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PART--IV-- Bills introduced in the Tripura Legislative Assembly : Report of Selection Committees presented or to be presented to the Assembly; and Bills published before introduction in that Assembly.

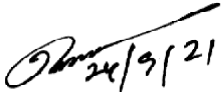
**TRIPURA LEGISLATIVE ASSEMBLY
SECRETARIAT
NEW CAPITAL COMPLEX
AGARTALA, TRIPURA, PIN-799010
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No.F.7(12-15)-LA/2021.

Dated, Agartala the 24th September, 2021.

NOTIFICATION

“ As required under Rule 117 of the Rules of Procedure and Conduct of Business in the Tripura Legislative Assembly, “**The Tripura State Goods and Services Tax (Fourth Amendment) Bill, 2021 (The Tripura Bill No. 9 of 2021)**” as introduced in the Assembly on the **24th September, 2021** to be published in the Tripura Gazette.”


(B.P. Karmakar)
Secretary
Tripura Legislative Assembly

THE TRIPURA BILL NO. 9 OF 2021.

**THE TRIPURA STATE GOODS AND SERVICES TAX
(FOURTH AMENDMENT) BILL, 2021**

A

BILL

to further amend the Tripura State Goods and Services Tax Act, 2017.

WHEREAS, the Central Government has amended the Central Goods and Services Tax Act, 2017 through Section 108 to 122 of the Finance Act, 2021 (No. 13 of 2021);

AND WHEREAS, similar amendments are required to be made in the Tripura State Goods and Services Tax Act, 2017 to avoid repugnancy with the Central Act;

BE it enacted by The Tripura Legislative Assembly in the seventy second year of the Republic of India as follows:

Short title and commencement.

1. (1) This may be called the ‘Tripura State Goods and Services Tax (Fourth Amendment) Act, 2021’;

(2) Save as otherwise provided in this Act, sections 2 to 15 shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

Amendment of section 7.

2. In the Tripura State Goods and Services Tax Act, 2017 (hereinafter referred to as the Tripura State Goods and Services Tax Act), in section 7, in sub-section (1), after clause (a), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:—

“(aa) the activities or transactions, by a person, other than an individual, to its members or constituents or *vice-versa*, for cash, deferred payment or other valuable consideration.

Explanation.—For the purposes of this clause, it is hereby clarified that, notwithstanding anything contained in any other law for the time being in force or any judgment, decree or order of any Court, tribunal or authority, the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions *inter se* shall be deemed to take place from

9 of 2017

one such person to another;”.

Amendment of section 16 **3.** In section 16 of the Tripura State Goods and Services Tax Act, in sub-section (2), after clause (a), the following clause shall be inserted, namely:—

“(aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;”.

Amendment of section 35 **4.** In section 35 of the Tripura State Goods and Services Tax Act, sub-section (5) shall be omitted.

Substitution of new section for section 44 **5.** For section 44 of the Tripura State Goods and Services Tax Act, the following section shall be substituted, namely:—

Annual return. **“44. Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person shall furnish an annual return which may include a self-certified reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year, with the audited annual financial statement for every financial year electronically, within such time and in such form and in such manner as may be prescribed:**

Provided that the Commissioner may, on the recommendations of the Council, by notification, exempt any class of registered persons from filing annual return under this section:

Provided further that nothing contained in this section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.”.

Amendment of section 50 **6.** In section 50 of the Tripura State Goods and Services Tax Act, in sub-section (1), for the proviso, the following proviso shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2017, namely:—

“Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after

commencement of any proceedings under section 73 or section 74 in respect of the said period, shall be payable on that portion of the tax which is paid by debiting the electronic cash ledger.”.

Amendment of section 74 7. In section 74 of the Tripura State Goods and Services Tax Act, in *Explanation 1*, in clause (ii), for the words and figures “sections 122, 125, 129 and 130”, the words and figures “sections 122 and 125” shall be substituted.

Amendment of section 75 8. In section 75 of the Tripura State Goods and Services Tax Act, in sub-section (12), the following *Explanation* shall be inserted, namely:—

—
Explanation.—For the purposes of this sub-section, the expression “self-assessed tax” shall include the tax payable in respect of details of outward supplies furnished under section 37, but not included in the return furnished under section 39.’.

Amendment of section 83 9. In section 83 of the Tripura State Goods and Services Tax Act, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Where, after the initiation of any proceeding under Chapter XII, Chapter XIV or Chapter XV, the Commissioner is of the opinion that for the purpose of protecting the interest of the Government revenue it is necessary so to do, he may, by order in writing, attach provisionally, any property, including bank account, belonging to the taxable person or any person specified in sub-section (1A) of section 122, in such manner as may be prescribed.”.

Amendment of section 107 10. In section 107 of the Tripura State Goods and Services Tax Act, in sub-section (6), the following proviso shall be inserted, namely:—

“Provided that no appeal shall be filed against an order under sub-section (3) of section 129, unless a sum equal to twenty-five per cent. of the penalty has been paid by the appellant.”.

Amendment of section 129 11. In section 129 of the Tripura State Goods and Services Tax Act,—
(i) in sub-section (1), for clauses (a) and (b), the following clauses shall be substituted, namely:—

“(a) on payment of penalty equal to two hundred per cent. of the tax payable on such goods and, in case of exempted goods, on payment of an amount equal to two per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods comes forward for payment of such penalty;

(b) on payment of penalty equal to fifty per cent. of the value of

the goods or two hundred per cent. of the tax payable on such goods, whichever is higher, and in case of exempted goods, on payment of an amount equal to five per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods does not come forward for payment of such penalty;”;

(ii) sub-section (2) shall be omitted;

(iii) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The proper officer detaining or seizing goods or conveyance shall issue a notice within seven days of such detention or seizure, specifying the penalty payable, and thereafter, pass an order within a period of seven days from the date of service of such notice, for payment of penalty under clause (a) or clause (b) of sub-section (1).”;

(iv) in sub-section (4), for the words “No tax, interest or penalty”, the words “No penalty” shall be substituted;

(v) for sub-section (6), the following sub-section shall be substituted, namely:—

“(6) Where the person transporting any goods or the owner of such goods fails to pay the amount of penalty under sub-section (1) within fifteen days from the date of receipt of the copy of the order passed under sub-section (3), the goods or conveyance so detained or seized shall be liable to be sold or disposed of otherwise, in such manner and within such time as may be prescribed, to recover the penalty payable under sub-section (3):

Provided that the conveyance shall be released on payment by the transporter of penalty under sub-section (3) or one lakh rupees, whichever is less:

Provided further that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with passage of time, the said period of fifteen days may be reduced by the proper officer.”.

Amendment of section 130 12. In section 130 of the Tripura State Goods and Services Tax Act,—

(a) in sub-section (1), for the words “Notwithstanding anything contained in this Act, if”, the word “Where” shall be substituted;

(b) in sub-section (2), in the second proviso, for the words, brackets and figures “amount of penalty leviable under sub-section (1) of section 129”, the words “penalty equal to hundred per cent. of the tax payable on such goods” shall be substituted;

(c) sub-section (3) shall be omitted.

Substitution of new section for section 151

13. For section 151 of the Tripura State Goods and Services Tax Act, the following section shall be substituted, namely:—

Power to call for information

“151. The Commissioner or an officer authorised by him may, by an order, direct any person to furnish information relating to any matter dealt with in connection with this Act, within such time, in such form, and in such manner, as may be specified therein.”

Amendment of section 152

14. In section 152 of the Tripura State Goods and Services Tax Act,—

(a) in sub-section (1),—

(i) the words “of any individual return or part thereof” shall be omitted;

(ii) after the words “any proceedings under this Act”, the words “without giving an opportunity of being heard to the person concerned” shall be inserted;

(b) sub-section (2) shall be omitted.

Amendment to Schedule II.

15. In Schedule II of the Tripura State Goods and Services Tax Act, paragraph 7 shall be omitted and shall be deemed to have been omitted with effect from the 1st day of July, 2017.

STATEMENT OF OBJECTS & REASONS

The Central Government has amended the Central Goods and Services Tax Act, 2017 through Section 108 to 122 of the Finance Act, 2021 (No. 13 of 2021)

Similar amendments are required to be made in the Tripura State Goods and Services Tax Act, 2017 to avoid repugnancy with the Central Act.

The proposed Tripura State Goods and Services Tax (Fourth Amendment) Bill, 2021, *inter alia*, provides for—

“Clause 2 of the Bill seeks to amend section 7 of the Tripura State Goods and Services Tax Act, 2017, with retrospective effect from the 1st July, 2017, by inserting a new clause (aa) in sub-section (1) thereof, so as to ensure levy of tax on activities or transactions involving supply of goods or services by any person, other than an individual, to its members or constituents or vice-versa, for cash, deferred payment or other valuable consideration.

It is also proposed to insert an Explanation therein, to clarify that the person or its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one person to another.

Clause 3 of the Bill seeks to amend section 16 of the Tripura State Goods and Services Tax Act by inserting a new clause (aa) in sub-section (2) thereof, so as to provide that input tax credit on invoice or debit note may be availed only when the details of such invoice or debit note has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note.

Clause 4 of the Bill seeks to omit sub-section (5) of section 35 of the Tripura State Goods and Services Tax Act so as to remove the mandatory requirement of getting annual accounts audited and the reconciliation statement submitted by specified professional.

Clause 5 of the Bill seeks to substitute a new section for section 44 of the Tripura State Goods and Services Tax Act so as to remove the mandatory requirement of furnishing a reconciliation statement duly audited by specified professional and to provide for filing of the annual return on self-certification basis. It further empowers the Commissioner to exempt a class of taxpayers from the requirement of filing the annual return.

Clause 6 of the Bill seeks to amend section 50 of the Tripura State Goods and Services Tax Act to substitute the proviso to sub-section (1) so as to charge interest on net cash liability retrospectively with effect from the 1st July, 2017.

Clause 7 of the Bill seeks to amend section 74 of the Tripura State Goods and Services Tax Act so as to make seizure and confiscation of goods and conveyances in transit a separate proceeding from the recovery of tax.

Clause 8 of the Bill seeks to amend section 75 of the Tripura State Goods and Services Tax Act so as to insert an Explanation in sub-section (12) to clarify that “self-assessed tax” shall include the tax payable in respect of details of outward supplies furnished under section 37, but not included in the return furnished under section 39.

Clause 9 of the Bill seeks to substitute sub-section (1) of section 83 of the Tripura State Goods and Services Tax Act so as to provide that provisional attachment shall remain valid for the entire period starting from the initiation of any proceeding under Chapter XII, Chapter XIV or Chapter XV till the expiry of a period of one year from the date of order made thereunder.

Clause 10 of the Bill seeks to insert a new proviso in sub-section (6) of section 107 of the Tripura State Goods and Services Tax Act so as to provide that no appeal shall be filed against an order made under sub-section (3) of section 129, unless a sum equal to twenty-five per cent. of the penalty has been paid by the appellant.

Clause 11 of the Bill seeks to amend section 129 of the Tripura State Goods and Services Tax Act so as to delink the proceedings under that section relating to detention, seizure and release of goods and conveyances in transit, from the proceedings under section 130 relating to confiscation of goods or conveyances and levy of penalty.

Clause 12 of the Bill seeks to amend section 130 of the Tripura State Goods and Services Tax Act, so as to delink the proceedings under that section relating to confiscation of goods or conveyances and levy of penalty from the proceedings under section 129 relating to detention, seizure and release of goods and conveyances in transit.

Clause 13 of the Bill seeks to substitute section 151 of the Tripura State Goods and Services Tax Act so as to empower the commissioner or an officer authorised by him to call for information from any person relating to any matters dealt with in connection with the Act.

Clause 14 of the Bill seeks to amend sub-section (1) of section 152 of the Tripura State Goods and Services Tax Act so as to provide that no information obtained under sections 150 and 151 shall be used for the purposes of any proceedings under the Act without giving an opportunity of being heard to the person concerned.

Clause 15 of the Bill seeks to omit paragraph 7 of Schedule II to the Tripura State Goods and Services Tax Act, with retrospective effect from the 1st day of July, 2017, consequent to the amendments made in section 7.”

2. The Bill seeks to achieve the above objectives.

(JISHNU DEV VARMA)
Deputy Chief Minister
(Minister-in-Charge, Finance)

TECHNICAL REPORT

The proposed Bill provides for the levy of tax on the supply of goods or services or both. The subject matter of the Bill conforms to the provisions of Clause (1) of the Article 286 of the Constitution of India.

The State Legislature is competent to legislate on the subject under Clause (1) of Clause 246A of the Constitution of India. The Provisions of the Bill are not repugnant to any provision of any existing Central Law or any provision of the Constitution, as amended by the Constitution (One Hundred and First Amendment) Act, 2016. It does not attract the proviso to Article 304(b) of the Constitution of India.

The Bill is money bill as defined in Clause (a) of Clause (1) of Article 199 of the Constitution of India and as such recommendation of the Governor as required under clause (1) of Article 207 of the Constitution of India will be required for introduction of the Bill in the Tripura Legislative Assembly.

Tripura Gazette, Extraordinary Issue, September 27, 2021 A. D.

FINANCIAL MEMORANDUM

The 'Tripura State Goods and Services Tax (Fourth Amendment) Bill, 2021' if enacted and brought into force, does not involve any recurring or non-recurring expenditure from the Consolidated Fund of the State.