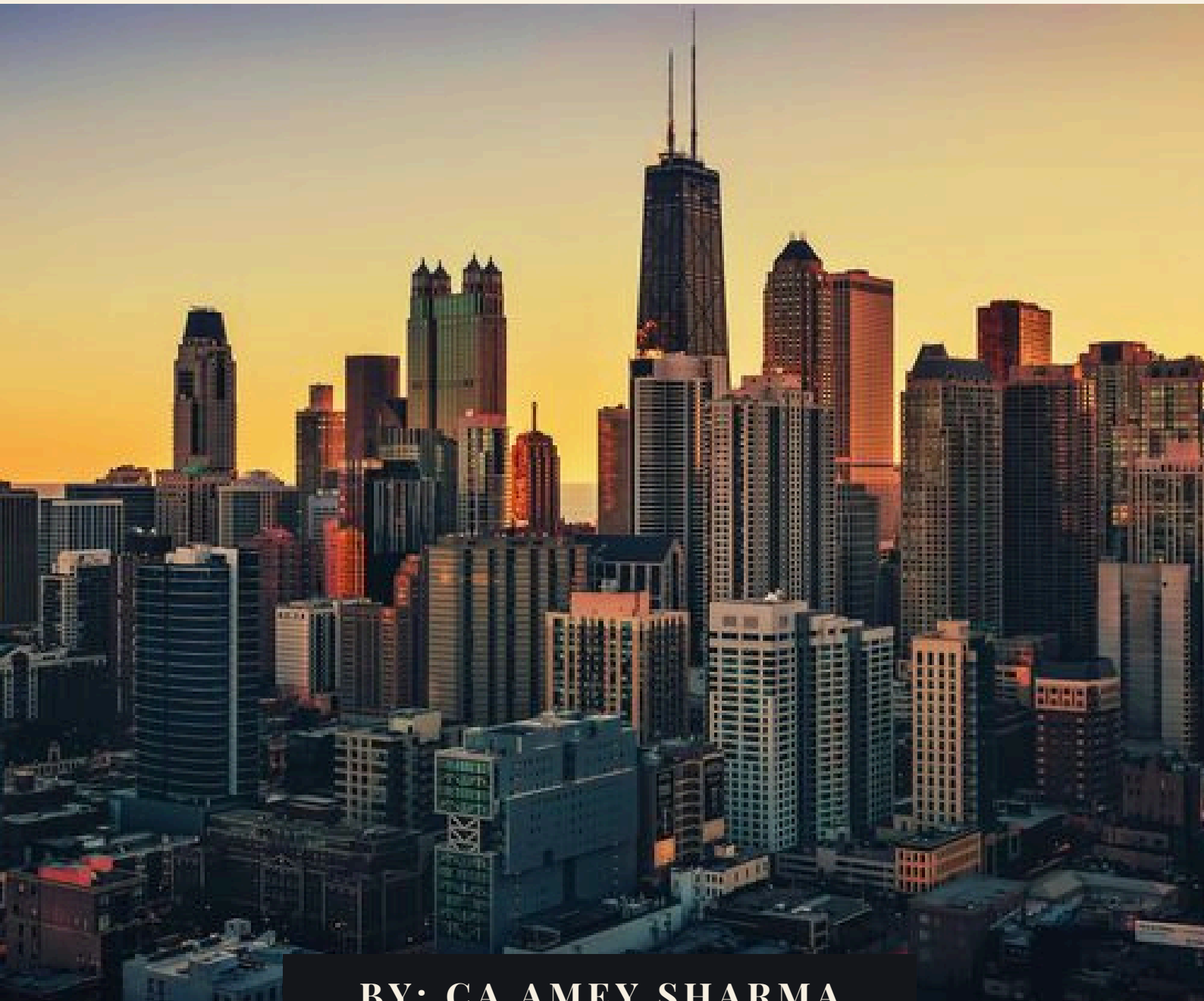


JAN 2025 | 2ND WEEK

TAXWEEKLY

The Weekly Magazine on recent updates and developments in Tax regime.



BY: CA AMEY SHARMA

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THE TAXWEEKLY MAGAZINE

- CA AMEY SHARMA

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Advisory for Waiver Scheme under Section 128A

Both Forms GST SPL 01 and GST SPL 02 are available in the GST portal now

- SPL-01: Application for waiver of interest or penalty or both under Section 128(1)(a) in case of notice or statement.
- SPL-02 : Application for waiver of interest or penalty or both under Section 128(1)(b) & Section 128(1)(c) in case of demand order.

The taxpayers are advised to file applications under waiver scheme.

One of the eligible conditions for filing application under waiver scheme is to withdraw the appeal applications filed against the demand order/notice/statement for which waiver application is to be submitted.

In this regard, it is to inform that for the appeal applications (APL 01) filed before First Appellate authority, withdrawal option is already available in the GST portal. However, for the appeal applications (APL 01) filed before 21.03.2023, withdrawal option is not available in GST portal.

For such cases, the taxpayers are advised to submit their request for withdrawal of appeal applications to the concerned Appellate Authority.

The Appellate authority will forward such requests to GSTN through State Nodal officer for withdrawal of such appeal applications (i.e. filed before 21.03.2023 and not disposed off) from backend.

Difficulty if any faced by the taxpayers may be reported to <https://selfservice.gstsystem.in> by raising a ticket under category “Issues related to Waiver Scheme”.

Change in GST Rate of Fortified Rice Kernel (FRK)

Notification No. 01/2025- Central Tax (Rate) dated 16th January, 2025

Change in GST Rate :

Fortified Rice Kernel (FRK) HSN 1904 - Rate change to 5%

Amendment in definition of ‘pre-packaged and labelled ’

Notification No. 01/2025- Central Tax (Rate) dated 16th January, 2025

The expression ‘pre-packaged and labelled ’ shall mean all commodities that are intended for retail sale and containing not more than 25 kg or 25 litre, which are ‘pre-packed’ as defined in clause (l) of section 2 of the Legal Metrology Act, 2009 (1 of 2010) where, the package in which the commodity is pre-packed or a label securely affixed thereto is required to bear the declarations under the provisions of the Legal Metrology Act, 2009 (1 of 2010) and the rules made thereunder.

Gene Therapy is exempted from GST

Notification No. 02/2025- Central Tax (Rate) dated 16th January, 2025

Exemption in GST :

Gene Therapy is hereby exempted from GST

Fortified Rice Kernel (Premix) is included in food inputs for various government schemes

Notification No. 03/2025- Central Tax (Rate) dated 16th January, 2025

Amendment in Notification No. 39/2017-Central Tax (Rate), dated 18th October, 2017

Fortified Rice Kernel (Premix) is included in food inputs of food preparations under HSN 19 or 21 that are supplied for food preparations intended for free distribution to economically weaker sections under a government program subject to the existing conditions.

Fortified Rice Kernel (Premix) supply for ICDS or similar scheme duly approved by the Central Government or any State Government”, the words and symbols, “(c) food inputs for (a) above.” shall be inserted.

sale of all old and used vehicles, including EVs

now taxed at 18%

Notification No. 04/2025-Central Tax (Rate) dated 16th January, 2025

Earlier there were categories defined wrt sale of all old and used vehicles which were taxed at 18% and rest all others were taxed at 12%

Now a uniform 18% rate has been effected to even sale of sale of all old and used vehicles, including EVs

Exemption on certain services

No. 06/2025- Central Tax (Rate) dated 16th January, 2025

Amendment in notification number 12/2017-Central Tax (Rate) dated the 28th June, 2017

> against serial number 25A, in column (3), for the words “transmission and distribution” wherever occurring, the words “transmission or distribution” shall be substituted;

> addition of serial number 36B Services of insurance provided by the Motor Vehicle Accident Fund, constituted under section 164B of the Motor Vehicles Act, 1988 (59 of 1988), against contributions made by insurers out of the premiums collected for third party insurance of motor vehicles is hereby exempted

> Any service provided by a training partner approved by the National Skill Development Corporation is hereby exempted

Sponsorship services provided by the body corporates now

excluded from RCM

No. 07/2025- Central Tax (Rate) dated 16th January, 2025

Category of Supply of Services : Services provided by way of sponsorship to any body corporate or partnership firm.

Supplier of service : "Any person"; post amendment - "Any person, other than a body corporate" is done

Recipient of Service : Any body corporate or partnership firm located in the taxable territory.

Composition taxpayer now excluded from paying RCM on renting of any property other than residential dwelling services

No. 07/2025- Central Tax (Rate) dated 16th January, 2025

Category of Supply of Services : Service by way of renting of any property other than residential dwelling.

Supplier of service : Any unregistered person

Recipient of Service : Any registered person; post amendment -“Any registered person other than a person who has opted to pay tax under composition levy”

GST Amendments for Hotel and Restaurant Services wef 1st April 2025

No. 05/2025- Central Tax (Rate) dated 16th January, 2025
with effect from the 1st day of April, 2025

> The concept of “Declared Tariff” has been omitted
Thus now gst will be levied on actual charges only.

> The Definition of “Specified premises” has been amended as follows:

For accommodation value exceeding Rs 7,500

a premises from where the supplier has provided in the preceding financial year, ‘hotel accommodation’ service having the value of supply of any unit of accommodation above Rs 7,500 per unit per day or equivalent

For Other existing units

a premises for which a registered person supplying ‘hotel accommodation’ service has filed a declaration, on or after the 1st of January and not later than 31st of March of the preceding financial year, declaring the said premises to be a specified premises

For New units

a premises for which a person applying for registration has filed a declaration, within fifteen days of obtaining acknowledgement for the registration application, declaring the said premises to be a specified premises

GST Rates in brief (as per my understanding)

> If Accommodation Value is above Rs 7,500 --- GST Rate 18% (ITC allowed)

> For others if declared it self as “specified premises” by filling OPT IN declaration then --- GST Rate 18% (ITC allowed)

> All others --- GST Rate 5% (ITC not allowed)

No. 08/2025-Central Tax (Rate) dated 16th January, 2025

Provides for the categories of services, the tax on supplies shall be paid by the electronic commerce operator

The following amendment has been made - in the Explanation, for item (c), the following shall be substituted, namely,-

“specified premises” has the same meaning as assigned to it in clause (xxxvi) of paragraph 4 of notification number 11/2017-Central Tax (Rate) dated 28.06.2017

This notification shall come into force with effect from the 1st day of April, 2025

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

Government of India
Ministry of Finance
(Department of Revenue)

Notification
No. 05/2025- Central Tax (Rate)

New Delhi, the 16th January, 2025.

G.S.R.....(E).- In exercise of the powers conferred by sub-sections (1), (3), and (4) of section 9, sub-section (1) of section 11, sub-section (5) of section 15 and section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following further amendments in the notification number 11/2017-Central Tax (Rate), of the Government of India, in the Ministry of Finance (Department of Revenue), published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (i), *vide* number G.S.R. 690(E), dated the 28th June, 2017, namely:-

In the said notification, -

(i) in paragraph 4 relating to *Explanation*, with effect from the 1st day of April, 2025,-

(a) clause (xxxv) shall be omitted;

(b) for clause (xxxvi), the following clause shall be substituted, namely:-

“(xxxvi) “Specified premises”, for a financial year, means,-

(a) a premises from where the supplier has provided in the preceding financial year, ‘hotel accommodation’ service having the value of supply of any unit of accommodation above seven thousand five hundred rupees per unit per day or equivalent; or

(b) a premises for which a registered person supplying ‘hotel accommodation’ service has filed a declaration, on or after the 1st of January and not later than 31st of March of the preceding financial year, declaring the said premises to be a specified premises; or

(c) a premises for which a person applying for registration has filed a declaration, within fifteen days of obtaining acknowledgement for the registration application, declaring the said premises to be a specified premises;”;

(ii) after Annexure VI, the following Annexures shall be inserted, namely:—

“Annexure VII

OPT-IN DECLARATION FOR REGISTERED PERSON

(See para 4(xxxvi))

Declaration by a registered person supplying hotel accommodation service before the jurisdictional GST authority declaring the premises to be a ‘specified premises’.

Reference No.-

Date: -

1. I/We (name of Person) do hereby declare that the premises at(address)..... shall be a ‘specified premises’ for the Financial Year(yyyy-yy).....
2. Further, I/We understand the said declaration will apply to the entire Financial Year specified in (1) above and will continue to apply to subsequent Financial Years also, unless I/We declare the premises as not a ‘specified premises’ by filing a declaration in the format specified at Annexure IX.

Legal Name: -

GSTIN: -

PAN No.

Name of Authorized Signatory:

Signature of Authorized Signatory:

(Dated acknowledgment)

Note:

1. The above declaration, declaring the premises as a ‘specified premises’ for a Financial Year, shall be filed by a registered person on or after 1st of January of the preceding Financial Year but not later than 31st of March of the preceding Financial Year.

2. The above declaration shall have to be filed separately for each premises.

Annexure VIII

OPT-IN DECLARATION FOR PERSON APPLYING FOR REGISTRATION

(See para 4(xxxvi))

Declaration by a person applying for registration before the jurisdictional GST authority declaring the premises to be a ‘specified premises’.

Reference No. -

Date: -

1. I/We (name of Person) have applied for registration *vide* ARN No. and do hereby declare that the premises at(address)..... shall be a ‘specified premises’ from the effective date of registration till the end of the Financial Year.
2. Further, I/We understand the said declaration will apply to the subsequent Financial Years also, unless I/We declare the premises as not a ‘specified premises’ by filing a declaration in the format specified at Annexure IX.

Legal Name: -

ARN: -

PAN No.

Name of Authorized Signatory:

Signature of Authorized Signatory:

(Dated acknowledgment)

Note: The above declaration shall have to be filed separately for each premises.

Annexure IX

OPT-OUT DECLARATION

(See para 4(xxxvi))

Declaration by a registered supplier of hotel accommodation service before the jurisdictional GST authority declaring the premises as not a ‘specified premises’.

Reference No.-

Date: -

1. I/We (name of Person) do hereby declare that the premises at(address)..... shall not be a ‘specified premises’ for the Financial Year(yyyy-yy).....

2. Further, I/We understand the said declaration will apply to the entire Financial Year specified in (1) above and will continue to apply to subsequent Financial Years also, unless I/We declare the premises to be a ‘specified premises’ by filing a declaration in the format specified at Annexure VII.

Legal Name: -

GSTIN/ARN: -

PAN No.

Name of Authorized Signatory:

Signature of Authorized Signatory:

(Dated acknowledgment)

Note:

1. The above declaration, declaring the premises as not a ‘specified premises’, for a Financial Year, shall be filed on or after 1st of January of the preceding Financial Year but not later than 31st of March of the preceding Financial Year.
2. The above declaration shall have to be filed separately for each premises.”.

[F.No. 190354/2/2025-TO (TRU-II)]

(Md. Adil Ashraf)

Under Secretary to the Government of India.

Note: -The principal notification number 11/2017 -Central Tax (Rate) was published in the Gazette of India, Extraordinary, *vide* number G.S.R. 690 (E), dated the 28th June, 2017 and

last amended *vide* notification number 07/2024-Central Tax (Rate) published in the Gazette of India *vide* number G.S.R. 617(E), dated the 8th October, 2024.



TAXWEEKLY

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Respected all, I am a practicing chartered accountant currently partner with M. Sharma S. Agrawal & Co. Head Office, Nagpur.

I have major interests in field of Direct Tax, Indirect Taxes, Insolvency Laws etc. During my Articleship, I have presented papers on the same at the ICAI student conferences and also written various articles on GST at various platforms. I have also started a weekly tax magazine named TAXWEEKLY regarding weekly updates on taxation.

Kind Regards, CA AMEY SHARMA, Nagpur (9372223834)

Through this newsletter, I am not rendering any professional advice or service whatsoever and Every effort has been made to avoid errors or omissions

