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GOVERNMENT OF KERALA

Abstract

Finance Department - Formalities/ Procedures to be followed for deducting and depositing the TDS by the Drawing and Disbursing Officers under GST Act – Facilities provided in the bill generating system – Approved -- Orders issued.

Finance (Streamlining) Department

G.O.(P)No.162/2018/Fin.

Dated, Thiruvananthapuram, 22/10/2018

Read:-

1. Circular No. B1/157/2017/Taxes dated 24.10.2017. ✓
2. Circular No.65/39/2018-DOR dated 14.09.2018 (Letter No.31011/11/2018-ST-1-DOR) of Ministry of Finance, Department of Revenue, Government of India. ✓
3. GO (P) No.156/2018/Taxes dated 28.09.2018 (SRO No.680/2018) ✓
4. Letter No. e-treasury 19122/2018 dated 04.10.2018 from the Director of Treasuries.
5. Minutes of the meeting held by Principal Secretary (Fin-Resources) on 11.10.2018.

ORDER

As per the circular read as 1<sup>st</sup> paper above, it was clarified that for the purpose of Section 51 of GST Act, the Drawing and Disbursing officers (DDOs) shall obtain separate TDS registration based on TAN issued by Income Tax Department. Subsequently, Government of India vide circular read as second paper above, have issued detailed guidelines for deduction and deposit of TDS by the DDOs under GST Act as the same is to be done from 01.10.2018. To facilitate the deduction and deposit of TDS by the DDOs under Government of Kerala, a provision has to be enabled in the bill generating applications, BiMS, EMLI, SANKIYA etc. Accordingly, Director of Treasuries was directed to submit a proposal to implement the system and as per the letter read as 4<sup>th</sup> paper above, Director of Treasuries furnished the proposal and requested to issue formal orders to put the facility in operation by the DDOs.

A meeting to discuss the points/procedure submitted by the Director of Treasuries was held vide paper read fifth above and decided to accept the proposal by Director of Treasuries and to issue formal direction in this regard.

In the above circumstances, Government are pleased to issue the following guidelines/procedure to be observed by the DDOs to effect the deduction and deposit of TDS as per GST Act.

1. As a pre-requisite, the DDO/Deductor should be registered in GSTN and obtain registration number in GSTN as tax deductor, as per the circular first paper above.
2. The DDO should generate a chalan in the GSTN for the amount which has to be deducted as TDS before generating the bill and to note down the "CPIN" obtained.
3. While generating the chalan the following points are to be noted.  
(a) Component of GST shall be properly classified(SGST, CGST, IGST etc.)

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- (b) The mode of remittance shall be NEFT/RTGS.  
(c) Select the name of Bank as 'Reserve Bank of India'.

4. After generating the chalan in GSTN, the DDO should generate bill through the appropriate application (for work bill of PWD etc, through EMLI, for Local body it is SANKHYA and other DDOs it is BiMS).
5. While preparing the bill add one more beneficiary in the beneficiary option by entering IFSC code of RBI (RBIS0GSTPMT) in IFSC column, 'CPIN' of the chalan generated in GST system as beneficiary account number and chalan amount as beneficiary amount.
6. Submit the bill to treasury with copy of chalan generated attached to physical copy of the bill.
7. When treasury passes the bill the TDS amount will be remitted to RBI and that information will be updated in the GST system which is reflected in the ledger of the registered DDO also.
8. The DDO should file the return before 10th of the next month as per the guidelines prescribed in the circular issued by GST Department.
9. The validity of chalan generated in GST system is 15 days. Hence, DDO should ensure that the bill is encashed within 15 days of generation of chalan in GSTN.
10. In the case of bills generated through EMLI, an option for entering a valid CPIN, just before e-submitting the bill to treasury will be there, as these bills are to be cleared under LoC system, which will take more than 15 days in some cases.

All Heads of Departments and DDOs are instructed to follow these directions promptly.

(BY ORDER OF THE GOVERNOR)

SANJEEV KAUSHIK IAS  
PRINCIPAL SECRETARY (FIN-RESOURCES)

To

The Principal Accountant General (A&E/G&SSA), Kerala, Thiruvananthapuram.  
The Accountant General (E&RSA), Kerala, Thiruvananthapuram.  
All Administrative Departments in Secretariat (through e-office notice board).  
All Sections in Finance Department (through e-office notice board).  
The Director of Treasuries, Thiruvananthapuram.  
State Informatics Officer, NIC, Thiruvananthapuram.  
Head of all Departments/ PSUs/Autonomous Bodies  
Taxes Department.  
The Commissioner of SGST, Karamana, Thiruvananthapuram.  
Finance (Planning-A/SS/Ind &PW-A,B, Accounts-A)Department.  
Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in).  
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Section Officer