason of fraud or any wilful-misstatement or suppression of facts to evade tax shall be equivalent to the tax due from such person.

(6) The proper officer shall, after considering the representation, if any, made by the person chargeable with tax, determine the amount of tax, interest and penalty due from such person and issue an order.

(7) The proper officer shall issue the order under sub-section (6) within twelve months from the date of issuance of notice specified in sub-section (2):

Provided that where the proper officer is not able to issue the order within the specified period, the Commissioner, or an officer authorised by the Commissioner senior in rank to the proper officer but not below the rank of Joint Commissioner of

State Tax, may, having regard to the reasons for delay in issuance of the order under sub-section (6), to be recorded in writing, before the expiry of the specified period, extend the said period further by a maximum of six months.

(8) The person chargeable with tax where any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful misstatement or suppression of facts to evade tax, may,—

(i) before service of notice under sub-section (1), pay the amount of tax along with interest payable under section 50 of such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment, and the proper officer, on receipt of such information shall not serve any notice under sub-section (1) or the statement under sub-section (3), as the case may be, in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder,

(ii) pay the said tax along with interest payable under section 50 within sixty days of issue of show cause notice, and on doing so, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded.

(9) The person chargeable with tax, where any tax has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised by reason of fraud, or any wilful-misstatement or suppression of facts to evade tax, may,—

(i) before service of notice under sub-section (1), pay the amount of tax along with interest payable under section 50 and a penalty equivalent to fifteen per cent. of such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment, and the proper officer, on receipt of such information, shall not serve any notice under sub-section (1), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder;

(ii) pay the said tax along with interest payable under section 50 and a penalty equivalent to twenty-five per cent. of such tax within sixty days of issue of the notice, and on doing so, all proceedings in respect of the said notice shall be deemed to be concluded;

(iii) pay the tax along with interest payable thereon under section 50 and a penalty equivalent to fifty per cent. of such tax within sixty days of communication of the order, and on doing so, all proceedings in respect of the said notice shall be deemed to be concluded.

(10) Where the proper officer is of the opinion that the amount paid under clause (i) of sub-section (8) or clause (i) of sub-section (9) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable.

(11) Notwithstanding anything contained in clause (i) or clause (ii) of sub-section (8), penalty under clause (i) of sub-section (5) shall be payable where any amount of self assessed tax or any amount collected as tax has not been paid within a period of thirty days from the due date of payment of such tax.

(12) The provisions of this section shall be applicable for determination of tax pertaining to the Financial Year 2024-25 onwards.

Explanation 1.—For the purposes of this section,—

(i) the expression “all proceedings in respect of the said notice” shall not include proceedings under section 132;

(ii) where the notice under the same proceedings is issued to the main person liable to pay tax and some other persons, and such proceedings against the main person have been concluded under this section, the proceedings against all the persons liable to pay penalty under sections 122 and 125 are deemed to be concluded.

Explanation 2.—For the purposes of this Act, the expression “suppression” shall mean non-declaration of facts or information which a taxable person is required to declare in the return, statement, report or any other document furnished under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing, by the proper officer.

Amendment of section 75. 29. In section 75 of the Tripura State Goods and Services Tax Act, —

(a) in sub-section (1), after the word and figures “section 74”, the words, brackets, figures and letter “or sub-sections (2) and (7) of section 74A” shall be inserted;

(b) after sub-section (2), the following sub-section shall be inserted, namely: —

“(2A) Where any Appellate Authority or Appellate Tribunal or

- court concludes that the penalty under clause (ii) of sub-section (5) of section 74A is not sustainable for the reason that the charges of fraud or any wilful misstatement or suppression of facts to evade tax has not been established against the person to whom the notice was issued, the penalty shall be payable by such person, under clause (i) of sub-section (5) of section 74A.”;
- (c) for sub-section (10), the following sub-section shall be substituted, namely:—
- “(10) The adjudication proceedings shall be deemed to be concluded, if the order is not issued within the period specified in sub-section (10) of section 73 or in sub-section (10) of section 74 or in sub-section (7) of section 74A.”;
- (d) in sub-section (11), after the word and figures “section 74”, the words, brackets, figures and letter “or sub-section (7) of section 74A” shall be inserted;
- (e) in sub-section (12), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted;
- (f) in sub-section (13), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.
- Amendment of section 104.** 30. In section 104 of the Tripura State Goods and Services Tax Act, in sub-section (1), in the Explanation, after the word and figures “section 74”, the words, brackets, figures and letter “or sub-sections (2) and (7) of section 74A” shall be inserted.
- Amendment of section 107.** 31. In section 107 of the Tripura State Goods and Services Tax Act, —
- (a) in sub-section (6), in clause (b), for the word “twenty five”, the word “twenty” shall be substituted;
- (b) in sub-section (11), in the second proviso, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74 A” shall be inserted.
- Amendment of section 112.** 32. In section 112 of the Tripura State Goods and Services Tax Act, —
- (a) with effect from the 1st day of August, 2024, in sub-section (1), after the words “from the date on which the order sought to be appealed against is communicated to the person preferring the appeal”, the words “; or the date, as may be notified by the Government, on the recommendations of the Council, for filing appeal before the Appellate Tribunal under this Act, whichever is later.” shall be inserted;

(b) with effect from the 1st day of August, 2024, in sub-section (3), after the words "from the date on which the said order has been passed", the words "; or the date, as may be notified by the Government, on the recommendations of the Council, for the purpose of filing application before the Appellate Tribunal under this Act, whichever is later," shall be inserted;

(c) in sub-section (6), after the words, brackets and figure "after the expiry of the period referred to in sub-section (1)", the words, brackets and figure "or permit the filing of an application within three months after the expiry of the period referred to in sub-section (3)" shall be inserted;

(d) in sub-section (8), in clause (b),—

(i) for the words "twenty per cent.", the words "ten per cent." shall be substituted;

(ii) for the words "fifty crore rupees", the words "twenty crore rupees" shall be substituted.

Amendment of section 122 33. In section 122 of the Tripura State Goods and Services Tax Act, with effect from the 1st day of October, 2023, in sub-section (1B), for the words "Any electronic commerce operator who", the words and figures "Any electronic commerce operator, who is liable to collect tax at source under section 52," shall be substituted.

Insertion of new section 122A. 34. After section 122 of the Tripura State Goods and Services Tax Act, the following section shall be inserted, namely:—

Penalty for failure to register certain machines used in manufacture of goods as per special procedure. "122A. (1) Notwithstanding anything contained in this Act, where any person, who is engaged in the manufacture of goods in respect of which any special 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 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.

(2) In addition to the penalty under sub-section (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

(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."

Amendment of 35. In section 127 of the Tripura State Goods and Services Tax Act, after the words and figures "section 73 or section 74", the words,

section 127 figures and letter "or section 74A" shall be inserted.

Insertion of new section 128A. 36. After section 128 of the Tripura State Goods and Services Tax Act, the following section shall be inserted, namely:—

Waiver of interest or penalty or both relating to demands raised under section 73, for certain tax periods.

"128A. (1) Notwithstanding anything to the contrary contained in this Act, where any amount of tax is payable by a person chargeable with tax in accordance with,—

(a) a notice issued under sub-section (1) of section 73 or a statement issued under sub-section (3) of section 73, and where no order under sub-section (9) of section 73 has been issued; or

(b) an order passed under sub-section (9) of section 73, and where no order under sub-section (11) of section 107 or sub-section (1) of section 108 has been passed; or

(c) an order passed under sub-section (11) of section 107 or sub-section (1) of section 108, and where no order under sub-section (1) of section 113 has been passed,

pertaining to the period from 1st July, 2017 to 31st March, 2020, or a part thereof, and the said person pays the full amount of tax payable as per the notice or statement or the order referred to in clause (a), clause (b) or clause (c), as the case may be, on or before the date, as may be notified by the Government on the recommendations of the Council, no interest under section 50 and penalty under this Act, shall be payable and all the proceedings in respect of the said notice or order or statement, as the case may be, shall be deemed to be concluded, subject to such conditions as may be prescribed:

Provided that where a notice has been issued under subsection (1) of section 74, and an order is passed or required to be passed by the proper officer in pursuance of the direction of the Appellate Authority or Appellate Tribunal or a court in accordance with the provisions of sub-section (2) of section 75, the said notice or order shall be considered to be a notice or order, as the case may be, referred to in clause (a) or clause (b) of this sub-section:

Provided further that the conclusion of the proceedings under this sub-section, in cases where an application is filed under sub-section (3) of section 107 or under sub-section (3) of section 112 or an appeal is filed by an officer of state tax under sub-section (1) of section 117 or under sub-section (1) of section 118 or where any proceedings are initiated under sub-section (1) of section 108, against an order referred to in clause (b) or clause (c) or against the directions of the Appellate Authority or the Appellate Tribunal or the court referred to in the first proviso, shall be subject to the

condition that the said person pays the additional amount of tax payable, if any, in accordance with the order of the Appellate Authority or the Appellate Tribunal or the court or the Revisional Authority, as the case may be, within three months from the date of the said order:

Provided also that where such interest and penalty has already been paid, no refund of the same shall be available.

(2) Nothing contained in sub-section (1) shall be applicable in respect of any amount payable by the person on account of erroneous refund.

(3) Nothing contained in sub-section (1) shall be applicable in respect of cases where an appeal or writ petition filed by the said person is pending before Appellate Authority or Appellate Tribunal or a court, as the case may be, and has not been withdrawn by the said person on or before the date notified under sub-section (1).

(4) Notwithstanding anything contained in this Act, where any amount specified under sub-section (1) has been paid and the proceedings are deemed to be concluded under the said sub-section, no appeal under sub-section (1) of section 107 or sub-section (1) of section 112 shall lie against an order referred to in clause (b) or clause (c) of sub-section (1), as the case may be.”

Amendment of section 140. 37. In section 140 of the Tripura State Goods and Services Tax Act, with effect from the 1st day of July, 2017, in sub-section (7), for the words “even if the invoices relating to such services are received on or after the appointed day”, the words “whether the invoices relating to such services are received prior to, on or after, the appointed day” shall be substituted.

Amendment of section 171. 38. In section 171 of the Tripura State Goods and Services Tax Act,—
(a) in sub-section (2), the following proviso and Explanation shall be inserted, namely:—

‘Provided that the Government may by notification, on the recommendations of the Council, specify the date from which the said Authority shall not accept any request for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.

Explanation.—For the purposes of this sub-section, “request for examination” shall mean the written application filed by an applicant requesting for examination as to whether input tax

credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.;

(b) the Explanation shall be renumbered as Explanation 1 thereof, and after Explanation 1 as so renumbered, the Explanation shall be inserted, namely:—

‘Explanation 2.—For the purposes of this section, the expression “Authority” shall include the “Appellate Tribunal”.’

Amendment of Schedule III. 39. In Schedule III to the Tripura State Goods and Services Tax Act, after paragraph 8 and before Explanation 1, the following paragraphs shall be inserted, namely:—

“9. Activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured in coinsurance agreements, subject to the condition that the lead insurer pays the Central tax, the State tax, and the Integrated tax on the entire amount of premium paid by the insured.

10. Services by insurer to the reinsurer for which ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer, subject to the condition that the Central tax, the State tax, and the Integrated tax is paid by the reinsurer on the gross reinsurance premium payable by the insurer to the reinsurer, inclusive of the said ceding commission or the reinsurance commission.”.

No refund of tax paid or input tax credit reversed. 40. No refund shall be made of all the tax paid or the input tax credit reversed, which would not have been so paid, or not reversed, had section 118 been in force at all material times.

STATEMENT OF OBJECTS & REASONS

The Central Government has amended the Central Goods and Services Tax Act, 2017, under Sections 11 to 13 of the Finance Act, 2024 (No. 8 of 2024) and under Section 114 to 150 of the Finance (No. 2) Act, 2024 (No. 15 of 2024);

Similar amendments are required to be made in the Tripura State Goods and Services Tax Act, 2017 to avoid repugnancy with the Central Act.

The proposed Tripura State Goods and Services Tax (Eighth Amendment) Bill, 2024, *inter alia*, provides for—

Clause 2 of the Bill seeks to amend the definition of Input Service Distributor by way of inclusion of reverse charge mechanism.

Clause 3 of the Bill seeks to amend sub-section (1) of section 9 of the Tripura State Goods and Services Tax Act, so as to not to levy state tax on un-denatured extra neutral alcoholer rectified spirit used for manufacture of alcoholic liquor for human consumption.

Clause 4 of the Bill seeks to make consequential amendments in sub-section (5) of section 10 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 5 of the Bill seeks to insert a new section 11A in the Tripura State Goods and Services Tax Act, so as to empower the Government to regularise non-levy or short levy of state tax where it is satisfied that such non-levy or short levy was a result of general practice.

Clause 6 of the Bill seeks to amend sub-section (3) of section 13 of the Tripura State Goods and Services Tax Act, so as to specify the time of supply of services in cases where the invoice is required to be issued by the recipient of services in reverse charge supplies.

Clause 7 of the Bill seeks to insert a new sub-section (5) in section 16 of the Tripura State Goods and Services Tax Act, so as to carve out an exception to the existing sub-section (4) and to provide that in respect of an invoice or debit note for the Financial Years 2017-18, 2018-19, 2019-20 and 2020-21, the registered person shall be entitled to take input tax credit in any return under section 39 which is filed up to the thirtieth day of November, 2021.

It also proposes to insert a new sub-section (6) in the said section so as to allow the availment of input tax credit in respect of an invoice or debit note in a return filed for the period from the date of cancellation of registration or the effective date of cancellation of registration, as the case may be, till the date of order of revocation of cancellation of registration, filed within thirty days of the date of order of revocation of cancellation of registration, subject to the condition that the time-limit for availment of

credit in respect of the said invoice or debit note should not have already expired under sub-section (4) of the said section on the date of order of cancellation of registration.

The aforesaid amendments are proposed to be made effective from the 1st day of July, 2017.

Further it is proposed that where the tax has been paid or the input tax credit has been reversed, no refund of the same shall be admissible.

Clause 8 of the Bill seeks to amend sub-section (5) of section 17 of the Tripura State Goods and Services Tax Act, so as to restrict the non availability of input tax credit in respect of tax paid under section 74 of the said Act only for demands up to Financial Year 2023-24.

It also proposes to remove reference to sections 129 and 130 in the said sub-section.

Clause 9 of the Bill seeks to substitution of Section 20 of the Tripura State Goods and Services Tax Act, 2017 for the purpose of extending the facility of distribution of credits available for reverse charge mechanism.

Clause 10 of the Bill seeks to make consequential amendment in section 21 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 11 of the Bill seeks to insert a new proviso in sub-section (2) of section 30 of the Tripura State Goods and Services Tax Act, so as to empower the State Government to prescribe conditions and restrictions for revocation of cancellation of registration by rules.

Clause 12 of the Bill seeks to amend clause (f) of sub-section (3) of section 31 of the Tripura State Goods and Services Tax Act, so as to empower the State Government to prescribe the time period for issuance of invoice by the recipient in case of reverse charge mechanism supplies by rules.

It also proposes to insert an Explanation in sub-section (3) of the said section so as to specify that a supplier registered solely for the purposes of tax deduction at source under section 51 of the said Act shall not be considered as a registered person for the purpose of clause (f) of sub-section (3) of section 31 of the said Act.

Clause 13 of the Bill seeks to make consequential amendment in sub-section (6) of section 35 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 14 of the Bill seeks to substitute sub-section (3) of section 39 of the Tripura State Goods and Services Tax Act, so as to mandate the electronic furnishing of return for each month by the registered person required to deduct tax at source, irrespective of whether any deduction has been made in the said month or not.

It also empowers the Government to prescribe by rules, the form, manner and the time within which such return shall be filed.

Clause 15 of the Bill seeks to make consequential amendments in sub-section (8) of section 49 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 16 of the Bill seeks to make consequential amendments in sub-section (1) of section 50 in the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 17 of the Bill seeks to make consequential amendments in sub-section (7) of section 51 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 18 of the Bill seeks to insert a new sub-section (15) in section 54 of the Tripura State Goods and Services Tax Act, so as to omit the second proviso to sub-section (3) and to provide that no refund of unutilised input tax credit or of integrated tax shall be allowed in cases of zero rated supply of goods where such goods are subjected to export duty.

Clause 19 of the Bill seeks to make consequential amendments in sub-section (3) of section 61 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 20 of the Bill seeks to make consequential amendments in sub-section (1) of section 62 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 21 of the Bill seeks to make consequential amendments in section 63 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 22 of the Bill seeks to make consequential amendments in sub-section (2) of section 64 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 23 of the Bill seeks to make consequential amendments in sub-section (7) of section 65 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 24 of the Bill seeks to make consequential amendments in sub-section (6) of section 66 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 25 of the Bill seeks to insert a new sub-section (1A) in section 70 of the Tripura State Goods and Services Tax Act, so as to enable an authorised representative to appear

on behalf of the summoned person before the proper officer in compliance of summons issued by the said officer.

Clause 26 of the Bill seeks to insert a new sub-section (12) in section 73 of the Tripura State Goods and Services Tax Act, so as to restrict the applicability of the said section for determination of tax pertaining to the period up to Financial Year 2023-24.

It also proposes to amend the marginal heading of the said section accordingly.

Clause 27 of the Bill seeks to insert a new sub-section (12) in section 74 of the Tripura State Goods and Services Tax Act, so as to restrict the applicability of the said section for determination of tax pertaining to the period up to Financial Year 2023-24.

It also proposes to amend the marginal heading of the said section accordingly.

Clause 28 of the Bill seeks to insert a new section 74A in the Tripura State Goods and Services Tax Act, so as to provide for determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason pertaining to the Financial Year 2024-25 onwards.

It also provides for the same limitation period for issuing demand notices and orders in respect of demands from the Financial Year 2024-25 onwards, irrespective of whether the charges of fraud, wilful misstatement, or suppression of facts are invoked or not, while keeping a higher penalty, for cases involving fraud, wilful misstatement, or suppression of facts.

Clause 29 of the Bill seeks to insert a new sub-section (2A) in section 75 of the Tripura State Goods and Services Tax Act, so as to provide for redetermination of penalty demanded in a notice invoking penal provisions under clause (ii) of sub-section (5) of the proposed section 74A of the said Act to re-determine the penalty as per clause (i) of the sub-section (5) of the said section, in cases where the charges of fraud, wilful misstatement, or suppression of facts are not established.

It also seeks to make consequential amendments in section 75 of the said Act, so as to incorporate a reference to the proposed section 74A or the relevant sub-sections thereof.

Clause 30 of the Bill seeks to make consequential amendments in sub-section (1) of section 104 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to sub-sections (2) and (7) of the proposed new section 74A.

Clause 31 of the Bill seeks to amend sub-section (6) of section 107 of the Tripura State Goods and Services Tax Act, so as to reduce the maximum amount of pre-deposit for filing appeal before the Appellate Authority from rupees twenty-five crores to rupees twenty crores in state tax.

It also proposes to make consequential amendments in sub-section (11) of the said section to incorporate a reference to the proposed new section 74A.

Clause 32 of the Bill seeks to amend sub-sections (1) and (3) of section 112 of the Tripura State Goods and Services Tax Act, so as to empower the Government to notify the date for filing appeal before the Appellate Tribunal and provide a revised time limit for filing appeals or application before the Appellate Tribunal.

It is proposed to make the said amendments effective from the 1st day August, 2024.

It also seeks to amend sub-section (6) of the said section so as to enable the Appellate Tribunal to admit appeals filed by the department within three months after the expiry of the specified time limit of six months.

Further, it seeks to amend sub-section (8) of the said section to reduce the maximum amount of pre-deposit for filing appeals before the Appellate Tribunal from the existing twenty percent to ten percent of the tax in dispute and also reduce the maximum amount payable as pre-deposit from rupees fifty crores to rupees twenty crores in state tax.

Clause 33 of the Bill seeks to amend sub-section (1B) of section 122 of the Tripura State Goods and Services Tax Act, so as to restrict the applicability of the said sub-section to electronic commerce operators, who are required to collect tax at source under section 52 of the said Act.

The said amendment is proposed to be made effective from the 1st day of October, 2023 when the said sub-section had come into force.

Clause 34 of the Bill seeks to insertion of new section 122A for imposing penalty for failure to register certain machines used in manufacture of goods as per special procedure.

Clause 35 of the Bill seeks to make consequential amendments in section 127 of the Tripura State Goods and Services Tax Act, so as to incorporate a reference to the proposed new section 74A.

Clause 36 of the Bill seeks to insert a new section 128A in the Tripura State Goods and Services Tax Act, so as to provide for conditional waiver of interest and penalty in respect of demand notices issued under section 73 of the said Act for the Financial Years 2017-18, 2018-19 and 2019-20, except the demand notices in respect of erroneous refund.

Further, it is proposed that in cases where interest and penalty have already been paid in respect of any demand for the said financial years, no refund shall be admissible for the same.

Clause 37 of the Bill seeks to amend sub-section (7) of section 140 of the Tripura State Goods and Services Tax Act, so as to enable availment of the transitional credit of eligible CENVAT credit on account of input services received by an Input Services

Distributor prior to the appointed day, for which invoices were also received prior to the appointed date.

The said amendment is proposed to be made effective from 1st day of July, 2017.

Clause 38 of the Bill seeks to amend sub-section (2) of section 171 of the Tripura State Goods and Services Tax Act, so as to empower the Government to notify the date from which the Authority under the said section shall not accept any application for anti-profiteering cases.

An Explanation is also proposed to be inserted so as to include the reference of "Appellate Tribunal" in the expression "Authority" under the said section to enable the Government to notify the Appellate Tribunal to act as an Authority to handle anti-profiteering cases.

Clause 39 of the Bill seeks to amend Schedule III to the Tripura State Goods and Services Tax Act, so as to provide that the activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured in coinsurance agreements shall be treated as neither supply of goods nor supply of services, provided that the lead insurer pays the tax liability on the entire amount of premium paid by the insured.

It also proposes to provide that the services by the insurer to the re-insurer, for which the ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer, shall be treated as neither supply of goods nor supply of services, provided that tax liability on the gross reinsurance premium inclusive of reinsurance commission or the ceding commission is paid by the reinsurer.

Clause 40 of the Bill seeks to provide that no refund shall be made of all the tax paid or the input tax credit reversed, which would not have been so paid, or not reversed had the said section 118 been in force at all material times.

2. The Bill seeks to achieve the above objectives.

(PRANAJIT SINGHA ROY)
Hon'ble Finance Minister

TECHNICAL REPORT

The proposed Bill provides for the levy of tax on the supply of goods or services or both. The subject matter of the Bill conforms to the provisions of Clause (1) of the Article 286 of the Constitution of India.

The State Legislature is competent to legislate on the subject under Clause (1) of Clause 246A of the Constitution of India. The Provisions of the Bill are not repugnant to any provision of any existing Central Law or any provision of the Constitution, as amended by the Constitution (One Hundred and First Amendment) Act, 2016. It does not attract the proviso to Article 304(b) of the Constitution of India.

The Bill is money bill as defined in Clause (a) of Clause (1) of Article 199 of the Constitution of India and as such recommendation of the Governor as required under clause (1) of Article 207 of the Constitution of India will be required for introduction of the Bill in the Tripura Legislative Assembly.

Secretary
Law Department
Government of Tripura

FINANCIAL MEMORANDUM

The 'Tripura State Goods and Services Tax (Eighth Amendment) Bill, 2024' if enacted and brought into force, does not involve any recurring or non-recurring expenditure from the Consolidated Fund of the State.

Secretary
Finance Department
Government of Tripura