

Office of the
Commissioner of State Tax
(GST), 8th floor, New Building,
GST Bhavan, Mazgaon,
Mumbai-400010.

TRADE CIRCULAR

To,

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No. JC (HQ)-1/GST/2019/CBIC Circular(s)/ADM-8 Mumbai, dated 17/05/2019

Trade Circular (GST) No. 32T of 2019.

Sub. : Clarification regarding exercise of option to pay tax under notification No. 2/2019- ST(R) dt 07.03.2019 - Reg.

Ref. : CBIC Circular No. 97/16/2019-GST dated 5th April 2019.

Sir/Gentlemen/Madam,

1. Attention is invited to Notification No. 02/2019-State Tax (Rate) dated 07.03.2019 (hereinafter referred to as "the said notification") which prescribes rate of State tax of 3% on first supplies of goods or services or both upto an aggregate turnover of fifty lakh rupees made on or after the 1st day of April in any financial year, by a registered person whose aggregate annual turnover in the preceding financial year was fifty lakh rupees or below. The said notification, as amended by Notification No. 09/2019-State Tax (Rate) dated 30.03.2019, provides that Maharashtra Goods and Services Tax Rules, 2017 (hereinafter referred to as "the said rules"), as applicable to a person paying tax under section 10 of the Maharashtra Goods and Services Tax Act, 2017 (hereinafter referred to as "the said Act") shall, mutatis mutandis, apply to a person paying tax under the said notification.
2. In order to clarify the issue and to ensure uniformity in the implementation of the provisions of the law across field formations, the Commissioner of State Tax, Maharashtra State, in exercise of its powers

conferred by section 168 (1) of the said Act, hereby clarifies the issues raised as below:-

- 2.1. a registered person who wants to opt for payment of State tax @ 3% by availing the benefit of the said notification, may do so by filing intimation in the manner specified in sub-rule 3 of rule 3 of the said rules in **FORM GST CMP-02** by selecting the category of registered person as "Any other supplier eligible for composition levy" as listed at Sl. No. 5(iii) of the said form, latest by 30th April, 2019. Such person shall also furnish a statement in **FORM GST ITC-03** in accordance with the provisions of sub-rule (3) of rule 3 of the said rules.
 - 2.2. any person who applies for registration and who wants to opt for payment of State tax @ 3% by availing the benefit of the said notification, if eligible, may do so by indicating the option at serial no. 5 and 6.1(iii) of **FORM GST REG-01** at the time of filing of application for registration.
 - 2.3. the option of payment of tax by availing the benefit of the said notification in respect of any place of business in any State or Union territory shall be deemed to be applicable in respect of all other places of business registered on the same Permanent Account Number.
 - 2.4. the option to pay tax by availing the benefit of the said notification would be effective from the beginning of the financial year or from the date of registration in cases where new registration has been obtained during the financial year.
3. It may be noted that the provisions contained in Chapter II of the said Rules shall mutatis mutandis apply to persons paying tax by availing the benefit of the said notification, except to the extent specified in para 2 above.

4. This Circular is clarificatory in nature and hence cannot be made use of interpretation of provisions of the law. Difficulty if any, in this implementation of this Circular may be brought to the notice of the Office of the Commissioner of State Tax, Maharashtra State.

Yours faithfully,



(Rajiv Jalota)

Commissioner of State Tax,
Maharashtra State, Mumbai.

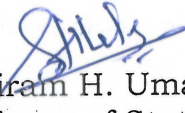
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Trade Circular (GST) No. 32 T of 2019.

Copy forwarded to the Joint Commissioner of State Tax, (MAHAVIKAS) with a request to upload this Trade circular on MGSTD web-site.

Copy submitted with compliments to,-

- (1) The Deputy Secretary, Finance Department, Mantralaya, Mumbai-21 for information.
- (2) Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur.



(Shriram H. Umale)

Joint Commissioner of State Tax, (HQ) 1,
Maharashtra State, Mumbai.

