



# All about **GST Registration**



## **CONTENTS**

<b>What does GSTIN mean?</b>	<b>3</b>
<b>Who has to obtain GSTIN?</b>	<b>3</b>
<b>Structure of GSTIN</b>	<b>5</b>
<b>How to register a business under GST?</b>	<b>6</b>
<b>All about cancellation of GST registration</b>	<b>8</b>

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GST law stipulates rules for determining the requirement of GST registration. Every taxpayer will be allotted a GST identification number (GSTIN). It depends on various criterion such as type of person, business turnover under a PAN, type of supplies undertaken. Hence, a PAN entity having multiple businesses across India can have multiple GSTIN. Let's understand more.

## **What does GSTIN mean?**

GSTIN refers to GST Identification Number assigned to every GST registered dealer.

Under the GST regime, all registered taxpayers are consolidated into one single platform for compliance and administration purposes and are assigned registration under a single authority. Both the new registrants and the taxpayers who have migrated from the erstwhile VAT regime need will be allotted the GSTIN. Hence, every person whose business within the State is liable to obtain GST registration will be allotted GSTIN on registering on GST portal.

Each taxpayer is assigned a state-wise PAN-based 15-digit Goods and Services Taxpayer Identification Number (GSTIN). Obtaining GSTIN and registering under GST is free of cost.

## **Who has to obtain GSTIN?**

### **Mandatory registration**

There are certain taxpayers who must mandatorily register under GST irrespective of the turnover limit as laid down:

- Persons making interstate supplies
- Casual taxable person
- Non-resident taxable person
- Agents of a supplier
- Input service distributor
- Those paying tax under the reverse charge mechanism
- Person who supplies via e-commerce aggregator where TDS applies
- Every e-commerce aggregator
- Person supplying online information database access and retrieval services from a place outside India to a person in India, other than a registered taxable person

### **Registration for a supplier of services**

In case of the rest of taxpayers, persons who are supplying services having an annual aggregate turnover in the previous financial year more than Rs 20 lakh will have to register mandatorily under GST. Whereas the special category states have a limit of Rs 10 lakh.

## Supplier of goods/together with services

The person supplying goods alone or accompanied by some services have different limits for different categories of taxpayers based on either the state or the nature of supply. It can be summarised as follows:

- Threshold limit of Rs 20 lakh:
  - Supplier of ice cream/edible ice
  - Pan masala
  - Tobacco and tobacco substitutes
  - Intra-state supplier in the states of Puducherry, Meghalaya, Mizoram, Tripura, Manipur, Sikkim, Nagaland, Arunachal Pradesh, Uttarakhand, Kerala\*, and Telangana.
- Threshold limit of Rs 40 lakh: (Applicable from 1 April 2019)
  - Chhattisgarh, Jharkhand, Delhi, Bihar, Maharashtra, Andhra Pradesh, Gujarat, Haryana, Goa, Punjab, Uttar Pradesh, J&K, Assam, Himachal Pradesh, Karnataka, Madhya Pradesh, Odisha, Rajasthan, Tamil Nadu, and West Bengal

\*Kerala can charge calamity cess up to 1% on all intra-state supply of goods and services to cope up with natural calamities faced by the state in a year.

### Overview of earlier limits, new limits and the date of applicability:

Aggregate Turnover	Registration Required	Applicability
<b>Earlier Limits - For the Sale of Goods/Providing Services</b>		
Exceeds Rs 20 lakh	Yes - For Normal Category States	Up to 31st March 2019
Exceeds Rs 10 lakh	Yes - For Special Category States	Up to 31st March 2019
<b>New Limits - For Sale of Goods</b>		
Exceeds Rs 40 lakh	Yes - For Normal Category States	From 1st April 2019
Exceeds Rs 20 lakh	Yes - For Special Category States	From 1st April 2019
<b>New Limits - For Providing Services</b>		
There has been no change in threshold limits for service providers		

## Voluntary registration

An option has been provided by the GSTN to persons who are interested in obtaining GST registration despite falling within the threshold limits of Rs 20 lakh or Rs 40 lakh as the case may be. Once they register themselves under the GST law, they need to comply with all the applicable provisions relevant to their business.

## Structure of GSTIN

Here is a break-down of the format of the GSTIN:

- The first two digits represent the state code as per the Indian Census 2011. Every state has a unique code. For instance, the state code of Karnataka is 29 and the state code of Delhi is 07.
- The next ten digits will be the PAN number of the taxpayer.
- The thirteenth digit will be assigned based on the number of registration within a state.
- The fourteenth digit will be Z by default.
- The last digit will be for check code. It may be an alphabet or a number.

The structure of GSTIN can be understood from the diagram laid down:

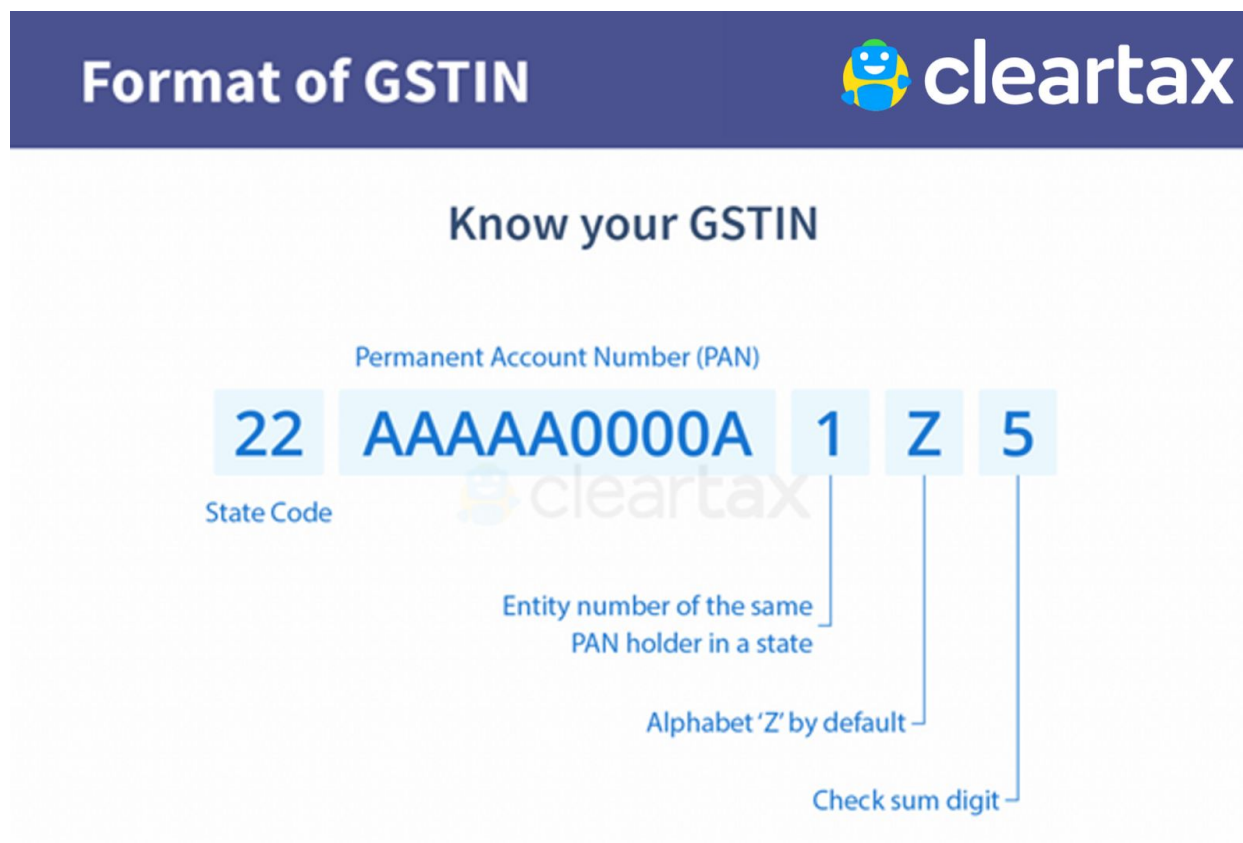


Fig. 1: Format of GSTIN

## How to apply for GSTIN?

A taxpayer has to apply for GST registration on the centralised GST portal. Once the application is approved by the GST officer, a unique GSTIN is allocated to the dealer. There are two ways to register for GST:

- Via [GST Online Portal](#)
- Via GST Seva Kendra/facilitation centres set up by the Government of India.

The following details are required to apply for GSTIN :



*Fig.2: Documents required to apply for GSTIN*

Once you have a GSTIN, you will need to generate GST compliant invoices and will be required to file GST returns. You can verify any GSTIN for its correctness and validity or also a PAN using the GSTIN on GST portal without the need to log in.

## How to register a business under GST?

### Regular dealer

You can register with GSTIN as a normal taxpayer/composition/casual taxable person/input service distributor/SEZ Developer/SEZ unit/tax deductor at source or tax collector at source. The steps for GST registration for all the above types of taxpayers except the TDS deductor or the TCS collector is the same.

### The steps to obtain GSTIN are as follows:

In PART A of the application:

- 1) Visit the [gst.gov.in](http://gst.gov.in).
- 2) Application is divided into two parts: Part A and B.
- 3) Select the 'New Registration' option followed by the type of taxpayer and the State/UT.
- 4) Mention the legal name as given in PAN card.
- 5) Enter the PAN number of your business. PAN is mandatory for registration with GST. In case you don't have PAN, you can apply for PAN.
- 6) Fill in the email ID and the mobile number for OTP.
- 7) Enter the captcha code and click on PROCEED.
- 8) GST portal displays all the GSTINs/provisional ID's/UINs/GSTP IDs mapped to the same PAN within the state.
- 9) Verify OTP for both the mobile and email ID. The system generated a Temporary Reference Number (TRN) is displayed.

In PART B of the application:

- 1) Enter TRN, captcha code and click on proceed.
- 2) Verify OTP using both mobile number and email ID.
- 3) Under the saved applications page, select the pending application by clicking on the 'EDIT' action icon.
- 4) Check out the various tabs displayed - Business details, Promoter/Partners, Authorized Signatory, Authorised Representative, Principal Place of Business, Additional Places of Business, Goods and Services, Bank Accounts, State Specific Information, and Verification. Click each tab to enter the details. Do not forget to enter mandatory fields.



- 5) Under the verification tab, sign using the digital signature certificate or electronic verification code.
- 6) You will receive the acknowledgement in the next 15 minutes on your registered email address and mobile phone number. Application Reference Number (ARN) receipt is sent on your email address and mobile phone number.
- 7) Submit with e-signature.
- 8) Select the applicable service provider option - either C-DAC or NSDL.

## TDS deductor/e-commerce operator/TCS collector

Let us address special cases of registration.

The points that differ from the normal registration is that a TDS deductor must mention the TAN number. He must also specify the details of 'Drawing and disbursing officer' as well as mention the office address of tax deductor/TCS collector.

Follow the below flowchart to learn the steps in case of both TDS deductor or TCS collector:

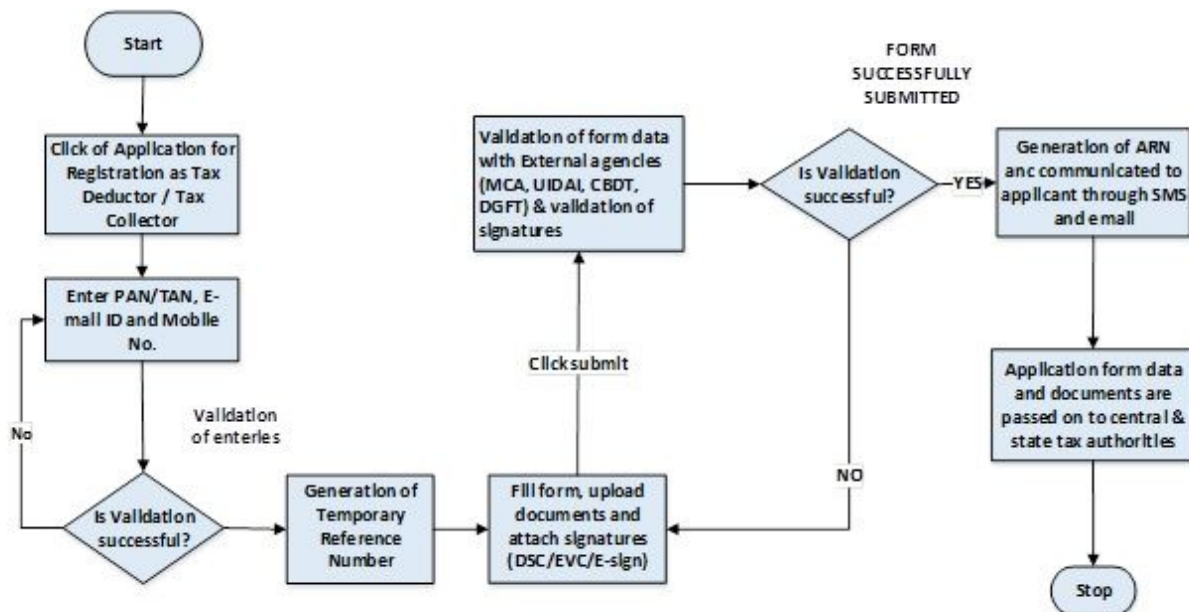


Fig. 3: Steps for TDS deductor and TCS collector

## All about cancellation of GST registration

Cancellation of GST registration simply means that the taxpayer will not be a GST registered person any more. He will not have to pay or collect GST.

For certain businesses, registration under GST is mandatory. If the GST registration is cancelled and business is still continued, it will be an offence under GST and heavy penalties will apply.

## Suspension of GST registration

A GST officer may suspend the GST registration for such time where the proceedings for the cancellation of GST registration is still pending closure.

Such suspension is effective from the later of the following two dates.

1. Date of submitting the application for cancellation; **OR**
2. Date from which cancellation of GST registration is sought for.

Once the proceeding is completed, the suspension will become null effective from the initial date of suspension. Till such time, the suspended taxpayers must not make taxable supplies or required to file regular returns.

## Who can cancel the GST registration?

Cancellation of GST registration can be done by-

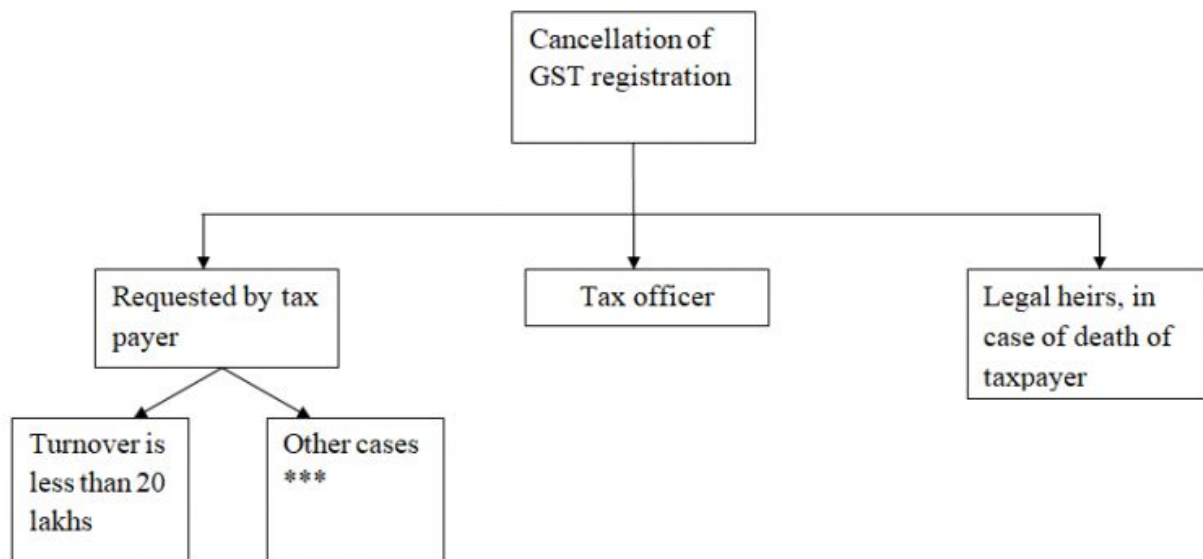


Fig. 4: Cancellation of GST Registration

\*\*\*Application for cancellation, in case of voluntary registrations made under GST, can be made only after one year from the date of registration.

## Details of the cancellation procedure for each case

Let's go through every case one by one.

### 1) Cancellation when turnover is less than Rs 20 lakh

Every person who was registered under the old laws had to mandatorily migrate to GST. Many such persons are not liable to be registered under GST.

For example, the threshold under VAT in most states was Rs 5 lakh whereas it is Rs 20 lakh under GST. However, do make sure you are not making inter-state supplies since registration is mandatory for inter-state suppliers except for service providers.

Such a taxpayer can submit an application electronically in FORM GST REG-29 at the common portal.

The proper officer shall, after conducting an enquiry as required will cancel the registration.

**Note:** Taxpayers who have not issued tax invoice can avail above service. If the taxpayer has issued any tax invoice then FORM GST REG-16 needs to be filed.

Registration to remain temporarily suspended while cancellation of registration is under process so that the taxpayer is relieved of continued compliance under the law.

## **2) Cancellation by the taxpayer in other cases**

- The business has been discontinued.
- The business has been transferred fully, amalgamated, demerged or otherwise disposed of -The transferee (or the new company from amalgamation/demerger) has to get registered. The transferor will cancel its registration if it ceases to exist.
- There is a change in the constitution of the business (For example - Private limited company has changed to a public limited company).

Taxpayers wishing to cancel must file an application for cancellation in FORM GST REG-16. The legal heirs of the deceased taxpayer will follow the same procedure.

The procedure for cancellation is as follows:

- Application for cancellation has to be made in FORM GST REG-16 by the taxpayer.  
The following details must be included in FORM GST REG-16.
  - Details of inputs, semi-finished, and finished goods held in stock on the date on which cancellation of registration is applied.
  - Liability thereon.
  - Details of the payment.
- The proper officer has to issue an order for cancellation in FORM GST REG-19 within 30 days from the date of application. The cancellation will be effective from a date determined by the officer and he will notify the taxable person

## **3) Cancellation by the tax officer**

The registration can be cancelled if the taxpayer -

- (a) Does not conduct any business from the declared place of business; **OR**
- (b) Issues invoice or bill without supply of goods/services (i.e., in violation of the provisions); **OR**
- (c) Violates the anti-profiteering provisions (for example, not passing on the benefit of ITC to the customers).

The procedure is as follows:

- If the proper officer has reasons to cancel the registration of a person, then he/she will send a show-cause notice to such a person in FORM GST REG-17.
- The person must reply in FORM REG-18 within seven days from the date of service of notice on why his registration should not be cancelled.
- If the reply is found to be satisfactory, the proper officer will drop the proceedings and pass an order in FORM GST REG-20.

- If the registration is liable to be cancelled, the proper officer will issue an order in FORM GST REG-19. The order will be sent within 30 days from the date of reply to the show-cause.

## When is revocation of cancellation applicable?

This is applicable only when the tax officer has cancelled the registration of a taxable person on his own motion. Such taxable person can apply to the officer for revocation of cancellation within 30 days from the date of the cancellation order.

Revocation of cancellation of those cases of registration, which were cancelled till 31 March 2019, has been allowed. The application for revocation can be filed till 22 July 2019.

## Compliance involved on cancellation of GST registration

A final tax return must be filed by the taxpayer cancelling the GST registration or surrendered the same. The final return under the GST law in form GSTR-10 must be within three months from the date of cancellation or date of cancellation order, whichever is later. For instance, if the date of cancellation is 1 September 2017, then the GSTR-10 must be filed by 30 November 2017.

The taxpayer needs to furnish details of closing stock held at the time of ceasing the business. Any amount of credit lying in such stock needs to be paid along with this return.

Such taxpayers must file the annual return for the financial year in which GST registration was cancelled.