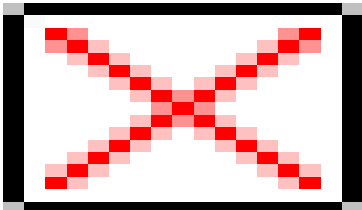


A single tax with multiple governing Acts

SEPTEMBER 30, 2022

By Adv. Vatsal Bhansali, Senior Associate and Adv. Chaitanya Bhatt, Partner, Lakshmikumaran & Sridharan



GST

was introduced with the vision of 'One nation One tax'. However, keeping in mind the federal structure of India, GST was empowered to be collected by the state as well as the centre. Centre would levy and collect Central Goods and Services Tax (CGST), and States would levy and collect the State Goods and Services Tax (SGST) on all transactions within a State. In order to empower the respective revenue authorities to levy and collect tax, the centre enacted a principal law known as the 'Central Goods and Services Tax [Act, 2017](#)' (hereinafter referred to as '**CGST Act**'). Similarly, each of the states too enacted a new tax law under the name of the respective State Goods and Services Tax Act.

Hence, each state has its independent GST law which is principally identical to the CGST Act.

As we are aware, the GST law is still in stages of evolution; hence, it has been subjected to various amendments from time to time.

The Central government in the budget 2022 had recommended certain changes to the CGST Act. The said changes received the Presidential assent and were laid down in the Finance Act, 2022. However, the said amendments to the CGST Act as per the Finance Act, 2022 were to be brought into force from the date to be notified in Gazette of India. To the extent of amendment to Section 50(3) of the CGST Act and Section 49(10) of the CGST Act, Notification No. [9/2022-Central Tax](#)

dated 05.07.2022 had been issued by the Central government and the balance amendment have been notified w.e.f. 01.10.2022 by Notification No. [18/2022-Central Tax](#) dated 28.09.2022.

At this point, we would like to draw attention on the GST law enacted by the State Government of Jharkhand. The state of Jharkhand has enacted the 'Jharkhand Goods and Services Tax Act, 2017' (hereinafter referred to as '**JGST Act**') which was in line with the CGST Act.

Further, the Jharkhand state government also recently passed the Jharkhand Goods and Services Tax (Amendment) Act, 2022 (hereinafter referred to as '**JGST amendment Act**

') which has also been published in the state gazette on 16.09.2022. The said Act has been passed to give effect to the amendment as passed by the Central government in Finance Act, 2022 for the CGST Act.

The JGST amendment Act in Section 1(3) prescribes that Section 12 and 13 of the JGST Amendment Act would be deemed to have come into force w.e.f. 05.07.2022, whereas the other provisions of the JGST amendment Act would come into force on such date as the Government of Jharkhand would notify in the official gazette.

Section 13 of the JGST Amendment Act amended Section 50(3) of the JGST Act with retrospective effect from 01.07.2017. Hence, the said amendment is aligned with the amendments provided in the CGST Act.

However, Section 12 of the JGST amendment Act amends Section 49(2) & 49(4) of the JGST Act and inserts a new section 49(12) to the JGST Act w.e.f. 05.07.2022. However, the said amendment has been notified in the CGST Act by Notification No. 18/2022-CT w.e.f. 01.10.2022. Hence, there is a disparity between the two Acts which was already in existence due to the delayed enactment of the JGST Amendment Act.

The above discussion indicates the fact that the GST law, even though intended to ease the tax compliances and legal difficulties, has, as a matter of fact resulted in an equally complicated structure. The same tax levy by the centre and state is governed by different legal provisions. Where the centre extends certain reliefs by way of amendment in the CGST Act, the state GST Act not having been amended in line with the CGST Act do not extend the same benefit. Hence, it becomes pertinent for a company to check the GST provisions in each state independently, even though they are paying the so called 'One nation One tax' GST in all the states along with the central tax.

The various state and central government need to take cognizance of the above discussed ambiguity and disparity to give true effect to the 'One nation One tax' policy with an ease of doing business environment. However, till the time the government takes cognizance, the assessee needs to be careful and ensure the compliance of the provisions as they are enacted under the various state laws.

[The views expressed are strictly personal.]

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