

**GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT
OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES
EZHILAGAM, CHENNAI-600 005
PRESENT: DR. T.V. SOMANATHAN, I.A.S.,
COMMISSIONER OF STATE TAX**

Circular No.36(2018)/2019-TNGST
(RC No.151/2018/A1/Taxation)

Dated:05.04.2019

Sub:	Clarifications on Recovery of arrears of wrongly availed CENVAT credit under the existing law and inadmissible transitional credit - Reg.
Ref:	Circular No. 58/32/2018-GST, dated 04-09-2018 issued by the Department of Revenue, Ministry of Finance, Government of India, New Delhi.

Various representations have been received seeking clarification on the process of recovery of arrears of wrongly availed CENVAT credit under the existing law and CENVAT credit wrongly carried forward as transitional credit in the GST regime. In order to ensure uniformity in the implementation of the provisions of the law across the field formations, the Board, in exercise of its powers conferred under section 168 of the Tamilnadu Goods and Services Tax Act, 2017 (hereinafter referred to as the 'TNGST Act'), hereby specifies the process of recovery of the said arrears and inadmissible transitional credit in the succeeding paragraphs.

2. The Commissioner of State Taxes vide Circular No. 24/2018-TNGST dated 29.03.2019, has clarified that the recovery of arrears arising under the existing law shall be made as central tax liability to be paid through the utilization of the amount available in the electronic credit ledger or electronic cash ledger of the registered person, and the same shall be recorded in Part II of the Electronic Liability Register (**FORM GST PMT-01**).

3. Currently, the functionality to record this liability in the electronic

liability register is not available on the common portal. Therefore, it is clarified that as an alternative method, taxpayers may reverse the wrongly availed TNVAT, Entry Tax, TNLH, Entertainment Tax Credit under the existing law and inadmissible transitional credit through Table 4(B)(2) of **FORM GSTR-3B**. The applicable interest and penalty shall apply on all such reversals which shall be paid through entry in column 9 of Table 6.1 of **FORM GSTR-3B**.

4. This pari materia circular is issued with reference to the circular issued by the Government of India on the recommendation of the GST Council in the reference cited.

Sd/-T.V.Somanathan
Commissioner of State Tax

To

All the Joint Commissioners (ST) Territorial and Enforcement in the State.

Copy to: (1) Principal Secretary to CT& Regn. Department.

(2) All Additional Commissioners of State Tax in the Commissionerate.

(3) Joint Commissioner (CS) for hosting in Departmental site.

(4) All Deputy Commissioners (ST) in the State.

(5) All Assistant Commissioners (ST) in the State.