

NO.F.1-11(8)-TAX/GST/2019 / 13560-66  
GOVERNMENT OF TRIPURA  
OFFICE OF THE CHIEF COMMISSIONER OF STATE TAX  
PANDIT NEHRU COMPLEX, GURKHABASTI  
AGARTALA, TRIPURA WEST, PIN-799006.

Dated, Agartala, the 15<sup>th</sup> March, 2019.

**Corrigendum to Circular No. 21/2018-GST (State)**

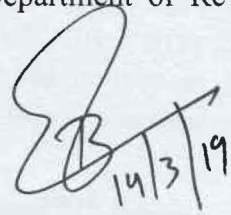
To  
The Additional Commissioner of State Tax /  
Deputy Commissioner of State Tax/  
Superintendent of State Tax (All) /  
Inspector of State Tax (All)

**Subject: Corrigendum to Circular No.21/2018-GST (State) dated 31<sup>st</sup> December, 2018 corresponding to Central Circular No. 76/50/2018-GST dated 31<sup>st</sup> December, 2018 issued vide F.No. CBEC- 20/16/04/2018-GST - Reg.**

The Department of Revenue, Central Board of Indirect Taxes and Customs, GST Policy Wing has issued Corrigendum to Circular No. 76/50/2018-GST dated 31<sup>st</sup> December, 2018 issued vide F.No.CBEC- 20/16/04/2018-GST. Accordingly, it is required to issue Corrigendum to Circular No.21/2018-GST (State) dated 31<sup>st</sup> December, 2018, in order to ensure uniformity in the implementation of the provisions of law across the field formations, which is annexed herewith.

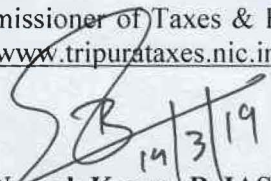
In exercise of powers conferred by section 168 of the Tripura State Goods and Services Tax Act, 2017 (Tripura Act No. 9 of 2017) for the purpose of uniformity in the implementation of the Act it is instructed to follow the clarification issued vide Corrigendum to Circular No. 76/50/2018-GST dated 7<sup>th</sup> March, 2019 by the Department of Revenue, Central Board of Indirect Taxes and Customs, GST Policy Wing.

**Enlco:** Corrigendum to Circular No. 76/50/2018-GST.

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

**Copy to:**

1. The P.S. to the Chief Secretary, Finance, Government of Tripura for favour of kind information.
2. 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](http://www.tripurataxes.nic.in).
3. Guard File.

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



**Corrigendum to Circular No. 76/50/2018-GST**

**F.No. 20/16/04/2018 -GST  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Indirect Taxes and Customs  
GST Policy Wing**

New Delhi, Dated the 7<sup>th</sup> March, 2019

To,

The Principal Chief Commissioners/ Chief Commissioners/ Principal Commissioners/  
Commissioners of Central Tax (All)

The Principal Director Generals/ Director Generals (All)

Madam/Sir,

**Subject: Corrigendum to Circular No. 76/50/2018-GST dated 31<sup>st</sup> December, 2018  
issued vide F.No. CBEC- 20/16/04/2018-GST- Reg.**

Vide serial number 5 of Circular No. 76/50/2018-GST dated 31<sup>st</sup> December, 2018, it was clarified that the taxable value for the purposes of GST shall include the Tax Collected at Source (TCS) amount collected under the provisions of the Income Tax Act, as the value to be paid to the supplier by the recipient is inclusive of the said TCS.

2. In the light of the representations received from the stakeholders, the matter has been re-examined in consultation with the Central Board of Direct Taxes (CBDT). The CBDT has clarified that Tax collection at source (TCS) is not a tax on goods but an interim levy on the possible "income" arising from the sale of goods by the buyer and to be adjusted against the final income- tax liability of the buyer.

3. Accordingly, in S. No. 5 of the Circular No. 76/50/2018-GST dated 31<sup>st</sup> December, 2018:

**For**

5.	What is the correct valuation methodology for ascertainment of GST on Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961?	1. Section 15(2) of CGST Act specifies that the value of supply shall include "any taxes, duties cesses, fees and charges levied under any law for the time being in force other than this Act, the SGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier."
----	---	---

Corrigendum to Circular No. 76/50/2018-GST

		2. It is clarified that as per the above provisions, taxable value for the purposes of GST shall include the TCS amount collected under the provisions of the Income Tax Act since the value to be paid to the supplier by the buyer is inclusive of the said TCS.
--	--	--

Read

5.	What is the correct valuation methodology for ascertainment of GST on Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961?	<p>1. Section 15(2) of CGST Act specifies that the value of supply shall include “any taxes, duties cesses, fees and charges levied under any law for the time being in force other than this Act, the SGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier.”</p> <p>2. For the purpose of determination of value of supply under GST, Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961 would not be includible as it is an interim levy not having the character of tax.</p>
----	---	--

2. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

3. Difficulty, if any, in implementation of this Circular may please be brought to the notice of the Board. Hindi version would follow.

(Upender Gupta)  
Principal Commissioner (GST)