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पत्रांक: जी.एस.टी. / 2018-19 /

/ वाणिज्य कर

कार्यालय- कमिशनर, वाणिज्य कर,
उत्तर प्रदेश।

(जी.एस.टी. अनुभाग) *पुन*

लखनऊ: दिनांक: 24 *अप्रैल* मार्च, 2019

समस्त जोनल एडीशनल कमिशनर, ग्रेड-1
एडीशनल कमिशनर ग्रेड-2 (वि० अनु० शा०)
समस्त ज्वाइन्ट कमिशनर (कार्य०) / (वि० अनु० शा०)
वाणिज्य कर, उत्तर प्रदेश।

विषय:- सी०बी०आई०सी० के परिपत्र संख्या-76/50/2018-जी०एस०टी० दिनांक 31.12.2018 के शुद्धि पत्र के संबंध में।

भारत सरकार, वित्त मंत्रालय, राजस्व विभाग, सेंट्रल बोर्ड ऑफ इन्डायरेक्ट टैक्सेस एण्ड कस्टम द्वारा परिपत्र संख्या- 76/50/2018-जी०एस०टी० दिनांक 31.12.2018 के संबंध में दिनांक 07.03.2019 को शुद्धि पत्र जारी किया गया है।

उक्त शुद्धि पत्र की छायाप्रति इस पत्र के साथ संलग्न कर इस अनुरोध के साथ प्रेषित है कि कृपया अपने अधीनस्थ अधिकारियों को अवगत कराते हुये तदनुरूप कार्यवाही हेतु निर्देशित करने का कष्ट करें।

यह पत्र कमिशनर, वाणिज्य कर, उत्तर प्रदेश के अनुमोदनोपरांत जारी किया जा रहा है।

संलग्नक-उपरोक्तानुसार।

भवदीय,
Ramp
(विवेक कुमार)

एडीशनल कमिशनर (जी.एस.टी.),
वाणिज्य कर, उत्तर प्रदेश।

Corrigendum to Circular No. 76/50/2018-GST

**F.No. 20/16/04/2018 -GST
Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs
GST Policy Wing**

New Delhi, Dated the 7th March, 2019

To,

The Principal Chief Commissioners/ Chief Commissioners/ Principal Commissioners/
Commissioners of Central Tax (All)

The Principal Director Generals/ Director Generals (All)

Madam/Sir,

**Subject: Corrigendum to Circular No. 76/50/2018-GST dated 31st December, 2018
issued vide F.No. CBEC- 20/16/04/2018-GST- Reg.**

Vide serial number 5 of Circular No. 76/50/2018-GST dated 31st December, 2018, it was clarified that the taxable value for the purposes of GST shall include the Tax Collected at Source (TCS) amount collected under the provisions of the Income Tax Act, as the value to be paid to the supplier by the recipient is inclusive of the said TCS.

2. In the light of the representations received from the stakeholders, the matter has been re-examined in consultation with the Central Board of Direct Taxes (CBDT). The CBDT has clarified that Tax collection at source (TCS) is not a tax on goods but an interim levy on the possible “income” arising from the sale of goods by the buyer and to be adjusted against the final income- tax liability of the buyer.

3. Accordingly, in S. No. 5 of the Circular No. 76/50/2018-GST dated 31st December, 2018:

For

5.	What is the correct valuation methodology for ascertainment of GST on Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961?	1. Section 15(2) of CGST Act specifies that the value of supply shall include “any taxes, duties cesses, fees and charges levied under any law for the time being in force other than this Act, the SGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier.”
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Corrigendum to Circular No. 76/50/2018-GST

		2. It is clarified that as per the above provisions, taxable value for the purposes of GST shall include the TCS amount collected under the provisions of the Income Tax Act since the value to be paid to the supplier by the buyer is inclusive of the said TCS.
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Read

5.	What is the correct valuation methodology for ascertainment of GST on Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961?	<p>1. Section 15(2) of CGST Act specifies that the value of supply shall include “any taxes, duties cesses, fees and charges levied under any law for the time being in force other than this Act, the SGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier.”</p> <p>2. For the purpose of determination of value of supply under GST, Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961 would not be includible as it is an interim levy not having the character of tax.</p>
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2. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

3. Difficulty, if any, in implementation of this Circular may please be brought to the notice of the Board. Hindi version would follow.

(Upender Gupta)
Principal Commissioner (GST)