



TRANSITIONAL PROVISIONS

REGISTRATION

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Migration of Current Credit

**CENVAT Credit
as per
Return furnished
under earlier law**

CGST

**Immediately
preceding
appointed
DAY**

**Electronic
CREDIT
Ledger**

**Value Added Tax
& Entry Tax
as per
Return furnished
under earlier law**

SGST



Migration of Current Credit

Conditions:

Only eligible CREDIT under GST to be carried forward

Returns for the last 6 months before appointed date furnished

Goods manufactured / cleared under Exemption Notifications – No Credit

CST forms related compliance could disentitle Credit

SGST details not later than 90 days from said date to be furnished



Migration of Credit Unavailed

- **CENVAT & State VAT Input Credit**
- **Unavailed under current law**
- **Mainly Capital Goods (Deferred Input Credit)**
- **Not disclosed in Returns**
- **Migrate as CGST & SGST**
- **Procedure to be prescribed**



Migration of Credit NOT availed

- **NOT Liable to Register under earlier law**
- **Person Eligible for Input Tax Credit (currently)**
 - **Manufacture of exempted goods**
 - **Rendering Exempted Services**
 - **Works Contract (Notn 26 /2012)**
 - **Dealer / Importer under Excise**
 - **Depot of manufacturer**



Migration of Credit NOT availed...

- Avail Input Tax Credit of duties & taxes on
 - Inputs lying in Stock
 - Semi Finished goods in Stock
 - Finished Goods in Stock



Migration of Credit NOT availed...

Subject to

- **Inputs used for making Taxable Supply**
- **Must be in possession of INVOICE / Document evidencing payment of VAT / Excise**
- **INVOICE must be within 12 months before Appointed Day (for VAT also)**
- **Supplier of Service not eligible for abatement under GST**



Migration of Credit NOT availed...

- **If not in possession of Document evidencing payment of**
 - **Central Excise or**
 - **State VAT & Entry Tax**
- **Avail 40% of the CGST & SGST**
- **After CGST or SGST is paid**
- **Available only for Six tax periods**



Migration of Credit NOT availed...

Subject to

- **Currently, Goods not being wholly exempted or Nil rated**
- **Document of Procurement is available**
- **Submit FORM GST TRAN – for all 6 periods**
- **Such Inventory is identifiable easily**



Migration of Cutoff Invoices

- Invoices for supply of goods or services
- Raised before Appointed Date
- Received after Appointed Date



Migration of Cutoff Invoices...

Eligible for Credit if,

- Tax charged is paid by Supplier
- Document recorded within 30 days from appointed date
- Extendable by another 30 days on request
- Furnish Statement (yet to be prescribed)



Migration of Composition Dealers

- **Paying Tax at Fixed Rate or Paying a Fixed Amount in lieu of Tax currently**
- **Entitled to take Credit Taxes & Duties on**
 - **Inputs lying in Stock**
 - **Semi Finished goods in Stock**
 - **Finished Goods in Stock**



Migration of Composition Dealers...

Subject to

- Goods used for making taxable supply
- Not opting for Compounded Levy
- Eligible for Credit
- In possession of Invoice issued not earlier than 12 months



Migration of Input Service Distributor

- **Overriding clause**
- **Input Credit on account of Services received prior to appointed date**
- **Invoice received by ISD post appointed date**
- **Eligible for Distribution of Input Credit**



Migration of Centralised Registration

- **Currently under Centralised Registration**
- **Migrate Credit as per current return into GST**
- **Filed within 3 months of migration**
- **Is eligible to transfer Credit (with same PAN)**



Migration of Service Tax Reversed

- **CENVAT availed Service Invoices currently**
- **Not paid within 3 months**
- **CENVAT reversed currently**
- **Eligible for Credit under GST**
 - **On Payment**
 - **Within 3 months from appointed date**



Migration relating to Job work

- **Inputs as such & Semi Finished goods**
- **Sent To JOB WORKER**
- **Without payment of duty**
- **For further processing, testing, repair, reconditioning under earlier law**
- **Returned within 6 months from Appointed Date**
 - **GST not payable**



Migration relating to Job work...

GST not payable only if

- **Manufacturer & Job worker**
- **Declare respective Stock**
- **On appointed date**
- **In form & manner to be prescribed**



Migration relating to Sales Returns

- **Duty paid Goods removed under current law**
 - **6 months prior to appointed date**
- **Returned within 6 months from appointed date**
- **Returned by Registered person**
 - **GST applicable (deemed to be supply)**
- **Returned by Unregistered person**
 - **Duty paid under existing law eligible for REFUND**



Migration relating to Price Revisions...

Downward Revision

- Treated as adjustment to Supply
- If Tax liability is to be reduced then;
 - Recipient to Reverse Credit availed



Migration relating to Refund

- **Applied before appointed day**
- **Applied after appointed day for exports before**
- **Shall be paid in Cash**
- **Subject to Doctrine of Unjust Enrichment**
- **Credit shall lapse if Refund rejected**
- **If Credit is migrated, then No Refund**



Migration relating to Service Advance

- **Service Tax paid under current law on Advance**
- **Service not provided**
- **Refund shall be paid in cash only**
- **Subject to Doctrine of Unjust Enrichment**



Migration relating to Taxes paid earlier

- **On Goods if State VAT paid earlier NO GST**
- **On Services if Service Tax paid earlier NO GST**
- **On transactions where VAT & Service Tax are applicable**
 - **Tax to be paid only under GST**
 - **Tax paid earlier taken as Credit**



Migration relating to Sale or Approval

- **Goods sent on Sale or Approval**
- **Within 6 months prior to appointed day**
- **Returned / Rejected within 6 months from appointed day**
 - **NO GST on return / rejection**
- **6 months extendable by 2 months on request**
- **Returned beyond 6 months – GST applicable**
- **Not Returned – Sender to pay GST**

