After studying this Unit, you will be able to –

- understand and analyse the provisions relating to TDS, i.e. tax deduction at source including the list of deductors, standard rate of deduction, value of supply.
- explain the remittance period and the time within which the TDS certificate is to be issued.
- describe and analyse the TCS i.e. tax collection at source provisions relating to collection, payment and reporting of tax by electronic commerce operator.
1. INTRODUCTION

TDS stands for Tax Deduction at Source (TDS). Tax Deduction at Source (TDS) is a system, initially introduced by the Income Tax Department. It is one of the modes/methods to collect tax, under which, certain percentage of amount is deducted by a recipient at the time of making payment to the supplier. It is similar to “pay as you earn” scheme also known as withholding tax, in many other countries. It facilitates sharing of responsibility of tax collection between the deductor and the tax administration. It also ensures regular inflow of cash resources to the Government. It acts as a powerful instrument to prevent tax evasion and expands the tax net, as it provides for the creation of an audit trail.

Section 51 of CGST Act provides for deduction of tax at source in certain circumstances. This Section specifically lists out the deductors who are mandated by the Central Government to deduct tax at source, the rate of tax deduction and the procedure for remittance of the tax deducted.

On the other hand, Tax Collection at Source (TCS) has similarities with TDS, as well as a few distinctive features. TDS refers to the tax which is deducted when the recipient of goods or services makes some payments under a contract etc., while TCS refers to the tax which is collected by the electronic commerce operator when a supplier supplies some goods or services through its portal and the payment for that supply is collected by the electronic commerce operator.

Section 52 provides for collection of tax at source in certain circumstances. The Section specifically lists out the tax collecting persons who are mandated by the Central Government to collect tax at source, the rate of tax collection and the procedure for remittance of the tax collected.

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1 Students may refer “Standard Operating Procedure on TDS” issued by CBIC from CBIC website.
2 Students may refer “Frequently Asked Questions on TCS” issued by CBIC from CBIC website.
The amount of tax deducted/collected is reflected in the Electronic Cash Ledger of the deductee/supplier respectively.

Provisions of TDS and TCS under CGST Act have also been made applicable to IGST Act vide section 20 of the IGST Act.

2. RELEVANT DEFINITIONS

- **Cess** shall have the same meaning as assigned to it in the Goods and Services Tax (Compensation to States) Act [Section 2(22)].
- **Electronic Commerce** means the supply of goods or services or both, including digital products over digital or electronic network [Section 2(44)].
- **Electronic Commerce Operator** means any person who owns, operates or manages digital or electronic facility or platform for electronic commerce [Section 2(45)].
- **Taxable supply** means a supply of goods or services or both which is leviable to tax under this Act [Section 2(108)].

3. TAX DEDUCTION AT SOURCE [SECTION 51 OF CGST ACT]

<table>
<thead>
<tr>
<th>Section 51</th>
<th>Tax deduction at source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sub-Section</strong></td>
<td><strong>Clause</strong></td>
</tr>
<tr>
<td>(1)</td>
<td>Notwithstanding anything to the contrary contained in this Act, the Government may mandate, —</td>
</tr>
</tbody>
</table>
(a) a department or establishment of the Central Government or State Government; or

(b) local authority; or

(c) Governmental agencies; or

(d) such persons or category of persons as may be notified by the Government on the recommendations of the Council,

(hereafter in this section referred to as “the deductor”), to deduct tax at the rate of one per cent from the payment made or credited to the supplier (hereafter in this section referred to as “the deductee”) of taxable goods or services or both, where the total value of such supply, under a contract, exceeds two lakh and fifty thousand rupees:

Provided that no deduction shall be made if the location of the supplier and the place of supply is in a State or Union territory which is different from the State or as the case may be, Union territory of registration of the recipient.

**Explanation**

For the purpose of deduction of tax specified above, the value of supply shall be taken as the amount excluding the central tax, State tax, Union territory tax, integrated tax and cess indicated in the invoice.

(2) The amount deducted as tax under this section shall be paid to the Government by the deductor within ten days after the end of the month in which such deduction is made, in such manner as may be prescribed.

(3) The deductor shall furnish to the deductee a certificate mentioning therein the contract value, rate of deduction, amount deducted, amount paid to the Government and such other particulars in such manner as may be prescribed.

(4) If any deductor fails to furnish to the deductee the certificate, after deducting the tax at source, within five days of crediting the amount so deducted to the Government, the deductor shall pay, by way of a late fee, a sum of one hundred rupees per day from the
day after the expiry of such five days period until the failure is rectified, subject to a maximum amount of five thousand rupees.

(5) The deductee shall claim credit, in his electronic cash ledger, of the tax deducted and reflected in the return of the deductor furnished under sub-section (3) of section 39, in such manner as may be prescribed.

(6) If any deductor fails to pay to the Government the amount deducted as tax under sub-section (1), he shall pay interest in accordance with the provisions of sub-section (1) of section 50, in addition to the amount of tax deducted.

(7) The determination of the amount in default under this section shall be made in the manner specified in section 73 or section 74.

(8) The refund to the deductor or the deductee arising on account of excess or erroneous deduction shall be dealt with in accordance with the provisions of section 54:

Provided that no refund to the deductor shall be granted, if the amount deducted has been credited to the electronic cash ledger of the deductee.

## ANALYSIS

**Deductors of Tax at Source**

Under the GST regime, section 51 of the CGST Act, 2017 prescribes the authority and procedure for ‘tax deduction at source’. The TDS provisions empower the Central Government to make it mandatory for the following persons (the deductor) to deduct tax at source from payments made to the suppliers of taxable goods and/or services.

- Central/State Government department or establishment [Section 51(1)(a)]
- Local Authority [Section 51(1)(b)]
- Governmental Agencies [Section 51(1)(c)]
- Notified Persons/category of persons [Section 51(1)(d)]
With respect to deductors under section 51(1)(a), provisions of TDS are applicable only on the certain prescribed authorities of Ministry of Defence, remaining authorities under the Ministry of Defence are exempt.

The following persons have been notified under clause (d) of sub-section (1) of section 51 of the CGST Act by the Central Government:

(a) an authority or a board or any other body, -
   (i) set up by an Act of Parliament or a State Legislature; or
   (ii) established by any Government,

with 51% or more participation by way of equity or control, to carry out any function;

It has been clarified vide Circular No. 76/50/2018 GST dated 31.12.2018 that the rider of 51% or more participation by way of equity or control is applicable to both the items (i) and (ii). Thus, the provisions of section 51 of the CGST Act are applicable only to such authority or a board or any other body set up by an Act of parliament or a State legislature or established by any Government in which 51% or more participation by way of equity or control is with the Government.

(b) society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860;

(c) public sector undertakings:

Categories of persons not liable to deduct TDS

Tax is not liable to be deducted at source in the following cases:-

(i) When goods and/or services are supplied from a public sector undertaking (PSU) to another PSU, whether or not a distinct person
   [Notification No. 61/2018 CT dated 05.11.2018]

(ii) When supply of goods and/or services takes place between one person to another person specified in clauses (a), (b), (c) and (d) of section 51(1) of the CGST Act.
   [Notification No. 73/2018 CT dated 31.12.2018]
Deductees

The deductees are the suppliers whose total value of supply of taxable goods and/or services under a contract exceeds ₹ 2,50,000 exclusive of tax & cess as per the invoice.

Standard Rate of deduction

The tax would be deducted @ 1% of the payment made to the supplier (the deductee) of taxable goods and/or services, where the total value of such supply, under a contract, exceeds ₹ 2,50,000 (excluding the amount of Central tax, State tax, Union Territory tax, Integrated tax and cess indicated in the invoice). Thus, individual supplies may be less than ₹ 2,50,000/-, but if total value of supply under a contract is more than ₹ 2,50,000/-, TDS will have to be deducted.

The deductors have to deduct tax at the rate of 1% from the payment made or credited to the supplier of taxable goods and/or services.

It may be noted that Section 20 of IGST Act provides that in the case of tax deducted at source, the deductor shall deduct tax at the rate of 2% from the payment made or credited to the supplier.

NO TDS

The Proviso to Section 51(1) lays down that when the location of the supplier and the place of supply is in a State/Union territory which is different from the State/Union territory of registration of the recipient, there will be no TDS.

The above statement can be explained in the following situations:

(a) Supplier, place of supply and recipient are in the same state.

It would be intra-State supply and TDS (Central plus State tax) shall be deducted. It would be possible for the supplier (i.e. the deductee) to take credit of TDS in his electronic cash ledger.

(b) Supplier as well as the place of supply are in different states.

In such cases, Integrated tax would be levied. TDS to be deducted would be TDS (Integrated tax) and it would be possible for the supplier (i.e. the deductee) to take credit of TDS in his electronic cash ledger.
(c) **Supplier as well as the place of supply are in State A and the recipient is located in State B.**

The supply would be intra-State supply and Central tax and State tax would be levied. In such case, transfer of TDS (Central tax + State tax of State B) to the cash ledger of the supplier (Central tax + State tax of State A) would be difficult. So, in such cases, TDS would not be deducted.

Thus, when both the supplier as well as the place of supply are different from that of the recipient, no tax deduction at source would be made.

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**Value of Supply**

The amount indicated in the invoice excluding the Central tax, State tax, Union territory tax, Integrated tax and cess element, is the value of supply.

**Deposit of TDS with the Government**

The amount of tax deducted at source should be deposited to the Government account by deductor by 10th of the succeeding month.

**TDS Certificate**

A TDS certificate is required to be issued by deductor (the person who is deducting tax) in prescribed form to the deductee (the supplier from whose payment TDS is deducted).

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**TDS Certificate**

- contract value
- rate of deduction
- amount deducted
- amount paid to the appropriate Government
- any other particulars as may be prescribed

TDS certificate to be furnished within 5 days of remittance to Government

---

The Municipal Corporation of Chennai deducts CGST at source @1% from the payment to be made to a notified supplier on 4th July. This TDS amount has to be remitted into the Treasury on or before 10th August.
The TDS certificate with the above mentioned details has to be issued on before 15th of August.

Certificate not furnished by the deductor

If the deductor does not furnish the certificate of deduction-cum- remittance within 5 days of the remittance, the deductor has to pay a late fee of ₹ 100/day from the expiry of the 5th day until the day he furnishes the certificate. This late fee would not be more than ₹ 5000/-. 

Non- remittance by the deductor

If the deductor has not remitted the amount deducted as TDS to the Government within the prescribed time limit, he is liable to pay penal interest under Section 50 in addition to the amount of tax deducted.

Reflection of amount of TDS

The amount of tax deducted is reflected in

- Electronic Cash Ledger of deductee.
- Return filed by deductor under section 39(3).[GSTR-7][Refer Chapter:13 Returns for detailed discussion on GSTR-7].

The deductee can claim credit of the tax deducted, in his electronic cash ledger. This provision enables the Government to cross check whether the amount deducted by the deductor is correct and that there is no mis-match between the amount reflected in the electronic cash ledger and the amount shown in the return filed by deductor.

This is similar to existing practice in income tax relating to E-TDS returns filed by deductor and 26AS statement available for viewing the TDS remitted in respect of transactions by deductee.

Refund on excess/erroneous deduction

The deductor or the deductee can claim refund of excess deduction or erroneous deduction. The provisions of section 54 relating to refunds would apply in such cases. However, if the deducted amount is already credited to the electronic cash ledger of the supplier, the same shall not be refunded.

Example: Suppose a supplier makes a supply worth ₹ 1000/- to a recipient and the GST at the rate of 18% is required to be paid. The recipient, while making the payment of ₹1000/- to the supplier, shall deduct 1% viz ₹ 10/- as TDS.
The value for TDS purpose shall not include 18% GST. The TDS, so deducted, shall be deposited in the account of Government by 10th of the succeeding month.

The TDS so deposited in the Government account shall be reflected in the electronic cash ledger of the supplier (i.e. deductee) who would be able to use the same for payment of tax or any other amount. The purpose of TDS is just to enable the Government to have a trail of transactions and to monitor and verify the compliances.

### 4. COLLECTION OF TAX AT SOURCE [SECTION 52 OF CGST ACT]

#### STATUTORY PROVISIONS

<table>
<thead>
<tr>
<th>Section 52</th>
<th>Collection of tax at source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Section</td>
<td>Clause</td>
</tr>
<tr>
<td>(7)</td>
<td>Notwithstanding anything to the contrary contained in this Act, every electronic commerce operator (hereafter in this section referred to as the “operator”), not being an agent, shall collect an amount calculated at such rate not exceeding one per cent., as may be notified by the Government on the recommendations of the Council, of the net value of taxable supplies made through it by other suppliers where the consideration with respect to such supplies is to be collected by the operator.</td>
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</table>

**Explanation**

For the purposes of this sub-section, the expression "net value of taxable supplies” shall mean the aggregate value of taxable supplies of goods or services or both, other than services notified under sub-section (5) of section 9, made during any month by all registered persons through the operator reduced by the aggregate value of taxable supplies returned to the suppliers during the said month.
The power to collect the amount specified in sub-section (1) shall be without prejudice to any other mode of recovery from the operator.

The amount collected under sub-section (1) shall be paid to the Government by the operator within ten days after the end of the month in which such collection is made, in such manner as may be prescribed.

Any authority not below the rank of Deputy Commissioner may serve a notice, either before or during the course of any proceedings under this Act, requiring the operator to furnish such details relating to —

(a) supplies of goods or services or both effected through such operator during any period; or

(b) stock of goods held by the suppliers making supplies through such operator in the godowns or warehouses, by whatever name called, managed by such operator and declared as additional places of business by such suppliers,

as may be specified in the notice.

Every operator on whom a notice has been served under sub-section (12) shall furnish the required information within fifteen working days of the date of service of such notice.

Any person who fails to furnish the information required by the notice served under sub-section (12) shall, without prejudice to any action that may be taken under section 122, be liable to a penalty which may extend to twenty-five thousand rupees.

For the purposes of this section, the expression “concerned supplier” shall mean the supplier of goods or services or both making supplies through the operator.
Overview of TCS

TCS refers to the tax which is collected by the electronic commerce operator when a supplier supplies some goods or services through its portal and the payment for that supply is collected by the electronic commerce operator. The nature of working of electronic commerce operator can be better understood with the following example.

There are many e-Commerce operators [hereinafter referred to as an Operator], like Amazon, Flipkart, Jabong, etc. operating in India. These operators display on their portal products as well as services which are actually supplied by some other person to the consumer.

The goods or services belonging to other suppliers are displayed on the portals of the operators and consumers buy such goods/services through these portals. On placing the order for a particular product/service, the actual supplier supplies the selected product/service to the consumer.

The price/consideration for the product/ service is collected by the Operator from the consumer and passed on to the actual supplier after the deduction of commission by the Operator.

Let us now have a look at the statutory provisions relating to TCS.

Who is liable to collect TCS?

Every Electronic Commerce Operator (ECO), not being an agent, has been mandated to collect tax at source (TCS) from the net value of taxable supplies made through it by other suppliers, whenever the ECO collects the consideration on behalf of the supplier.

Rate of TCS

Half percent of the net value of intra-State taxable supplies. 1% of the net value of inter-State taxable supplies.

Suppose a certain product is sold at ₹ 1000/- through an Operator by a supplier. The operator would collect tax @ 1% of the net value of ₹ 1,000/- i.e. ₹ 10/- in case of inter-State supplies.
Net Value of Taxable Supplies

It may be noted that Section 20 of IGST Act provides that in case of tax collected at source, the operator shall collect tax at such rate not exceeding two per cent, as may be notified on the recommendations of the Council, of the net value of taxable supplies: The rate has been notified as 1% for tax collection at source under IGST.

Further, the power conferred on the e-commerce operator to collect tax at source, is without prejudice to other modes of recovery from operator. The powers of e-commerce operator is restricted only to the extent of tax collection at source under circumstances specified therein and nothing more.

Deposit of TCS by ECO to Government

The TCS amount collected by the ECO has to be remitted to the Government Treasury within 10 days after the end of the month in which the collection was made.

If the TCS has been collected in the month of July, the amount has to be remitted into the Government Treasury on or before 10th August.

Mr. X is a supplier selling his own products through a web site hosted by him. Does he fall under the definition of an “electronic commerce operator”? Whether he is required to collect TCS on such supplies?

As per the definitions in Section 2(44) and 2(45) of the CGST Act, 2017, Mr. X will come under the definition of an “electronic commerce operator”.

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However, according to Section 52 of the Act ibid, TCS is required to be collected on the net value of taxable supplies made through it by other suppliers where the consideration is to be collected by the ECO. In cases where someone is selling their own products through a website, there is no requirement to collect tax at source as per the provisions of this Section. These transactions will be liable to GST at the prevailing rates.

If we purchase goods from different vendors and are selling them on our website under our own billing. Is TCS required to be collected on such supplies?

No. According to Section 52 of the CGST Act, 2017, TCS is required to be collected on the net value of taxable supplies made through it by other suppliers where the consideration is to be collected by the ECO. In this case, there are two transactions - where we purchase the goods from the vendors, and where we sell it through our website. For the first transaction, GST is leviable, and will need to be paid to our vendor, on which credit is available for us. The second transaction is a supply on our own account, and not by other suppliers and there is no requirement to collect tax at source. The transaction will attract GST at the prevailing rates.

Filing of Monthly & Annual Statements by ECO

An electronic statement has to be filed by the ECO containing details of the outward supplies of goods and/or services effected through it, including the supplies returned through it and the amount collected by it as TCS during the month within 10 days after the end of each month in which supplies are made.

Additionally, the ECO is also mandated to file an Annual Statement on or before 31st day of December following the end of the financial year.

Notice to the Operator

An officer not below the rank of Deputy Commissioner can issue notice to an operator, asking him to furnish details relating to volume of the goods/services supplied, stock of goods lying in warehouses/godowns etc.

The operator is required to furnish such details within 15 working days.

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3 The detailed provisions of monthly and annual statements have been discussed in Chapter:13 Returns.
In case an operator fails to furnish the information, besides being liable for penal action under section 122, it shall also be liable for penalty up to ₹ 25,000.

LET US RECAPITULATE

The provisions relating to TDS & TCS have been summarised by way of table and diagrams to help students remember and retain the provisions in a better and effective manner:

**Definition of Key terms**

**Electronic Commerce**
- means
  - supply of goods
  - supply of services
  - supply of goods and services
  - including digital products over
digital network
  - electronic network

**Electronic Commerce Operator**
- means
- Any person who
  - owns
digital/electronic facility/platform for electronic commerce
  - operates
  - manages
Manner of Account of TDS by TDS Deductor

1. Such deductors need to get compulsorily registered under section 24 of the CGST/SGST Act.

2. They need to remit such TDS collected by the 10th day of the month succeeding the month in which TDS was collected.
3. The amount deposited as TDS will be reflected in the electronic cash ledger of the supplier.

4. They need to issue certificate of such TDS to the deductee within 5 days of deducting TDS failing which fees of ₹ 100 per day subject to maximum of ₹ 5,000/- will be payable by such deductor.

MANNER OF ACCOUNT OF TDS BY SUPPLIER

- Any amount shown as TDS will be reflected in the electronic cash ledger of the concerned supplier.
- He can utilize this amount towards discharging his liability towards tax, interest fees and any other amount.

APPLICABILITY OF TDS

Situations

- Supplier, place of supply & recipient - same State
  - Intra-State supply
  - TDS (CGST + SGST) to be deducted

- Supplier and place of supply - different States
  - Inter-State supply
  - TDS (IGST) to be deducted

- Supplier & place of supply - same State & recipient located in another State
  - Intra-State supply
  - NO TDS

CONSEQUENCES OF NOT COMPLYING WITH TDS PROVISIONS

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Event</th>
<th>Consequence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>TDS not deducted</td>
<td>Interest to be paid along with the TDS amount; else the amount shall be</td>
</tr>
</tbody>
</table>
### TCS

#### Rate of TCS

<table>
<thead>
<tr>
<th>Rate of TCS</th>
<th>under CGST</th>
<th>1/2%</th>
</tr>
</thead>
<tbody>
<tr>
<td>under IGST</td>
<td>1%</td>
<td></td>
</tr>
</tbody>
</table>

#### TCS

- **Person liable to collect tax at source**: Electronic commerce operator
- **Threshold limit**: Nil
- **Rate of collection under CGST**: 1%
- **Value for collection of tax at source**: \([(CGST+SGST)/IGST]\)
- **Due date of payment of TCS to Government**: Within 10 days from the end of month

Late fee of ₹ 100/- per day subject to a maximum amount of ₹ 5000/-

Interest to be paid along with the TDS amount; else the amount shall be determined and recovered as per the law.

Late fee of ₹ 100/- per day subject to a maximum amount of ₹ 5000/-.
NET VALUE OF TAXABLE SUPPLIES

Aggregate value of taxable supplies of goods and/or services

Net value of Taxable Supplies

taxable supplies returned to supplier

other than notified services under section 9(5) by all registered persons

TEST YOUR KNOWLEDGE

1. **Who is liable to pay GST?** Explain in the context of general and special circumstances.

2. **What will happen if the deductor fails to issue TDS Certificate within the time prescribed?**

3. **Whether the rate of tax of 1% notified under section 52 is CGST or SGST or a combination of both CGST and SGST?**

4. **Is every e-commerce operator required to collect tax on behalf of actual supplier?**

5. **State whether the provisions pertaining to tax collected at source under section 52 of CGST Act, will be applicable in below mentioned scenarios -**
   
   (a) Titane sells watch on his own through its own website?

   (b) ABC limited who is dealer of Titane brand sells watches through flipkarte, an electronic commerce operator?

ANSWERS /HINTS

1. **General rule -** Supplier of goods or services is liable to pay GST.

   Specific circumstances –
• Import supplies – Recipient of goods or services has to pay tax under reverse charge
• The Government may, on the recommendations of the Council, by notification, specify categories of services the tax on intra-State supplies, of which shall be paid by the electronic commerce operator, if such services are supplied through it
• **TDS** – If total value of supply under contract > ₹ 2.5 lakhs, then Central and State Government, Local authority, Government agencies is liable to deduct TDS and pay the same to the government
• **TCS** - E-commerce operators are required to collect tax (TCS) on the aggregate value of supply reduced by returns in a month

2. As per section 51(4) of the CGST Act, 2017, if any deductor fails to furnish to the deductee the certificate, after deducting the tax at source, within five days of crediting the amount so deducted to the Government, the deductor shall pay, by way of a late fee, a sum of one hundred rupees per day from the day after the expiry of such five days period until the failure is rectified, subject to a maximum amount of five thousand rupees.

3. The rate of TCS as notified under CGST Act, 2017 is payable under CGST and the equal rate of TCS is expected under the SGST Act also, in effect aggregating to 1%.

4. Yes, every e-commerce operator is required to collect tax where consideration with respect to the supply is being collected by the e-commerce operator.

5. Answers for both the scenarios is as follows:
   As per Section 52 of CGST Act, every electronic commerce operator not being an agent, shall collect an amount calculated at such rate not exceeding one per cent., as may be notified by the Government on the recommendations of
   a. the Council, of the net value of taxable supplies made through it by other suppliers where the consideration with respect to such supplies is to be collected by the operator.

   Hence, if the person sells on his own, provisions pertaining to tax collected at source (TCS) won’t be applicable.

   b. If ABC limited who is dealer of Titan brand sells watches through Flipkarte, then the provision of TCS will be applicable to flipkarte.
AMENDMENTS MADE VIDE THE FINANCE (NO. 2) ACT, 2019

The Finance (No. 2) Act, 2019 has become effective from 01.08.2019. However, the amendments made in the CGST Act and IGST Act vide the Finance (No. 2) Act, 2019 would become effective only from a date to be notified by the Central Government in the Official Gazette. Such a notification has not been issued till the time this Study Material is being released for printing. Therefore, the applicability or otherwise of such amendments for May 2020 and/or November 2020 examinations shall be announced by the ICAI only after such notification is issued by the Central Government.

In the table given below, the existing provisions relating to payment of tax are compared with the provisions as amended by the Finance (No. 2) Act, 2019.

Once the announcement for applicability of such amendments for examination(s) is made by the ICAI, students should read the provisions given hereunder in place of the related provisions discussed in the Chapter.

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Existing provisions</th>
<th>Provisions as amended by the Finance (No. 2) Act, 2019</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>52</td>
<td><strong>Sub-section (4)</strong> Every operator who collects the amount specified in sub-section (1) shall furnish a statement, electronically, containing the details of outward supplies of goods or services or both effected through it, including the supplies of goods or services or both returned through</td>
<td><strong>Sub-section (4)</strong> Every operator who collects the amount specified in sub-section (1) shall furnish a statement, electronically, containing the details of outward supplies of goods or services or both effected through it, including the supplies of goods or services or both returned through it, and the amount collected under sub-section (1) during a month, in such form and manner as may be</td>
<td>New provisos are being inserted in sub-sections (4) and (5) of section 52 of the CGST Act so as to empower the Commissioner to extend the due date for furnishing of monthly and annual statement by the person collecting tax at source.</td>
</tr>
</tbody>
</table>

*Provisions existing as on the date when the Study Material was released for printing*
it, and the amount collected under sub-section (1) during a month, in such form and manner as may be prescribed, within ten days after the end of such month.

"Provided that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing the statement for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.";

<table>
<thead>
<tr>
<th>52</th>
<th>Sub-section (5)</th>
<th>Sub-section (5)</th>
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<tbody>
<tr>
<td></td>
<td>Every operator who collects the amount specified in sub-section (1) shall furnish an annual statement, electronically, containing the details of outward supplies of goods or services or both effected through it, including the supplies of goods or services or both returned through it, and the amount collected under the said sub-section during the financial year, in such form and manner as may be prescribed, before the thirty first day of December</td>
<td>Every operator who collects the amount specified in sub-section (1) shall furnish an annual statement, electronically, containing the details of outward supplies of goods or services or both effected through it, including the supplies of goods or services or both returned through it, and the amount collected under the said sub-section during the financial year, in such form and manner as may be prescribed, before the thirty first day of December</td>
</tr>
</tbody>
</table>
collected under the said sub-section during the financial year, in such form and manner as may be prescribed, before the thirty first day of December following the end of such financial year.

following the end of such financial year.

“Provided that the Commissioner may, on the recommendations of the Council and for reasons to be recorded in writing, by notification, extend the time limit for furnishing the annual statement for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.”.