

# ANALYSIS OF FINANCE BILL, 2023 AMENDMENTS IN GST



## BRIEF OF AMENDMENTS MADE BY FINANCE BILL 2023.

- The Finance Bill 2023 (Bill No.17 of 2023) Presented by Hon'ble Finance Minister Smt. Nirmala Sitaraman in UPA-2 on 01/02/2023 and will be enacted after getting consent of President of India.
- In CGST Act 2017, Clauses 128 to 141 except 131 shall come into effect on the date of enactment of Finance Bill 2023 and Clauses 131 & 142 will come into effect retrospectively from 1st July, 2017.
- In IGST Act,2017, amendments have been made in clauses from 143 to 144 of the Finance Bill 2023 and shall come into effect on the date of enactment of Finance Bill 2023.

# AMENDMENTS IN CENTRAL GOODS AND SERVICES TAX ACT, 2017



# 1. BUDGET CLAUSE 128 AMENDS SECTION 10 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 10,-

- (a) in sub-section (2), in clause (d), the words “goods or” shall be omitted;
- (b) in sub-section (2A), in clause (c), the words “goods or” shall be omitted.

## **Analysis**

Clause (d) of sub-section (2) and Clause (c) of sub-section (2A) in section 10 of the CGST Act is being amended so as to remove the restriction imposed on registered persons engaged in supplying goods through electronic commerce operators from opting to pay tax under the Composition Levy

## **Provision:**

(2) The registered person shall be eligible to opt under sub-section (1), if :-

(d) he is not engaged in making any supply of ~~goods or~~ services through an electronic commerce operator who is required to collect tax at source under section 52;

(2A) Notwithstanding anything to the contrary contained in this Act, but subject to the provisions of sub-sections (3) and (4) of section 9, a registered person, not eligible to opt to pay tax under sub-section (1) and sub-section (2), whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees, may opt to pay, in lieu of the tax payable by him under sub-section (1) of section 9, an amount of tax calculated at such rate as may be prescribed, but not exceeding three per cent. of the turnover in State or turnover in Union territory, if he is not-

(c) engaged in making any supply of ~~goods or~~ services through an electronic commerce operator who is required to collect tax at source under section 52;

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 2. BUDGET CLAUSE 129 AMENDS SECTION 16 OF GOODS AND SERVICES TAX ACT, 2017.

## Amendment

In section 16(2),—

- (i) in the second proviso, for the words “added to his output tax liability, along with interest thereon”, the words and figures “paid by him along with interest payable under section 50” shall be substituted;
- (ii) in the third proviso, after the words “made by him”, the words “to the supplier” shall be inserted.

## Analysis-

2<sup>nd</sup> and 3<sup>rd</sup> provisos to section 16(2) of the CGST Act are being amended to align the said sub-section with the return filing system provided in the said Act.

## 2<sup>nd</sup> and 3<sup>rd</sup> Proviso:

Provided further that where a recipient fails to pay to the supplier of goods or services or both, other than the supplies on which tax is payable on reverse charge basis, the amount towards the value of supply along with tax payable thereon within a period of one hundred and eighty days from the date of issue of invoice by the supplier, an amount equal to the input tax credit availed by the recipient shall be ~~added to his output tax liability, along with interest thereon~~ **“paid by him along with interest payable under section 50”**, in such manner as may be prescribed:

Provided also that the recipient shall be entitled to avail of the credit of input tax on payment **made by him “to the supplier”** of the amount towards the value of supply of goods or services or both along with tax payable thereon.

## Applicable WEF

On the date of enactment of Finance Bill 2023.

### 3. BUDGET CLAUSE 130 AMENDS SECTION 17 OF GOODS AND SERVICES TAX ACT, 2017.

#### **Amendment**

In section 17,—

(a) in sub-section (3), in the Explanation, for the words and figure “except those specified in paragraph 5 of the said Schedule”, the following shall be substituted, namely:—

“except,—

- (i) the value of activities or transactions specified in paragraph 5 of the said
- (ii) Schedule; and the value of such activities or transactions as may be prescribed in respect of clause (a) of paragraph 8 of the said Schedule”;

(b) in sub-section (5), after clause (f), the following clause shall be inserted, namely:—

“(fa) goods or services or both received by a taxable person, which are used or intended to be used for activities relating to his obligations under corporate social responsibility referred to in section 135 of the Companies Act, 2013;”.

**TO BE CONTINUED**

### 3. BUDGET CLAUSE 130 AMENDS SECTION 17 OF GOODS AND SERVICES TAX ACT, 2017.

#### Analysis

Explanation to section 17(3) of the CGST Act is being amended so as to restrict availment of input tax credit in respect of certain transactions specified in para 8(a) of Schedule III of the said Act, as may be prescribed, by including the value of such transactions in the value of exempt supply. Further, sub-section (5) of said section is also being amended so as to provide that input tax credit shall not be available in respect of goods or services or both received by a taxable person, which are used or intended to be used for activities relating to his obligations under corporate social responsibility referred to in section 135 of the Companies Act, 2013.

#### Provision

Explanation.- For the purposes of this sub-section, the expression "value of exempt supply" shall not include the value of activities or transactions specified in Schedule III, ~~except those specified in paragraph 5 of the said Schedule;~~

*“except,—*

*(i) the value of activities or transactions specified in paragraph 5 of the said Schedule; and*

*(ii) the value of such activities or transactions as may be prescribed in respect of clause (a) of paragraph 8 of the said Schedule”*

### **3. BUDGET CLAUSE 130 AMENDS SECTION 17 OF GOODS AND SERVICES TAX ACT, 2017.**

#### **Provision**

#### **Newly inserted clause**

***“(fa) goods or services or both received by a taxable person, which are used or intended to be used for activities relating to his obligations under corporate social responsibility referred to in section 135 of the Companies Act, 2013;”***

#### **Applicable WEF**

On the date of enactment of Finance Bill 2023.



# 4. BUDGET CLAUSE 131 AMENDS SECTION 23 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment:**

Substitution of new section for section 23.

## **Analysis**

Section 23 of the CGST Act are being substituted, with retrospective effect from 01st July, 2017, so as to provide that persons for compulsory registration in terms of section 22(1) and section 24 of the Act need not register if exempt under section 23.

## **New Provision**

### **Persons not liable for registration.**

***“23. Notwithstanding anything to the contrary contained in sub-section (1) of section 22 or section 24,—***

***(a) the following persons shall not be liable to registration, namely:—***

***(i) any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under this Act or under the Integrated Goods and Services Tax Act, 2017;***

***(ii) an agriculturist, to the extent of supply of produce out of cultivation of land;***

***(b) the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, specify the category of persons who may be exempted from obtaining registration under this Act.”***

# 4. BUDGET CLAUSE 131 AMENDS SECTION 23 OF GOODS AND SERVICES TAX ACT, 2017.

## Old Provision

### **Section 23. Persons not liable for registration.-**

~~(1) The following persons shall not be liable to registration, namely:-~~

~~(a) any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under this Act or under the Integrated Goods and Services Tax Act;~~

~~(b) an agriculturist, to the extent of supply of produce out of cultivation of land.~~

~~(2) The Government may, on the recommendations of the Council, by notification, specify the category of persons who may be exempted from obtaining registration under this Act.~~

## **Applicable WEF**

With effect from the 1st day of July, 2017

# 5. BUDGET CLAUSE 132 AMENDS SECTION 37 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 37, after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) A registered person shall not be allowed to furnish the details of outward supplies under sub-section (1) for a tax period after the expiry of a period of three years from the due date of furnishing the said details:

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the details of outward supplies for a tax period under sub-section (1), even after the expiry of the said period of three years from the due date of furnishing the said details.”.

## **Analysis**

A new sub-section (5) in section 37 of the CGST Act is being inserted so as to provide a time limit of 3 years upto which the details of outward supplies under section 37(1) for a tax period can be furnished by a registered person. Further, it also seeks to provide an enabling provision for extension of the said time limit, subject to certain conditions and restrictions, for a registered person or a class of registered persons.

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 6. BUDGET CLAUSE 133 AMENDS SECTION 39 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 39, after sub-section (10), the following sub-section shall be inserted, namely:—

“(11) A registered person shall not be allowed to furnish a return for a tax period after the expiry of a period of three years from the due date of furnishing the said return:

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the return for a tax period, even after the expiry of the said period of three years from the due date of furnishing the said return.”.

## **Analysis**

A new sub-section (11) in section 39 of the CGST Act is being inserted so as to provide a time limit of 3 years upto which the return for a tax period can be furnished by a registered person. Further, it also seeks to provide an enabling provision for extension of the said time limit, subject to certain conditions and restrictions, for a registered person or a class of registered persons.

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

## 7. BUDGET CLAUSE 134 AMENDS SECTION 44 OF GOODS AND SERVICES TAX ACT, 2017.

### **Amendment**

Section 44 shall be re-numbered as sub-section (1) thereof, and after subsection (1) as so re-numbered, the following sub-section shall be inserted, namely:—

“(2) A registered person shall not be allowed to furnish an annual return under sub-section (1) for a financial year after the expiry of a period of three years from the due date of furnishing the said annual return:

Provided that the Government may, on the recommendations of the Council, by notification, and subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish an annual return for a financial year under sub-section (1), even after the expiry of the said period of three years from the due date of furnishing the said annual return.”

### **Analysis**

A new sub-section (2) in section 44 of the CGST Act is being inserted so as to provide a time limit of 3 years upto which the annual return under sub-section (1) of the said section

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## 7. BUDGET CLAUSE 134 AMENDS SECTION 44 OF GOODS AND SERVICES TAX ACT, 2017.

for a financial year can be furnished by a registered person. Further, it also seeks to provide an enabling provision for extension of the said time limit, subject to certain conditions and restrictions, for a registered person or a class of registered persons

### **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 8. BUDGET CLAUSE 135 AMENDS SECTION 52 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 52, after sub-section (14), the following sub-section shall be inserted, namely:—

“(15) The operator shall not be allowed to furnish a statement under sub-section (4) after the expiry of a period of three years from the due date of furnishing the said statement:

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow an operator or a class of operators to furnish a statement under sub-section (4), even after the expiry of the said period of three years from the due date of furnishing the said statement.”.

## **Analysis**

A new sub-section (15) in section 52 of the CGST Act is being inserted so as to provide a time limit of 3 years upto which the statement under sub-section (4) of the said

## 8. BUDGET CLAUSE 135 AMENDS SECTION 52 OF GOODS AND SERVICES TAX ACT, 2017.

section for a month can be furnished by an electronic commerce operator. Further, it seeks to provide an enabling provision for extension of the said time limit, subject to certain conditions and restrictions, for an electronic commerce operator or a class of electronic commerce operators.

### **Applicable WEF**

On the date of enactment of Finance Bill 2023.



# 9. BUDGET CLAUSE 136 AMENDS SECTION 54 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 54, in sub-section (6), the words “excluding the amount of input tax credit provisionally accepted,” shall be omitted.

## **Analysis**

Section 54(6) of the CGST Act is being amended so as to remove the reference to the provisionally accepted input tax credit to align the same with the present scheme of availment of self assessed input tax credit as per section 41(1) of the said Act.

## **Provision**

(6) Notwithstanding anything contained in sub-section (5), the proper officer may, in the case of any claim for refund on account of zero-rated supply of goods or services or both made by registered persons, other than such category of registered persons as may be notified by the Government on the recommendations of the Council, refund on a provisional basis, ninety per cent. of the total amount so claimed, ~~excluding the amount of input tax credit provisionally accepted~~, in such manner and subject to such conditions, limitations and safeguards as may be prescribed and thereafter make an order under sub-section (5) for final settlement of the refund claim after due verification of documents furnished by the applicant.

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 10. BUDGET CLAUSE 137 AMENDS SECTION 56 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 56, for the words “from the date immediately after the expiry of sixty days from the date of receipt of application under the said sub section till the date of refund of such tax”, the words “for the period of delay beyond sixty days from the date of receipt of such application till the date of refund of such tax, to be computed in such manner and subject to such conditions and restrictions as may be prescribed” shall be substituted.

## **Analysis**

Section 56 of the CGST Act is being amended so as to provide for an enabling provision to prescribe manner of computation of period of delay for calculation of interest on delayed refunds.

## **Provision**

If any tax ordered to be refunded under sub-section (5) of section 54 to any applicant is not refunded within sixty days from the date of receipt of application under sub-section (1) of that section, interest at such rate not exceeding six per cent. as may be specified in the notification issued by the Government on the recommendations of the Council shall be payable in respect of such refund ~~from the date immediately after the expiry of sixty days from the date of receipt of application under the said sub section till the date of refund of such tax~~ ***“for the period of delay beyond sixty days from the date of receipt of such application till the date of refund of such tax, to be computed in such manner and subject to such conditions and restrictions as may be prescribed”*** :

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 11. BUDGET CLAUSE 138 AMENDS SECTION 122 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 122, after sub-section (1A), the following sub-section shall be inserted, namely:—

“(1B) Any electronic commerce operator who—

- (i) allows a supply of goods or services or both through it by an unregistered person other than a person exempted from registration by a notification issued under this Act to make such supply;
- (ii) allows an inter-State supply of goods or services or both through it by a person who is not eligible to make such inter-State supply; or
- (iii) fails to furnish the correct details in the statement to be furnished under sub-section (4) of section 52 of any outward supply of goods effected through it by a person exempted from obtaining registration under this Act, shall be liable to pay a penalty of ten thousand rupees, or an amount equivalent to the amount of tax involved had such supply been made by a registered person other than a person paying tax under section 10, whichever is higher.”

**TO BE CONTINUED**

# 11. BUDGET CLAUSE 138 AMENDS SECTION 122 OF GOODS AND SERVICES TAX ACT, 2017.

## **Analysis**

A new sub-section (1B) in section 122 of the CGST Act is being inserted so as to provide for penal provisions applicable to Electronic Commerce Operators in case of contravention of provisions relating to supplies of goods made through them by unregistered persons or composition taxpayers.

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 12. BUDGET CLAUSE 139 AMENDS SECTION 132 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 132, in sub-section (1),—

- (a) clauses (g), (j) and (k) shall be omitted;
- (b) in clause (l), for the words, brackets and letters “clauses (a) to (k)”, the words, brackets and letters “clauses (a) to (f) and clauses (h) and (i)” shall be substituted;
- (c) in clause (iii), for the words “any other offence”, the words, brackets and letter “an offence specified in clause (b),” shall be substituted;
- (d) in clause (iv), the words, brackets and letters “or clause (g) or clause (j)” shall be omitted.

## **Analysis**

Sub-section (1) of section 132 of the CGST Act is being amended so as to decriminalize offences specified in clause (g), (j) and (k) of the said sub-section and to increase the monetary threshold for launching prosecution for the offences under the said Act from one hundred lakh rupees to two hundred lakh rupees, except for the offences related to issuance of invoices without supply of goods or services or both.

# 12. BUDGET CLAUSE 139 AMENDS SECTION 132 OF GOODS AND SERVICES TAX ACT, 2017.

## Provision

Section 132. Punishment for certain offences.-

(1) Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences, namely:-

~~(g) obstructs or prevents any officer in the discharge of his duties under this Act;~~

~~(j) tampers with or destroys any material evidence or documents;~~

~~(k) fails to supply any information which he is required to supply under this Act or the rules made thereunder or (unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by him is true) supplies false information; or~~

(l) attempts to commit, or abets the commission of any of the offences mentioned in ~~clauses (a) to (k)~~ **“clauses (a) to (f) and clauses (h) and (i)”** of this section, shall be punishable-

## 12. BUDGET CLAUSE 139 AMENDS SECTION 132 OF GOODS AND SERVICES TAX ACT, 2017.

### Provision

Section 132. Punishment for certain offences.-

(iii) in the case of ~~any other offence~~ ***“an offence specified in clause (b),”*** where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;

(iv) in cases where he commits or abets the commission of an offence specified in clause (f) ~~or clause (g) or clause (j)~~, he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.

### Applicable WEF

On the date of enactment of Finance Bill 2023.

# 13. BUDGET CLAUSE 140 AMENDS SECTION 138 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

In section 138,—

(a) in sub-section (1), in the first proviso,—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) a person who has been allowed to compound once in respect of any of the offences specified in clauses (a) to (f), (h), (i) and (l) of sub-section (1) of section 132;”;

(ii) clause (b) shall be omitted;

(iii) for clause (c), the following clause shall be substituted, namely:—

“(c) a person who has been accused of committing an offence under clause (b) of sub-section (1) of section 132;”;

(iv) clause (e) shall be omitted; (b) in sub-section (2), for the words “ten thousand rupees or fifty per cent. of the tax involved, whichever is higher, and the maximum amount not being less than thirty thousand rupees or one hundred and fifty per cent. of the tax, whichever is higher”, the words “twenty-five per cent. of the tax involved and the maximum amount not being more than one hundred per cent. of the tax involved” shall be substituted.

**TO BE CONTINUED**



# 13. BUDGET CLAUSE 140 AMENDS SECTION 138 OF GOODS AND SERVICES TAX ACT, 2017.

## **ANALYSIS**

First proviso to sub-section (1) of section 138 of the CGST Act is being amended so as to simplify the language of clause (a), to omit clause (b) and to substitute the clause (c) of said proviso so as to exclude the persons involved in offences relating to issuance of invoices without supply of goods or services or both from the option of compounding of the offences under the said Act. It further seeks to amend sub-section (2) so as to rationalize the amount for compounding of various offences by reducing the minimum as well as maximum amount for compounding.

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 14. BUDGET CLAUSE 141 AMENDS SECTION 158 OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

Insertion of new section 158A.

### **Consent based sharing of information furnished by taxable person.**

After section 158 of the Central Goods and Services Tax Act, the following section shall be inserted, namely:---

- (1) Notwithstanding anything contained in sections 133, 152 and 158, the following details furnished by a registered person may, subject to the provisions of subsection (2), and on the recommendations of the Council, be shared by the common portal with such other systems as may be notified by the Government, in such manner and subject to such conditions as may be prescribed, namely:—
  - (a) particulars furnished in the application for registration under section 25 or in the return filed under section 39 or under section 44;
  - (b) the particulars uploaded on the common portal for preparation of invoice, the details of outward supplies furnished under section 37 and the particulars uploaded on the common portal for generation of documents under section 68;

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# 14. BUDGET CLAUSE 141 AMENDS SECTION 158 OF GOODS AND SERVICES TAX ACT, 2017.

(c) such other details as may be prescribed.

(2) For the purposes of sharing details under sub-section (1), the consent shall be obtained, of —

(a) the supplier, in respect of details furnished under clauses (a), (b) and (c) of sub-section (1); and

(b) the recipient, in respect of details furnished under clause (b) of sub-section (1), and under clause (c) of sub-section (1) only where such details include identity information of the recipient, in such form and manner as may be prescribed.

(3) Notwithstanding anything contained in any law for the time being in force, no action shall lie against the Government or the common portal with respect to any liability arising consequent to information shared under this section and there shall be no impact on the liability to pay tax on the relevant supply or as per the relevant return.”.

## **ANALYSIS**

A new section 158A in the CGST Act is being inserted so as to provide for prescribing manner and conditions for sharing of the information furnished by the registered person in his return or in his application of registration or in his statement of

# 14. BUDGET CLAUSE 141 AMENDS SECTION 158 OF GOODS AND SERVICES TAX ACT, 2017.

outward supplies, or the details uploaded by him for generation of electronic invoice or Eway bill or any other details, as may be prescribed, on the common portal with such other systems, as may be notified.

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 15. BUDGET CLAUSE 142 AMENDS SCHEDULE III OF GOODS AND SERVICES TAX ACT, 2017.

## **Amendment**

Retrospective exemption to certain activities and transactions in Schedule III to the Central Goods and Services Tax Act.

(1) In Schedule III to the Central Goods and Services Tax Act, paragraphs 7 and 8 and the Explanation 2 thereof (as inserted vide section 32 of Act 31 of 2018) shall be deemed to have been inserted therein with effect from the 1st day of July, 2017.

(2) No refund shall be made of all the tax which has been collected, but which would not have been so collected, had subsection (1) been in force at all material times.

## **Analysis**

Schedule III of the CGST Act is being amended to give retrospective applicability to Para 7, 8 (a) and 8 (b) of the said Schedule, with effect from 01st July, 2017, so as to treat the activities/ transactions mentioned in the said paragraphs as neither supply of goods nor supply of services. It is also being clarified that where the tax has already been paid in respect of such transactions/ activities during the period from 01st July, 2017 to 31st January, 2019, no refund of such tax paid shall be available.

## **Applicable WEF**

Applicable Retrospectively w.e.f 01, July 2017

# 16. BUDGET CLAUSE 143 AMENDS SECTION 2 OF IGST ACT, 2017

## **Amendment**

In the Integrated Goods and Services Tax Act, 2017 (hereinafter referred to as the Integrated Goods and Services Tax Act), in section 2,— 13 of 2017.

(a) for clause (16), the following clause shall be substituted, namely:—

‘(16) “non-taxable online recipient” means any unregistered person receiving online information and 93 database access or retrieval services located in taxable territory.

Explanation.—For the purposes of this clause, the expression “unregistered person” includes a person registered solely in terms of clause (vi) of section 24 of the Central Goods and Services Tax Act, 2017’;

(b) in clause (17), the words “essentially automated and involving minimal human intervention and” shall be omitted.

## **Analysis**

Clause (16) of section 2 of the IGST Act is being amended so as to revise the definition of “non-taxable online recipient” by removing the condition of receipt of

**TO BE CONTINUED**

## 16. BUDGET CLAUSE 143 AMENDS SECTION 2 OF IGST ACT, 2017

online information and database access or retrieval services (OIDAR) for purposes other than commerce, industry or any other business or profession so as to provide for taxability of OIDAR service provided by any person located in nontaxable territory to an unregistered person receiving the said services and located in the taxable territory. Further, it also seeks to clarify that the persons registered solely in terms of clause (vi) of Section 24 of CGST Act shall be treated as unregistered person for the purpose of the said clause. Also, clause (17) of the said section is being amended to revise the definition of “online information and database access or retrieval services” to remove the condition of rendering of the said supply being essentially automated and involving minimal human intervention

### **Applicable WEF**

On the date of enactment of Finance Bill 2023.

# 16. BUDGET CLAUSE 144 AMENDS SECTION 12 OF IGST ACT, 2017

## **Amendment**

.In section 12 of the Integrated Goods and Services Tax Act, in sub-section (8), the proviso shall be omitted.

## **Analysis**

Proviso to sub-section (8) of section 12 of the IGST Act is being omitted so as to specify the place of supply, irrespective of destination of the goods, in cases where the supplier of services and recipient of services are located in India.

## **Applicable WEF**

On the date of enactment of Finance Bill 2023.



# DISCLAIMER

The above write up has been compiled from various provisions of Finance Bill 2023, CGST Act 2017, IGST Act 2017, and rules and notifications issued there under. The compilation may not be entirely correct for reader to reader due to different interpretations by different readers. The readers are advised to take into the consideration the prevailing legal position before acting on any of the comments in this write up. Readers are also requested to convey the correct position as per their interpretation of the provisions of Finance Bill 2023, CGST Act 2017, IGST Act 2017, and rules and notifications issued there under which shall be most welcome for correcting this write up.

# Thank You.....



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