

From

Excise & Taxation Commissioner,
Haryana, Panchkula.

To

All the Dy. Excise & Taxation Commissioner (ST),
in the State of Haryana.

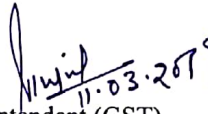
Memo No. **640** /GST-2
Panchkula, dated the **11.3.19**

Subject: Corrigendum to circular regarding 'Clarification on certain issues related to GST' issued vide Ends. No. 480/GST-2, dated 21.02.2019 – Reg.

MEMORANDUM

Please find enclosed herewith a copy of circular on the captioned subject.

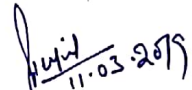
It is requested to bring this to the knowledge of all the officers working under your control for their information and necessary action.


11.03.2019
Superintendent (GST)
for Excise and Taxation Commissioner,
Haryana

Endst. No. 641 /GST-2, Panchkula, dated the 11.3.19

A copy of the Circular is forwarded to the following for information and necessary action:-

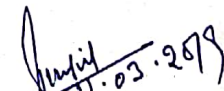
1. All the Jt. Excise & Taxation Commissioner (Division/Range) in the State of Haryana.
2. All the Jt. Excise & Taxation Commissioner (Appeals) in the State of Haryana.
3. PS/ ACSET.
4. PA/ETC.


11.03.2019
Superintendent (GST)
for Excise and Taxation Commissioner,
Haryana

Endst. No. 642 /GST-2, Panchkula, dated the 11.3.19

A copy of the Circular is forwarded to the following in the Head Office for information and necessary action:-

1. All the Addl. Excise & Taxation Commissioners.
2. All the Jt. Excise & Taxation Commissioners.
3. The Jt. Director (L) –I and II.
4. The Dy. Excise & Taxation Commissioners.
5. DA-I & II.
6. DDA-I & II.


11.03.2019
Superintendent (GST)
for Excise and Taxation Commissioner,
Haryana

**HARYANA GOVERNMENT
EXCISE AND TAXATION DEPARTMENT**

Subject: Corrigendum to circular regarding 'Clarification on certain issues related to GST' issued vide Endst. No. 480/GST-2, dated 21.02.2019.

Vide serial number 5 of the above mentioned Circular, 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 Serial No.5 of the above mentioned Circular:

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?	<p>1. Section 15(2) of HGST 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 CGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier."</p> <p>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.</p>
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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 HGST 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 CGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier."</p>
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		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.
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2. Difficulty, if any, in implementation of this Circular may please be brought to the notice of the Department.

Dated: 08.03.2019
Panchkula

Amit Kumar Agrawal
Excise & Taxation Commissioner-cum-
Commissioner of State Tax, Haryana