



TAXATION DEPARTMENT  
Government of Meghalaya

# Taxation and Regulating Acts administered by the State Taxation Department

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# List of Taxation Acts



1. The Meghalaya Professions, Trades, Calling and Employments Taxation (*Prof. Tax*) Act (Assam Act 6 of 1947 as adapted by Meghalaya).
2. The Central Sales Tax (*CST*) Act, 1956 for the purpose of items not subsumed under the Goods and Services Tax.
3. The Meghalaya (Sales of Petroleum and Petroleum Products Including Motor Spirit and Lubricants Taxation) (*MSL*) Act (Assam Act 9 of 1956 as Adapted and Amended by Meghalaya)
4. The Meghalaya Passengers and Goods Taxation (*MPGT*) Act, (Assam Act 16 of 1962 as adapted and amended by Meghalaya.
5. The Meghalaya Electricity Duty (*ED*) Act (Assam Act 30 of 1964 as adapted and modified by Meghalaya).
6. The Meghalaya Value Added Tax (*MVAT*) Act 2003 (Act No.2 of 2005) on Indian Made Foreign Liquor (IMFL)
7. The Meghalaya Goods and Services Tax (*MGST*) Act, 2017 (Act 10 of 2017)

# List of (non-Taxation) Regulating Acts



- 1. The Meghalaya Regulation of the Game of Arrow Shooting and the Sale of Teer Tickets (MRGA) Act, 2018 (Act No. 12 of 2018)
- 2. The Meghalaya Regulation of Gaming Act, 2021 (Act No. 9 of 2021).

# Brief history of Taxation Acts in Meghalaya



- On Meghalaya attaining Autonomous Statehood on 2<sup>nd</sup> April, 1970, the Central Government issued the Assam Taxation Laws (Meghalaya) Modification Order, 1970 adapting the Assam Sales Tax Act, 1947, Assam Finance (Sales Tax) Act, 1956, Assam (Sales of Petroleum and Petroleum Products Including Motor Spirits and Lubricants) Taxation Act, 1955 and Assam Purchase Tax Act, 1967, vide notification No. GSR/1988 dated 5<sup>th</sup> December, 1970 in exercise of the powers conferred by sub-S.3 of S.55 of the Assam Re-organisation (Meghalaya) Act, 1969. Thereafter, the Acts were made applicable to the whole of the State of Meghalaya except the areas covered by the Shillong Municipality and Cantonment Area.

# Brief history of Taxation Acts in Meghalaya



- The legislature of State of Meghalaya enacted for the first time the laws on the sales or purchase of goods, namely the Meghalaya Taxation Laws (Modification) Act, 1972 (Meghalaya Act 1 of 1972) which came into force on the 9<sup>th</sup> January 1973.
- These Taxation Laws continued to be administered in the State of Meghalaya till the implementation of the Meghalaya Value Added Tax Act, 2003, in the year 2005.

# Brief history of Taxation Acts in Meghalaya



- When VAT was implemented, the following Taxation Laws were subsumed under it;
  - i. The Meghalaya Sales Tax Act
  - ii. The Meghalaya (Finance) Sales Tax Act
  - iii. Meghalaya Purchase Tax Act
  
- VAT was implemented from 01-05-2005 till 30-06-2017, when the Goods and Services Tax (GST) was implemented with effect from 01-07-2017.

# Taxes subsumed into GST

## Central Taxes

- Central Excise duty
- Additional duties of excise
- Excise duty levied under Medicinal & Toilet Preparation Act
- Additional duties of customs (CVD & SAD)
- Service Tax
- Surcharges & Cesses

## State Taxes

- State VAT / Sales Tax
- Central Sales Tax
- Purchase Tax
- Entertainment Tax (other than those levied by local bodies)
- Luxury Tax
- Entry Tax (All forms)
- Taxes on lottery, betting & gambling
- Surcharges & Cesses

**GST**



**Constitution amended to provide concurrent powers to both Centre & States to levy GST (Centre to tax sale of goods and States to tax provision of services)**



# Taxes not subsumed into GST



**Alcohol for human consumption**

**Power to tax remains with the State**



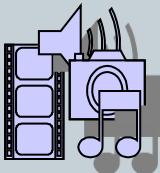
**Five petroleum products – crude oil, diesel, petrol, natural gas and ATF**

**GST Council to decide the date from which GST will be applicable**



**Tobacco**

**Part of GST but power to levy additional excise duty with Central Government**



**Entertainment tax levied by local bodies**

**Power to tax remains with the State**

# Meghalaya Professions, Trades, Callings and Employments Taxation Act, 1947.



- Article 276 of the Indian constitution, empowers the levy of tax on professions, trades, callings and employments etc. The Parliament has the power to impose the maximum tax payable which presently is Rs. 2,500/-.
- The States are allowed to prescribe the income slabs and tax payable under the Act subject to the maximum ceiling stated above.
- In Meghalaya, the state govt. collects the tax from normal areas and the Autonomous District Councils from the Scheduled Areas.
- A new schedule has been enforced on the 1<sup>st</sup> April, 2012 vide the enactment of the Meghalaya Professions, Trades, Calling and Employments Taxation (Amendment) Act. 2011 .

# New Schedule of rate of the Meghalaya Professions, Trades, Calling and Employments Taxation (Amendment) Act. 2011 .



<b>A.</b>	<b><u>Where the gross total annual income</u></b>	<b><u>Amount of Tax</u></b>
(a)	Does not exceed ₹ 50,000/-	Nil
(b)	Exceeds ₹ 50,000/- but below ₹ 75,000/-	200
(c)	Exceeds ₹ 75,000/- but below ₹ 1,00,000/-	300
(d)	Exceeds ₹ 1,00,000/- but below ₹ 1,50,000/-	500
(e)	Exceeds ₹ 1,50,000/- but below ₹ 2,00,000/-	750
(f)	Exceeds ₹ 2,00,000/- but below ₹ 2,50,000/-	1000
(g)	Exceeds ₹ 2,50,000/- but below ₹ 3,00,000/-	1250
(h)	Exceeds ₹ 3,00,000/- but below ₹ 3,50,000/-	1500
(i)	Exceeds ₹ 3,50,000/- but below ₹ 4,00,000/-	1800
(j)	Exceeds ₹ 4,00,000/- but below ₹ 4,50,000/-	2100
(k)	Exceeds ₹ 4,50,000/- but below ₹ 5,00,000/-	2400
(l)	Exceeds ₹ 5,00,000/-	2500

# Differences between Income Tax and Professional Tax



- In Income Tax, income is the subject of taxation. Therefore, various deductions are given from the gross income to arrive at the taxable income.
- In Professional Tax, income is the measure of taxation. Therefore, no deductions are given from the income.
- To prevent litigations, Article 276 provides that tax on professions shall not be void on the ground that it is a tax on income.

# Differences between Income Tax and Professional Tax



- The tax is payable on income from professions, trades, callings and employments. The Supreme Court has held that income from pension is not an income from employment hence not taxable under the Act. Similarly, income from investments is not taxable under the Act.
- Article 276 (2) provides that the total amount payable in respect of one person to the state or to any one municipality, local authority etc. shall not exceed the maximum prescribed under this Article.

# Professional Tax



- In most States in India, there are provisions for registering the Employers and the self employed professionals under the Act.
- In Meghalaya presently such provisions are absent.
- The Act is under the process of being amended to provide for provisions like registration, levy of interest on late payment of the taxes, etc.

# *MSL Act (Assam Act 9 of 1956 as Adapted and Amended by Meghalaya)*



- The Meghalaya (Sales of Petroleum and Petroleum Products Including Motor Spirit) Taxation Act provides for levy of tax on the sale of petrol (Motor Spirit), high speed diesel, natural gas, aviation turbine fuel and crude oil.
- Though these items have been subsumed under the GST, the tax on their sale continues to be levied under the respective state taxation Act till such time the GST Council decides.
- In Meghalaya, the tax on the sale of these items is levied at the first point of sale within the State.
- Presently, the tax is levied @20% on Petrol or Rs 15/- w.i.h and @12% or Rs 9/- w.i.h on Diesel. In addition, there is a pollution surcharge of Re 0.10 per litre of petrol and diesel sold. The Pollution Surcharge is levied to provide for the various incentives under the Meghalaya Electric Vehicle Policy, 2021.
- The Tax on sale of ATF in Meghalaya is exempted.

# MSL Act



- Tax payers dealing in the Sale of Motor Spirit and High Speed Diesel need to obtain Registration under the MSL Act and the CST Act
- Registered Tax Payer has to file return Quarterly and Annually.
- Tax liability has to be paid upon furnishing quarterly return as a statutory obligation within 30 days from the end of the quarter failing which interest @ 12% p.a and 24% p.a is leviable from the 1<sup>st</sup> and 2<sup>nd</sup> month respectively till the date of payment.



# Revenue collected from MSL Act



- The revenue collected by the State Government under MSL Act for the last 3 years was

Year	Revenue Collected (in crore)
2018-19	445.77
2019-20	367.86
2020-21	524.36

# MVAT on IMFL



- VAT has been subsumed under GST, however, alcohol for human consumption is kept outside the purview of GST. The State still collects MVAT on the sale of IMFL
- The tax under the Act is to be paid as a first point tax and for this purpose the sale made by the Bonded Warehouses (BWH) is deemed to be the first point of sale.
- The State govt. by Notification has mandated that the tax should be pre-paid by the Retail outlets before the Retail lifting permit is issued by the State Excise Department.
- BWH have to obtain registration under the MVAT and CST Act and have to furnish quarterly and annual return as a statutory obligation.
- Presently the rate of tax on IMFL products is 37.50%

# Revenue collected from MVAT Act on IMFL



- The revenue collected by the State Government under MVAT Act on IMFL for the last 3 years was

Year	Revenue Collected (in crore)
2018-19	160.00
2019-20	186.13
2020-21	182.33

# The Central Sales Tax (*CST*) Act, 1956



- Though the CST Act as the name implied, is a Central Taxation Act, it is administered, levied, collected and appropriated by the State governments.
- The CST has been subsumed under the GST but it remains for the purpose of items not subsumed under GST (alcoholic liquor for human consumption) and items subsumed but outside the GST like crude oil , diesel, petrol, natural gas and ATF.

# The Central Sales Tax (CST) Act, 1956



- Under the CST Act, goods sold in interstate trade attract the concessional rate of tax provided the purchasing dealer furnishes to the selling dealer a declaration in Form-C which is to be obtained from the prescribed authority in the state of registration of the purchasing dealer. Thus the necessity for dealers in the items listed here to obtain registration under the CST Act.
- If a purchasing dealer failed to furnish the declaration in Form-C within the prescribed period, the sale is treated as an intra-state sale and tax at applicable local rate is levied.

# The Central Sales Tax (CST) Act, 1956



- The Classes of Officers with respect to registration, assessment, etc. compliances by tax payers with respect to submission of returns, payment of tax, interest, etc. are governed by the general Sales Tax Law of the State.

# The Meghalaya Passengers and Goods Taxation (*MPGT*) Act



- The power to levy tax on goods and passengers carried by road or on inland waterways is drawn from entry No.56 of List II of the Seventh Schedule to the Constitution of India.
- It is interesting to note that the service of transportation is leviable to tax under the GST Act, but due to the non-omission of the said entry from the list by the 101<sup>st</sup> Constitution Amendment Act, the states retained the power to levy tax under this Act.
- All owners of commercial vehicles transporting passengers or goods are required to obtain registration under the Act and to pay the tax on fares or charges at rates specified by Notification.

# The Meghalaya Passengers and Goods Taxation (*MPGT*) Act



- In Meghalaya, all the owners of commercial vehicles have opted to pay the tax at lumpsum rates based on the seating capacity or laden capacity, under the proviso to Section 4 of the Act.
- To make for ease of payment of the tax under this Act, the govt. by Notification authorized the Transport Department to collect the tax along with other taxes and fees collected by it, as a single window facility from 1<sup>st</sup> July, 2020.
- The govt. by the MPGT (Amendment) Act, 2018, mandated deduction of tax at source by govt. Departments, Boards, PSUs, Local Authorities, govt. undertaking Associations, Societies, Company, firms etc. on hiring of any commercial vehicle.



# The Meghalaya Electricity Duty (*MED*) Act



- The MED Act was adapted from the Assam Act 30 of 1964 and modified by Meghalaya.
- The power to levy the duty is derived from entry No.53 of list II of the 7<sup>th</sup> Schedule to the Constitution read with Article 287 & 288 (these Articles placed restrictions on the powers of the State govt. to levy the duty on the Electricity sold or consumed by GoI or in the construction, maintenance or operation of any railway or by any authority established by any existing law or law made by Parliament for developing any inter-state river or river valley

# The Meghalaya Electricity Duty (*MED*) Act (cont..)



- The Act provides for levy of Duty on energy :-
  - a) Supplied to a consumer by the Board
  - b) Supplied to a consumer by a licensee generating energy or procuring energy in bulk from the Board
  - c) Generated by a person for his own use or consumption (due to litigation, the State govt. has in 2019 amended this clause as under)

(c) Consumed by a person or organization generating energy

## The Meghalaya Electricity Duty (*MED*) Act (cont..)



- The Act provides for maintenance of records and submission of returns by the Board, Licensee or person generating energy for his own use or consumption.
- The Act provides for appointment of Inspecting Officers.
- The Act also provides for levy of penalty up to 4 times the duty evaded or attempted to be evaded by the Board, Licensee or person generating energy for his own use or consumption.

## The Meghalaya Electricity Duty (*MED*) Act (cont..)



- The Act also provides that the Board, etc. authorized to collect the duty from the consumer, may disconnect supply of power for failure to pay the duty
- The Act provides for the govt. that in public interest, by Notification, exempt any Licensee or consumer or person from payment of the whole or part of the duty for such period and subject to such terms and conditions.

# The Meghalaya Electricity Duty (*MED*) Act (cont..)



- The rate of duty is 6 paise/Kwh unit of energy.
- Rebate of 1 paisa/Kwh unit of energy is allowed on domestic consumption
- For industrial use, the rebate given is as under:-
  - i. For the first 15,000 units..... 1 paisa per unit
  - ii. For the next 25,000 units..... 1.5 paise per unit
  - iii. For the rest of the units..... 3 paise per unit

# **MRGAS&STT Act, 2018** : Terms and conditions of a license or permit



- This Act was legislated to replace the repealed Meghalaya Amusement and Betting Tax Act, due to its subsumation under GST.
- As Betting is now a subject matter for taxation under the GST, the present Act seeks only to regulate the betting associated with the game of Archery within the State.
- In order to generate revenue to the govt. various fees for issuances of licenses to Organizers of Arrow Shooting and Bookmakers are levied.

# **MRGAS&STT Act, 2018** : Terms and conditions of a license or permit



The following shall be the terms and conditions of a license or permit for arrow shooting under section 6 of this Act

- 1) that the places, day or days and time of arrow shooting including distance from places of worship and educational institutions shall be as provided in the Rules
- 2) that the number of arrows shall not be less than thirty and more than fifty;
- 3) that the total number of arrow used in each round of shooting shall be between 'seven hundred to two thousand in numbers;
- 4) that the target shall be of the type usually used in archery among the Khasis or Jaintias as the case may be;
- 5) that the size of the target should be between 61- cm to 102 cm in height and 66 cm to 127 cm in circumference;

# MRGAS&STT Act, 2018 : Terms and conditions of a license or permit



- 6) that the distance of the target from the shooters shall not be less than 15.21 meters and more than 30.48 meters;
- 7) that the time within which all the shooters should complete one round of shooting shall not exceed five minutes;
- 8) that the results of the shooting should be declared at the place of shooting with half an hour from the time the shooting has ended;
- 9) that the shooting should be free and fair and for this purpose and for orderly functioning of the game the organizers should keep and maintain proper co-ordination with the bookmakers and the shooters under the supervision of the Officers duly authorized by the State Government in this behalf; and
- 10) that the State Government may, for the purposes of sub-rule (9) issue such directions and instruction as and when considered necessary which shall be binding upon all concerned.



# MRGAS&STT Act, 2018 : Terms and conditions of license for a bookmaker



The following shall be the terms and conditions of a license for bookmaker: -

- 1) the counter for the sale of teer tickets and stake money thereof should be located at the place not less than 1000 feet or 300 meters from the nearest place or worship or educational institution;
- 2) each licensed bookmaker is allowed to operate only 1(one) counter at the place to be specified in the license;
- 3) the license is not transferable from one person to another or from the place specified in the license to another place;
- 4) the licensed bookmaker is to strictly abide by the conditions specified in this Rule and those specified in the license.

# Highlights of the MRGA



- The Act seeks to regulate games of skill or games of chance involving betting or wagering of money or money's worth at any place in the state including through a telecommunication device, non-restricted geo-fenced internet or instrument of gaming at a physical premises or any other mode without a license granted under the Act
- Provisions of the Meghalaya Prevention of Gambling Act, 1970, the MRGA&STT Act, 2018 and the Meghalaya Lottery (Regulation) Rules, 2019 shall not apply to games of skill and games of chance licensed under this Act
- The License under this Act shall be issued only to an Indian Citizen or Legal Entity incorporated in India
- A License unless cancelled or surrendered shall remain valid for 5 years

# Highlights of the MRGA



- The govt. shall appoint an Adjudicating Officer (AO) not below the rank of Commissioner of Taxes with powers of a Civil Court and such AO shall have the power to recover losses and compensation from the govt.
- The power of entry, search and seizure is vested on an Officer not below the rank of Inspector of Taxes authorized in writing by the govt.

# Highlights of the MRGA



- The Meghalaya Gaming Commission (MGC) shall consist of;
  - i. A retired Judge of the High Court – Chair Person
  - ii. A person with experience in Gaming – Member
  - iii. A person from Civil Society Organization/NGO

The term of the CP and members shall be for 3 years extendable by another period not exceeding 3 years or 65 years of age which ever is earlier

# Highlights of the MRGA



- The MGC shall have the following powers;
  - i. Issue policy directions after obtaining approval of the State Govt.
  - ii. Monitor and submit periodic reports to State Govt. on activities of Licensees
  - iii. To act as dispute redressal body for disputes between the Players and the Licensees

# The Goods and Services Tax



- The power to levy the Goods and Services Tax on intra-state supply of goods or services or both, is derived from the 101<sup>st</sup> Constitution (Amendment) Act, 2016 with the insertion of Article 246-A
- The power to levy the Goods and Services Tax on inter-state supply of goods or services or both, is derived with the insertion of Article 269-A

# A brief introduction on GST



- It has three components i.e.
- **CGST (Central Goods and Services Tax)** – Will be collected by **central government** on intra state sales of goods and services.
- **SGST (State Goods and Services Tax)** – Will be collected by the respective **state governments** on intra state sales of goods and services. The union territories without legislature will collect the **UTGST (Union Territory Goods and Services Tax)** on intra Union Territory sales of goods and services.
- **IGST (Integrated Goods and Services Tax)** – Will be collected by the **central government** on the interstate transaction of goods and services. The collected IGST revenue will be distributed between the states as per the provisions of the **IGST Act**. **The total tax rate under the IGST will be the sum total of CGST + SGST or CGST+UTGST.**

# Administration of GST



- The GST is being administered jointly by the Central and the State Governments.
- To ensure single interface for tax payers, 90% of the tax payers with turnover below Rs1.5 Crore p.a will be administered by the State Governments and for tax payers above Rs1.5 Crore p.a the administration will be administered by the Centre and state on a 50:50 basis.
- The processes of registration, payment and returns will be conducted on the GSTN common portal. The above processes including refund will be conducted online. This will ensure minimal interface between the tax payer and the tax officials.



# Threshold for Registration under GST



- In Meghalaya a person making taxable supplies of goods or services or both has to mandatorily obtain registration under the GST Act if the turnover exceeded Rs 20 lakhs per annum.
- It may be noted that in most of the big states, the threshold for registration under the Act for the exclusive suppliers of goods is Rs 40 lakhs p.a but if services are also supplied in conjunction with goods or as a standalone supply, the threshold is Rs 20 lakhs.

# Administration of GST (cont..)



- The CGST and the SGST Acts are a mirror image of each other with the exception of certain sections like Section 3 dealing with the Classes of Officers, Section 140 dealing with transition provisions, Section 173 and 174 dealing with insertions, omissions, substitutions and repeal of the existing Acts to be subsumed under the GST.

# Analysis of TDS provisions under GST



## [1] Who is Liable to deduct tax at source (Persons covered)

- a) A department or an establishment of the Central Government or State Government; or
- b) Local authority; or
- c) Governmental agencies; or
- d) Such persons or category of persons as may be notified by the Government,

# Analysis of TDS provisions (cont...)



## [1] Who is Liable to deduct tax at source (Persons covered)

(notified vide Notification No 33/2017 and 50/2018 –Central Rate dated 15.07.2018 and 13.09.2018 respectively):

(a) an authority or a board or any other body, -

(i) set up by an Act of Parliament or a State Legislature; or (ii) established by any Government, with 51% or more participation by way of equity or control, to carry out any function;

(b) Society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860); (c) Public sector undertakings.

## [2] When shall Tax be deducted at source

When the total value of taxable goods or services or both, under a contract, exceeds Rs2,50,000 (excludes central tax, state tax, UT tax and IGST and cess indicated in the invoice).

# Analysis of TDS provisions (cont...)



## [3] When shall tax NOT be deducted at source

(i) No deduction of Tax is required when the location of supplier and place of supply is in a State / UT which is different from the State of the registration of the recipient.

*Eg: GA Deptt, GoM, places an order for supply of Sanitary items etc on a Supplier in Delhi for Delivery to Meghalaya House in Delhi, GA Deptt does not have to deduct tax at source on the payment to the supplier in Delhi*

(ii) When total taxable value of supply did not exceed Rs 2.50 lakh under a contract

(iii) When there are more than one contract and each contract is for supply of taxable goods/services of value not exceeding Rs2.50 lakhs

(iv) When there is a common contract for taxable supply and exempted supply but value of taxable supply does not exceed Rs 2.50 lakhs

(v) Goods or Services exempted under the Act or kept outside GST.

(vi) All activities or transactions specified in Schedule – III of the GST Acts

(vii) Where the payment relates to a tax invoice that has been issued before 01-10-2018.

(viii) On amount received in advance before 01-10-2018 but tax invoice was issued after that date.

(ix) Where the tax is to be paid on Reverse Charge Mechanism

(x) Where the payment is made to an unregistered supplier

(xi) Where the supply is received from outside India

# SCHEDULE III



- ACTIVITIES OR TRANSACTIONS WHICH SHALL BE TREATED NEITHER AS A SUPPLY OF GOODS NOR A SUPPLY OF SERVICES
- 1. Services by an employee to the employer in the course of or in relation to his employment.
- 2. Services by any court or Tribunal established under any law for the time being in force.
- 3. (a) the functions performed by the Members of Parliament, Members of State Legislature, Members of Panchayats, Members of Municipalities and Members of other local authorities; (b) the duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity; or (c) the duties performed by any person as a Chairperson or a Member or a Director in a body established by the Central Government or a State Government or local authority and who is not deemed as an employee before the commencement of this clause.
- 4. Services of funeral, burial, crematorium or mortuary including transportation of the deceased.
- 5. Sale of land and, subject to clause (b) of paragraph 5 of Schedule II, sale of building.
- 6. Actionable claims, other than lottery, betting and gambling.
- 7. [Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India.
- 8. (a) Supply of warehoused goods to any person before clearance for home consumption;

# Analysis of TDS provisions (cont...)



## [4] What is the rate of Tax

Intra-State supply - 1% under CGST + 1% of State /UT  
- Inter-State supply (IGST) 2%

## [5] On which value Tax shall be deducted

Total value of the taxable supply excluding central tax, state tax, union territory tax and Integrated tax and cess indicated in the invoice. Meaning thereby Tax shall not be deducted on CGST, SGST / UTST or IGST and Cess.

## [7] Whether Registration is mandatory for the Tax deductor

Yes, there is no threshold limit for this. Registration is mandatory under section 24(vi). The registration can be obtained on the basis of PAN or TAN issued under the Income Tax Act.

# Analysis of TDS provisions (cont...)



[8] Whether separate registration is required as Tax deductor to a person who is already registered as a supplier

Yes, deductor is required to get a separate registration as TDS deductor by using his PAN/TAN.

[9] When Tax should be deposited

Tax shall be deposited within 10 days after the end of the month in which deduction was made.

[10] How Tax should be deposited

Deductor shall file Form GSTR – 7 for depositing the Tax



# Analysis of TDS provisions (cont...)



[11] What are the provisions relating to the issue of TDS certificates under the GST law

The Form GSTR-7A is a **system generated TDS certificate** that is generated once the deductor furnishes a return in Form GSTR-7 on the GST Portal and the deductee accepts the details that are uploaded on GST Portal.

[12] How deductee (Supplier) will get the benefit of TDS

Deductee will login to GST portal and accept the TDS reflecting there. After acceptance, TDS will automatically reflect in his Electronic Cash Ledger.

# Analysis of TDS provisions (cont...)



## [13] How Refund can be taken

Refund arising on account of excess or erroneous deduction. Such refund may be claimed either by the deductor or the deductee, but not both. Further, deductor cannot claim refund once the amount deducted has been credited to the electronic cash ledger of the deductee.

## [14] Any Late Fee or Interest applicability

Where deductor Fails to deposit TDS in time, he shall be liable to pay Interest @ 18% for the delay period, as per provisions of Section 50(1) of CGST Act, 2017. Where the deductor fails to furnish the return by the due date, late fee @ Rs25/- per day per Act is payable subject to a maximum of Rs 1000/- per return per Act.

# Analysis of TDS provisions (cont...)



[15] Since when did these provisions come into force  
October 01, 2018 (vide Notification No. 50/2018  
dated 13.09.2018)

[16] Whether a Public Sector Undertaking (PSU) shall  
deduct TDS on payment or credit made for a supply to  
another PSU/Govt.

No (Notification No.61/2018 CT dated 05.11.2018  
and Notification No. 73/2018 CT dated 31.12.2018)

[17] Whether TDS provision are applicable to Ministry of  
Defence

No (Notification No.57/2018 Central Tax dated  
23.10.2018)



TAXATION DEPARTMENT  
Government of Meghalaya

**THANK YOU**