

NO.F.1-11(54)-GST/2016/9905-60
GOVERNMENT OF TRIPURA
OFFICE OF THE CHIEF COMMISSIONER OF STATE TAX
PANDIT NEHRU COMPLEX, GURKHABASTI, AGARTALA

Dated, Agartala, the 31st October, 2018.

Circular No. 13/2018 – GST (State)

Subject: Guidelines for Deductions and Deposits of TDS by the DDO under GST.

Section 51 of the TSGST Act, 2017 provides for deduction of tax by the Government Agencies (Deductor) or any other person to be notified in this regard, from the payment made or credited to the supplier (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. The amount deducted as tax under this section shall be paid to the Government by deductor within ten days after the end of the month in which such deduction is made alongwith a return in FORM GSTR-7 giving the details of deductions and deductees. Further, the deductor has to issue a certificate to the deductee mentioning therein the contract value, rate of deduction, amount deducted etc.

2. As per the Act, every deductor shall deduct the tax amount from the payment made to the supplier of goods or services or both and deposit the tax amount so deducted with the Government account through NEFT to RBI or a cheque to be deposited in one of the authorized banks, using challan on the common portal. In addition, the deductors are entrusted the responsibility of filing return in FORM GSTR-7 on the common portal for every month in which deduction has been made based on which the benefit of deduction shall be made available to the deductee. All the DDOs in the Government, who are performing the role as deductor have to register with the common portal and get the GST Identification Number (GSTIN).

3. The subject section which provides for tax deduction at source was not notified to come into force with effect from 1st July, 2017, the date from which GST was introduced. Government has recently notified that these provisions shall come into force with effect from 1st October, 2018, vide Notification No. F.1-11(91)-TAX/GST/2018(Part) dated 14th September, 2018.

4. The process flow for Bill wise deduction and its deposit by the DDO is as under:

Individual Bill-wise Deduction and its Deposit by the DDO

5. The DDO will have to deduct as well as deposit the GST TDS for each bill individually by generating a CPIN (Challan) and mentioning it in the Bill itself.

6. Following process shall be followed by the DDO in this regard:

(i) The DDO shall prepare the Bill based on the Expenditure Sanction. The Expenditure Sanction shall contain the (a) Total amount, (b) net amount payable to the Contractor/Supplier/Vendor and (c) the 2% TDS amount of GST.

(ii) The DDO shall login into the GSTN Portal (using his GSTIN) and generate the CPIN (Challan). In the CPIN he shall have to fill in the desired amount of payment against one/many Major Head(s) (CGST / SGST / UTGST / IGST) and the relevant component (e.g. Tax) under each of the Major Head.

(iii) While generating the CPIN, the DDO will have to select mode of payment as either (a) NEFT/RTGS or (b) OTC. In the OTC mode, the DDO will have to select the Bank where the payment will be deposited through OTC mode.

Upon successful payment from CTOS, Tripura, the Unique Transaction Reference Number (UTR) has to be collected from payment report of the concerned bill, and same has to be updated in the GSTN portal to generate CIN.

(iv) The generated CPIN has a validity of 15 days i.e. the payment needs to be completed within 15 days from the generation of CPIN.

(v) The DDO shall prepare the bill on CTOS for submission to the respective payment authorities.

(vi) In the Bill,

(a) the net amount payable to the Contractor; and

(b) 2% as TDS

will be specified

(vii) In case of NEFT/RTGS mode, the DDO will have to mention the CPIN Number (as beneficiary's account number), RBI (as beneficiary) and the IFSC Code of RBI with the request to

payment authority to make payment in favour of RBI with these credentials.

- (viii)** While selecting NEFT/RTGS mode, Reserve Bank of India, PAD has to be selected as remitting bank.
- (ix)** In case of the OTC mode, the DDO will have to request the payment authority to issue 'A' Category Government Cheque in favour of one of the 25 authorized Banks. The Cheque may then be deposited along with the CPIN with any of branch of the authorized Bank so selected by the DDO.
- (x)** Upon successful payment, a CIN will be generated by the RBI/Authorized Bank and will be shared electronically with the GSTN Portal. This will get credited in the electronic Cash Ledger of the concerned DDO in the GSTN Portal. This can be viewed and the details of CIN can be noted by the DDO anytime on GSTN portal using his Login credentials.
- (xi)** The DDO should maintain a Register as per proforma given in Annexure 'A' to keep record of all TDS deductions made by him during the month. This Record will be helpful at the time of filing Monthly Return (FORM GSTR-7) by the DDO. The DDO may also make use of the offline utility available on the GSTN Portal for this purpose.
- (xii)** The DDO shall generate TDS Certificate through the GST Portal in FORM GSTR-7A after filing of Monthly Return.

7. Departments/Undertakings/TTAADC in State Government should instruct all its DDOs under them to follow the above procedure for payment of GST TDS amount deducted from payments to be made to suppliers.

8. Difficulty, if any, in implementation of this circular may please be brought to the notice of Finance Department, Government of Tripura.

(Nagesh Kumar B, IAS)
Chief Commissioner of State Tax
Government of Tripura

To,

1. All Head of Department

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2. The Chief Executive Officer, Tripura Tribal Area Autonomous District Council (TTADC), Khumulwng, Tripura.

3. All State Government Undertakings

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4. All Head of Office / DDOs of State Government Offices

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Copy to:

1. The Chief Secretary, Government of Tripura for favour of kind information.
2. All the Additional Chief Secretary, Government of Tripura for favour of kind information.
3. All the Principal Secretary, Finance, Government of Tripura for favour of kind information.
4. The Additional Commissioner of State Tax, Government of Tripura for information.
5. All the Superintendent of Taxes (All)
for circulation to the DDOs under their jurisdiction.
6. The Assistant Statistical Officer, Statistical Section, O/o the Commissioner of Taxes & Excise, Agartala with request to upload the Circular in the Official website www.tripurataxes.nic.in
7. Guard File.

(Nagesh Kumar B, IAS)
Chief Commissioner of State Tax
Government of Tripura

Annexure A

Record to be maintained by the DDO for filing of GSTR7

Sl. No.	GSTIN of the Deductee	Trade Name	Amount paid to the Deductee on which tax is deducted	Integrated Tax	Central Tax	State/UT Tax	Total