

DELHI DEVELOPMENT AUTHORITY
OFFICE OF THE CHIEF ACCOUNT OFFICER


F & E CIRCULAR No. 28/2017

Subject: - Deferment of Reverse Charges Mechanism under
31.3.2018.

Reference is invited to F & E Circular No. 26/2017 dated 23.10.2017 vide which consequent upon notification No. 38/2017-Central Tax(Rate) dated 13.10.2017 of CBEC, Guidelines were issued on deferment of Reverse Charge Mechanism upto 31.03.2018, inter-alia, stating there in that for Reverse Charges on payment to Advocate/Panel Lawyers earlier guidelines shall continue till separate orders are issued.

Now M/s S.K. Mehta & Co., Tax Consultants vide their letter dated 06.11.2017 (Copy enclosed) have clarified that there is no change in reverse charges provisions under Section 9(3) of CGST/SGST Acts, Section 7(3) of UTGST Act and Section 5(3) of the IGST Act relating to GTA, legal services provided by an Advocate etc. and, therefore, services provided or agreed to be provided by an individual advocate or firm of advocates by way of legal services directly or indirectly shall continue to be covered for Reverse Charge Mechanism under GST Act 2017 @ 18 % i.e. (CGST-9% & SGST-9%).

Encl: - As above


(Santosh Kumar)
Chief Accounts Officer
DDA

No. FE 5(17)2017/DDA/576

Dated: 09-11-2017

Copy to: -

1. PS to VC/FM/EM for kind information of the latter.
2. Pr. Commr. (Coord.), LD, (Personal & Hort.)
3. CE(HQ) and Zonal CEs
4. Commr. Cum Secretary/Commissioner(Sports)
5. Chief Legal Advisor.
6. FA (H)/Director (LC)/Works/Audit/Nazarat/Finance
7. All members of GST Facilitation Cell.
8. All Dy. CAOs/DyFA(H)I & II
9. All DDOs/Sr. AO CAU (Sports)/PAO(EW)/AO(PE)/Sr.AO (Cotingency)/
Sr. A.O(F & E)
10. AO (Legal Cell)



Advisor (Project)
Delhi Development Authority
B-203, Vikas Sadan
INA, New Delhi-110023

Dated: 06-11-2017

Dear Sir,

Ref:- your letter no. Advisor (Project)/GSTCell/Part/2017 dated 3-11-2017
Sub:- Our Opinion regarding deferment of Reverse Charge Mechanism on payment to
Advocates/Panel Lawyers.

This is in reference to above, regarding the deferment of reverse charge mechanism.

We submit that RCM Suspended till March 2018 as per CBEC Notification 38/20117 UT
Tax Rate dt. 13 Oct. 2017:

G.S.R.1264 (E).- In exercise of the powers conferred by sub-section (1) of section 8 of the Union Territory Goods and Services Tax Act, 2017 (14 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.8/2017- Union Territory Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i), vide number G.S.R. 717(E), dated the 28th June, 2017, namely:-

In the said notification, the proviso under Paragraph 1 shall be omitted.
2. The exemption contained in the notification No.8/2017-Union Territory Tax (Rate) dated the 28th June, 2017 as amended by this notification shall apply to all registered persons till the 31st day of March, 2018.

Note:- The principal notification No.8/2017-Central Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 717(E), dated the 28th June, 2017.

It may be noted in this regard that there is no change on reverse charge provisions under Section 9(3) of CGST/ SGST Acts, Section 7(3) of UTGST Act and Section 5(3) of the IGST Act, relating to GTA, Legal Services provided by an Advocate, etc. and or that reason it's just a partial suspension of RCM.

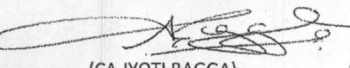
Adv (Project)
By: [Signature] (U-1)
2/11/17



Therefore services provided or agreed to be provided by an individual advocate or firm of advocates by way of legal services directly or indirectly shall be continue to be covered for Reverse Charge Mechanism under CGST Act 2017 @18% i.e, (CGST-9% & SGST-9%)

✓

Thanking You
Yours Sincerely
FOR S.K. MEHTA & CO.
CHARTERED ACCOUNTANTS


(CA JYOTI BAGGA)
PARTNER



✓ Copy to:-

1. CAO, for kind information.