

- h) All activities or transactions specified in Schedule III of the CGST/SGST Acts 2017, irrespective of the value.
- i) Where the payment relates to a tax invoice that has been issued before 01.10.2018.
- j) Where any amount was paid in advance prior to 01.10.2018 and the tax invoice has been issued on or after 01.10.18, to the extent of advance payment made before 01.10.2018.
- k) Where the tax is to be paid on reverse charge by the recipient i.e. the deductee.
- l) Where the payment is made to an unregistered supplier.
- m) Where the payment relates to "Cess" component.

All are requested to acknowledge this Circular and abide by the provision of section 51 of the GST Act and its amendment.

*S. Sinha*  
E.A.O.

1) Copy submitted for information to

- I) Hon.VC & MD
- II) Hon. Jt.MD (I)
- III) Hon. Jt.MD(II)

2) Copy to All HOD's and A.A.O., A.O. and Sr. A.O.  
For Information and necessary action.

*R. K. Singh*  
AO (Fin)

*AR. Dabhi*  
Jt. Sr AO (Fin)

**CIRCULAR**

Sub: Amendment TDS applicability under GST Act w.e.f. 1<sup>st</sup> Oct. 2018.

Ref.: 1) Notification No. 50/2018-Central Tax, Dt. 13<sup>th</sup> September 2018

2) Circular No CIDCO/ACCTS/FIN/2018/ dated 26/09/2018

With reference to above notification, it is to be noted that TDS Provisions under GST Law shall be applicable from 1<sup>st</sup> October 2018 on the payment made towards supply of taxable goods or services or both (where contract value exceeds Rs. 2,50,000/-). The provisions of the section 51 (1) of the said act were informed vide circular dated 26/9/2018.

Ready reckoner Law Committee of GST Council 28th September 2018 has issued guidelines under which tax deduction is not required to be made in GST which is reproduce as under for your perusal.

**Tax deduction is not required in following situations:**

- Total value of taxable supply  $\leq$  Rs. 2.5 Lakh under a contract.
- Contract value  $>$  Rs. 2.5 Lakh for both taxable supply and exempted supply, but the value of taxable supply under the said contract  $\leq$  Rs. 2.5 Lakh.
- Receipt of services which are exempted. For example services exempted under notification No. 12/2017 - Central Tax (Rate) dated 28.06.2017 as amended from time to time.
- Receipt of goods which are exempted. For example goods exempted under notification No. 2/2017 - Central Tax (Rate) dated 28.06.2017 as amended from time to time.
- Goods on which GST is not leviable. For example petrol, diesel, petroleum crude, natural gas, aviation turbine fuel (ATF) and alcohol for human consumption.
- Where a supplier had issued an invoice for any sale of goods in respect of which tax was required to be deducted at source under the VAT Law before 01.07.2017, but where payment for such sale is made on or after 01.07.2017 [Section 112(13) refers].
- Where the location of the supplier and place of supply is in a State(s)/UT(s) which is different from the State / UT where the deductor is registered.

Pl. circulate to all BRS

dy  
7/10/18

Arvind M. Rode

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05/10/2018