

**F.No 137/16/ 2017 – Service Tax
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs
Service Tax Wing

New Delhi dated 28th September 2017

All Principal Chief /Chief Commissioners of GST and Central Excise
All Principal Directors General/Directors General of Systems and Data Management/
GST Intelligence/ Audit

Madam/Sir

Subject: Certain transitional issues arising with respect to payment of service tax after
30th June 2017

I am directed to refer to two such issues which have arisen in the above context and to state that these issues have been examined and the following clarifications are issued.

2.0 Reflection of transitional credit arising out of payment of service tax on reverse charge basis after 30th June 2017 and by 5th/6th July 2017

2.1 I am directed to refer to certain instances of assesseees, who had chosen to wait till 5th /6th July 2017 to make the payment of service tax on reverse charge basis, instead of paying the same by 30-6-2017. These cases would be ones where the service was received before 1-7-2017 and payment for the value of the service was also made before 1-7-2017. Since the input tax credit in cases of payment under reverse charge would be available only after payment of service tax, these assesseees had doubts as to whether the details of credit should be included in the return in Form ST-3 or in Form GST TRAN-1.

2.2 The matter has been examined. In such cases, details of credit arising as a consequence of payment of service tax on reverse charge basis after 30th June 2017 by 5th/6th July 2017, the details should be indicated in Part I of Form ST-3 in entries, I3.1.2.6, I3 2.2.6 and I3 3.2.6. Linked entries should be made in Part H of Form ST-3. In case the return has already been filed by or after the due date, these details should be indicated in the revised return, the time for filing of which is 45 days from the date of filing of the return.

2.3 It is necessary to give compliant assesseees who had filed their ST 3 return by the due date or some days later, an immediate and viable window in which a revised return can be filed consequent to the issue of this instruction. Hence all ST3 returns for the period 1-4-2017 to 30-6-2017 which have been filed upto and inclusive of the 31st day of August 2017, shall be deemed to have been filed on 31-8-2017. This will give all such assesseees some more days to file a revised return, if necessitated. Once details of such credit are reflected in the ST-3, the assessee may proceed to fill in the details in Form GST TRAN-1. It may be noted that as on date, GST TRAN-1 can be filed upto 31-10-2017 and can also be revised.

3.0 Payment of service tax on or after 1-7-2017 as a consequence of detection of evasion or any other circumstances

3.1 This issue will arise only in the case of assesseees who were not registered under ACES . It may be recalled that in the registration module of ACES, there is a category of “non assessee registration” . This may be used to obtain registration and make payment of service tax. Any difficulty in this regard may be resolved with the office of the Additional Director General , Directorate of Systems and Data Management, Chennai .

4. The contents of this circular may be brought to the notice of assesseees by issuing Public/Trade Notices.

Yours faithfully



(Pallabika Dutta)

Deputy Commissioner and OSD Service Tax Wing

Telephone 011-23095438

Email: commr.st-cbec@gov.in