

PROPOSED REGISTRATION PROCESS

29th October, 2015
Chennai

Registration of Taxable Persons under GST

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- To give a unique identification to every taxable person
- Link all GST related transactions of every person
- Enable proper accounting of taxes paid on input goods and services
- Enable passing of tax credit on supply of goods and services
- Ease in compliance verification

Who are liable to be registered?

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- Persons registered to pay existing taxes that will be subsumed under GST
- Persons with All-India Gross Turnover more than a threshold
- Persons making interstate supplies
- Casual and non-resident suppliers
- Voluntary Registration below threshold
- Unique-id for specific class of persons

Salient Features of Registration Process

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- PAN based Registration: PAN will be mandatory
- Unified application to both tax authorities
- To be filed within 30 days
- State-wise registration for entities having presence in more than one State
 - ▣ Need not apply separately for each State
- Deemed approval within three days
- Within a PAN, separate registration for separate business verticals within a State possible

Structure of GSTIN

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State		PAN										Entity	Blank	Check
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

- 15 digit Alphanumeric structure
- State-wise
- Based on PAN
- 13th Digit for Business Verticals of entities with same PAN in same State
- 14th digit left blank for future use
- 15th digit – Checksum

Suppliers under Composition Scheme

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- ❑ Suppliers with turnover below a particular threshold eligible for composition scheme
- ❑ To pay tax on turnover with no input tax credit
- ❑ To opt at the beginning of the year – applicable till eligibility or opting out
- ❑ Switch from composition to regular scheme voluntarily or on crossing threshold
- ❑ Suppliers making interstate supplies not eligible

Obtaining Registration

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- Migration of existing tax payers to the GSTN database
 - Taxpayers with valid PAN
- Online application form through Common Portal
- Documents to be filed for
 - Constitution of Business
 - Principal Place of Business
 - Bank Accounts
 - Authorised Signatory
 - Photograph

Obtaining Registration

- Applications not submitted through Digital Signature to be supported by sending a signed copy of summary extract of the form
 - ▣ Processing of application and grant of registration even before signed copy received
 - ▣ Cancellation to be initiated if no signed copy received
- Email and SMS based alerts to the applicants
- No application fee (advance tax in case of casual suppliers)
- Applications can be filed through Facilitation Centres (FCs) or through Tax Return Preparers (TRPs)

Approval process

- Online verification of certain details like PAN, CIN, Bank Account (if possible) and Adhaar
- Online communication of application to jurisdictional authority by the backend modules of tax authorities
- 3 common working days for tax authorities to respond
- Deemed approval after 3 days
- Single opportunity to tax authorities to raise query, if any – 7 days for response and 7 days for action
- Mostly post registration visits based on risk profile

Approval process

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- ❑ Online grant of registration
- ❑ Log-in id and temporary password communicated to the tax payer
- ❑ Downloadable Registration Certificate to be provided by GSTN
- ❑ Refusal to register by one tax authority deemed as refusal by both
- ❑ Communication of reason for refusal of registration

Migration of Existing Tax Payers

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- Existing registrants either with States or with Centre to be migrated to GSTIN - Process already initiated
 - ▣ VAT registration data to be used for migration of dealers in goods
 - ▣ Service Tax registration data to be used for migration of service providers
- Validation of existing registration information by GSTN
- Verification /update of migrated data by existing registrants within a specified period
- Issuance of GSTIN by GSTN
- Verification by Centre/State Authorities after issuance of GSTIN

Amendment to Registration Details

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- On-time amendment essential for efficient tax administration
- Most of the details to be amended by the tax payer on self service basis
- Some of them like mobile number and email address through online verification
- Some critical details like name, principal place of business to be amended after approval from tax authorities

Surrender and Cancellation

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- Registration can be surrendered or can be cancelled on
 - Closure of business of tax payer
 - Gross Annual Turnover falling below threshold for registration
 - Transfer of business
 - Amalgamation of taxable person with other legal entities or de-merger
 - Non commencement of business by tax payer within the stipulated time period prescribed under GST law

Surrender and Cancellation

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- Cancellation by Tax authorities:
 - ▣ Signed copy of the summary extract of submitted application form not received even after a reminder
 - ▣ Tax payer contravenes specified provision of the GST law
 - ▣ Taxpayer has not filed any return at all during a prescribed period as prescribed under GST Law
- Cancellation of registration to be prospective
- A person, whose registration was cancelled by tax authority on his own motion, may apply for revocation of registration
- Substantial penalty in case registration obtained with fraudulent intentions

THANK YOU!

ANY QUESTIONS?

For more information

<http://dor.gov.in/scgst>