

CBIC SEEKS TO NOTIFY THE PROVISIONS OF SECTION 100 OF THE FINANCE (NO. 2) ACT, 2019 TO AMEND SECTION 50 OF THE CGST ACT, 2017 W.E.F. 01.09.2020

Circular No.ES/319/2020-21

29th August, 2020

To: Members of the Council

Sub: CBIC seeks to notify the provisions of section 100 of the Finance (No. 2) Act, 2019 to amend section 50 of the CGST Act, 2017 w.e.f. 01.09.2020

Dear Member,

CBIC has issued Notification No. 63/2020 – Central Tax dated 25th August, 2020 notifying 1st September, 2020 as the date on which the provisions of section 100 of the Finance (No. 2) Act, 2019 (23 of 2019), shall come into force.

Vide this notification, CBIC notified the interest on late GST payments would be applicable only on net cash tax liability after the deduction of the available input tax credits w.e.f. from 1st September 2020.

Members may kindly make a note of the above.

Thanking you,

Yours faithfully,

S. BALARAJU
EXECUTIVE DIRECTOR