

## Transitional Provisions

**1) I was a registered dealer under previous Act. What is the procedure for getting Provisional Registration under CGST/SGST Act?**

On and from the appointed day, every person registered under any of the previous Acts and having a Permanent Account Number under Income Tax Act shall be issued a Certificate of registration on provisional basis by the concerned department. [Section-139(1) of CGST/TNGST Act]

**2) I am having Provisional Registration Number in GST Act. When will I get Final Certificate of Registration ?**

Every person who has been granted a Provisional registration shall submit an application electronically in Form GST REG-26 duly signed or verified through electronic verification code, along with the information and documents specified in the said application, on the common portal **within a period of three months**. If the information and particulars furnished in the application are found by the proper officer, to be correct and complete, a certificate of registration in Form GST REG-06 shall be made available to the registered person electronically on the common portal.[Section-139(2) of CGST/SGST Act&Rule-24(2)(a)(b) of CGST/TNGST Rules].

**3) What will happen if the particulars or information specified in Application for Certificate of Registration in Form GST REG-26 are not submitted within a time prescribed?**

If the Application for getting Certificate of Registration under GST Act along with the information and documents specified in Form GST REG-26 are **not submitted before 30.9.2017** or the information is not found to be correct or complete, the provisional registration granted will be cancelled.[Rule-24(3) of CGST/TNGST Rules].

**4) I was a registered dealer under TNVAT Act and my turnover is above Rs.15 lakhs. As my turnover limit is below threshold limit of Rs.20 lakhs, I need not register under CGST/SGST Act. What shall I do?**

Every person registered under any of the previous laws, who is not liable to be registered under the CGST/SGST Act may, within a period of thirty days from the appointed day, at his option, submit an application electronically in Form GST REG-29 at the common portal for the cancellation of provisional registration

granted to him.[Section-139 of CGST/SGST Act & Rule-24(4) of CGST/TNGST Rules].

**5) I was a registered dealer under TNVAT Act who has opted for compounding scheme. Will I continue to be a composition dealer under GST Act automatically?**

No. Any person who has been granted registration on a provisional basis and who opts to pay tax under composition scheme under Section-10 shall electronically file intimation in Form GST CMP-01, prior to the appointed day but not later than thirty days after the said day, or such period as may be extended in this regard.[Rule-3(1) of CGST/TNGST Rules].

**6) What is the time limit for claiming ITC on transition period? Where can I claim?**

The claim of ITC shall be made within 90 days of the appointed day. You have to submit declaration electronically in Form GST TRAN-1 in the common portal [www.gst.gov.in](http://www.gst.gov.in). [Section-140 of CGST/TNGST Act& Rule-117 of CGST/TNGST Rules].

**7) I have no input tax credit carry forward as per June 2017 monthly return under VAT Act. But I have a stock of goods worth Rs.50 lakhs. Can I get credit on that?**

No. As per Section-140(1) of the CGST/TNGST Act, any taxable person is entitled to take credit of the amount carried forward in the monthly return for June 2017 only.

**8) I have tax paid invoices under TNVAT Act. Can I claim credit under GST Act?**

As per Section-140(1) of the CGST/SGST Act, any taxable person is entitled to take credit of the amount carried forward in the monthly return for June 2017 only.

**9) I have duty paid documents under Excise Act, CST and Entry Tax paid documents for vehicles and spares. Can I claim credit on that?**

You can claim credit on the duties, VAT and entry tax carried forward in the monthly return for June 2017. But CST taxes paid on goods shall not be entitled to be credited to the electronic credit ledger. [Section-140(1) of CGST/TNGST Act]

**10) I was an unregistered dealer in previous Acts and now a registered dealer under GST Act and opted for composition scheme. Can I claim credit on the stock available with me?**

No. The persons who have opted for composition scheme shall not be entitled for credit of duties/tax paid in the previous acts. [Section-140(1) of CGST/TNGST Act].

**11) A person registered under Excise Act, when migrated to GST Act opted for composition scheme. Is he eligible to claim duties paid under previous Acts?**

No. The persons who have opted for composition scheme shall not be entitled for credit of duties/tax paid in the previous acts. (Section-140(1) of the CGST/TNGST Act).

**12) A registered person having centralized registration under the previous Act has obtained a registration under GST Act. Is he allowed to take in his electronic credit ledger, the credit of the amount of CENVAT carried forward in a return?**

Yes [Section-140(8) of the CGST/TNGST Act and Rule 117(2) of CGST Rules]

**13) I was a registered dealer under TNVAT Act. My goods are taxable at 14.5% under VAT. I have no stock available with me. But as my sales are against C forms for concessional levy, I have credit of input tax. How I will get that ITC under GST Act?**

You will be allowed to take credit of excess ITC only to the extent of the available declaration forms to be declared in TRAN-1 subject to the conditions given below:

- You are a normal tax payer. (Not a composition dealer)
- Credit is admissible as ITC in GST
- All returns from Jan-June 2017 submitted.
- Credits to be filled in table 5 of GST TRAN-1 on common portal upto 30<sup>th</sup> September 2017.

[Section-140(1)(A) of CGST/TNGST Act & Rule-117(1) of CGST/TNGST Rules]

**14) I was a registered dealer (manufacturer) under TNVAT Act. I have already availed 50% of credit of Capital goods. What will happen to the unavailed credit of Capital goods not carried forward in return?**

You will get ITC of unavailed amount of tax paid on capital goods not carried forward in the return but relevant details (availed and not availed ITC) need to be filled in table 6 of GST TRAN-1 on common portal within 90 days of the appointed day.[Section-140(2) of the CGST/TNGST Act&Rule-117(2)(a) of CGST/TNGST Rules]

**15)I run a small business unregistered under TNVAT Act. Will I get ITC if I register as normal tax payer?**

Yes. Credit of eligible tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on 01<sup>st</sup> July 2017 will be available subject to specified conditions as detailed below:

- Inputs or goods are used for making taxable supplies
- Eligible for ITC under CGST/SGST
- Possession of invoice or documents evidencing payment of tax.
- Invoices or other documents not issued prior to 30<sup>th</sup> June 2016.
- File declaration of stock of duty paid goods in table 7 of GST TRAN-1 on common portal within 90 days of the appointed day.

[Section-140(3) of the CGST/TNGST Act &, Rule-117(2)(b) of CGST/TNGST Rules]

**16)I was registered under TNVAT Act as composition tax payer. Will I get ITC if I register as normal tax payer?**

Yes. Credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished goods held in stock on 01<sup>st</sup> July 2017 will be available subject to specified conditions as detailed below:

- Inputs or goods are used for making taxable supplies
- Eligible for ITC under CGST/SGST
- Possession of invoice or documents evidencing payment of tax.
- Invoices or other documents not issued prior to 30<sup>th</sup> June 2016.
- File declaration of stock of duty paid goods in table 7 of GST TRAN-1 on common portal within 90 days of the appointed day.

[Section-140(6) of CGST/TNGST Act and Rule-117(2)(b) of CGST/TNGST Rules]

**17)I was running a small scale industry. As I was exempted from paying Excise Duty I did not register under Excise Act. Now I am a registered dealer under GST Act. How can I get credit on my stock?**

If you have duty paid invoices in hand, you can claim CGST credit as per Section-140(3) and Rule 117(1). If you donot have duty paid invoices, but have document for procurement of such goods, then you can claim ITC as per proviso to Section-140(3) of CGST Act & Rule 117(4) of CGST Act.

**18)My supplies were exempted under TNVAT Act. Can I claim ITC if my goods are taxable under GST?**

If your purchases are taxable then, credit of eligible duties in respect of inputs held in stock and inputs contained in semi-finished goods held in stock on 01<sup>st</sup> July 2017 will be available subject to specified conditions as detailed below:

- Inputs or goods are used for making taxable supplies
- Eligible for ITC under CGST/SGST
- Possession of invoice or documents evidencing payment of tax.
- Invoices or other documents not issued prior to 30<sup>th</sup> June 2016.
- File declaration of stock of duty paid goods in table 7 of GST TRAN-1 on common portal within 90 days of the appointed day.

[Section-140(3) of CGST/TNGST Act & Rule-117(2)(b) of CGST/TNGST Rules]

**19)I was not a registered dealer under previous Acts. I have duty paid documents for procurement of goods from manufacturer. Can I claim credit on that?**

Yes. If you have possession of duty paid documents on hand, you can claim ITC as per Section140(3) of the CGST Act and you shall be entitled to take credit on your Electronic Credit Ledger.

**20)I was an unregistered traderunder TNVAT Act. I don't have possession of an invoice or any other documents evidencing payment of tax in respect of inputs.Shall I be allowed to take input tax credit under SGST Act?**

Yes. But you shall pass on the benefit of such credit by way of reduced prices to the recipient.Credit is allowable only on stock of 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. Also the following conditions are to be fulfilled.

- The credit shall be allowed at the rate of 60% on such goods which attract State tax at the rate of 9 per cent or more and 40% for other goods of the State Tax applicable on supply of such goods after the appointed date and shall be credited after the State tax payable on such supply has been paid.

- If integrated tax is paid on such goods, the amount of credit shall be allowed at the rate of 30:20.
- The scheme shall be available for six tax period from the appointed date.
- Such Goods were not wholly exempt from tax under the TNVAT Act.
- Submit statement in GST TRAN-2 at the end of each of the six tax periods.

[Proviso to Section-140(3) of TNGST Act and Rules-117(4) of TNGST Rules]

**21) What has to be done under GST Act if the price of goods is revised upwards after 01.07.2017 for which agreement was already entered prior to 01.07.2017?**

The registered person who had sold such goods shall issue the recipient a supplementary invoice or debit note containing such particulars within thirty days of such price revision and such supplementary invoice or debit note shall be treated as outward supply made under the GST Act.[Section-142(2)(a) of the CGST/TNGST Act]

**22)What has to be done under GST Act if the price of goods is revised downwards after 01.07.2017 for which agreement was already entered prior to 01.07.2017?**

The registered person who had sold such goods may issue the recipient a credit note containing such particulars within thirty days of such price revision and the registered person shall be allowed to reduce his tax liability on account of issue of the credit note only if the recipient of the credit note has reduced his input tax credit corresponding to such reduction of tax liability.[Section-142(2)(b) of the CGST/TNGST Act]

**23) I have claimed Refund of input tax in Form W under TNVAT Act. I have not received the refund. What will happen after 01.07.2017?**

The claim of Form W refund pending under the TNVAT Act will be refunded under TNVAT Act only even after 01.07.2017.[Section-142(3) of the TNGST Act]

**24) My appeal filed under the TNVAT Act is still pending now. What will happen to my appeal?**

Every proceeding of appeal, revision or review pending before, on or after the appointed day under the TNVAT Act shall be disposed of in accordance with the provisions of the TNVAT Act. [Section-142(6) of TNGST Act]

**25) If the appellate or revisional order goes in favour of the assessee, whether refund will be made in GST? What will happen if the decision goes against the assessee?**

Any amount of credit found to be admissible to the claimant shall be refunded to him under TNVAT Act and any amount of credit recoverable as a result of the appeal shall be recovered as an arrear of tax under the GST Act.[Section-142(6)(7)(8) of the CGST/TNGST Act]

**26) Under which Act, tax will be collected for the supply of goods after 01/07/2017, for which contract was entered prior to 01.07.2017.**

The goods or services or both supplied on or after 01.07.2017 in pursuance of a contract entered into prior to the appointed day shall be liable to tax under the provisions of the CGST/SGST Act only.[Section-142(10) of CGST/TNGST Act].

**27) I have paid tax under TNVAT Act for the liquor supplied at my Restaurant before 01.07.2017. What is the rate of tax under GST?**

Liquors on human consumption are still taxed under the TNVAT Act. They are not brought under the ambit of GST Act. Hence they are taxable under the provisions of TNVAT Act and returns to be filed under the TNVAT Act only.[Section-142(11)(a) of TNGST Act]

**28) Goods sent on approval basis are returned after six months from 01.07.2017. How it is treated under GST Act?**

Tax shall be payable by the person returning the goods if such goods are liable to tax under the GST Act and are returned after the period of six months from 01.07.2017.

Tax shall be payable by the person who has sent the goods on approval basis if such goods are liable to tax under the GST Act and are not returned within the period of six months from 01.07.2017.[Section-142(12) of TNGST Act]

**29) I am an Electrical Contractor. For the goods supplied and works done, tax was required to be deducted under TNVAT Act 2006. I had issued invoice for the same before 01.7.2017. I have not received payment for the works done. If the payment is made now, whether deduction of tax at source shall be made under GST Act?**

No. As your supply and issue of invoice were made before 01/07/2017, no deduction of tax at source under Section-51 shall be made by the deductor under the GST Act.[Section-142(13) of TNGST Act]

**30) I have reversed an amount of ITC under TNVAT Act. Shall I take credit now under CGST/SGST Act?**

No. Any amount of input tax reversed prior to the appointed day shall not be admissible as input tax under the CGST/SGST Act. [Section-142(5) of CGST/TNGST Act]

**31) Goods belonging to the Principal are lying at the premises of the Agent on the appointed day. Is the Agent eligible to take credit of the tax paid on the goods or capital goods under SGST Act?**

Yes. Conditions to be fulfilled are:

- 1) The agent is a registered taxable person under this Act.
- 2) Both the principal and the agent declare the details of stock of goods in the prescribed format.
- 3) The invoices of such goods or capital goods had been issued not earlier than twelve months immediately preceding the appointed day.
- 4) The principal has either reversed or not availed of the input tax of goods.

[Section-143(14) of TNGST Act & Rule-119 of TNGST Rules]