

CHANGES TO MODEL GST LAW AS INTRODUCED IN LOK SABHA WHEN COMPARED TO MODEL GST LAW AS ON 25.11.2016

<b>Section</b>	<b>Old Law</b>	<b>New Law</b>	<b>Implication</b>
2 (2)	address of delivery" means the address of the recipient of goods and/or services indicated on the tax invoice issued <b>by a taxable person</b> for delivery of such goods and/or services;	"address of delivery" means the address of the recipient of goods or services or both indicated on the tax invoice issued <b>by a registered person</b> for delivery of such goods or services or both;	Taxable person substituted with registered person
2 (5)	<b>agent</b> " means a person, including a factor, broker, commission agent, arhatia, del credere agent, an auctioneer or any other mercantile agent, by whatever name called, who carries on the business of supply or receipt of goods or services on behalf of another, whether disclosed or not	<b>agent</b> " means a person, including a factor, broker, commission agent, arhatia, del credere agent, an auctioneer or any other mercantile agent, by whatever name called, who carries on the business of supply or receipt of goods or services or both on behalf of another;	Person supplying goods and services both included in definition
2 (6)	<b>aggregate turnover</b> " means the aggregate value of all taxable supplies, exempt supplies, exports of goods and/or services and inter-State supplies of a person having the same PAN, to be computed on all India basis and excludes taxes, if any, charged under the CGST Act, SGST Act and the IGST Act, as the case may be; Explanation.- Aggregate turnover does not include the value of inward supplies on which tax is payable by a person on reverse charge basis under subsection (3) of Section 8 and the value of inward supplies	<b>aggregate turnover</b> " means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of a person having the same Permanent Account Number, to be computed on all India basis and excludes central tax, State tax, Union territory tax, integrated tax and cess	Following taxes will be excluded from turnover, a) Central Tax b) State Tax c) UT Tax d) integrated tax e) cess
2 (7)	agriculture" with all its grammatical variations and cognate expressions, includes floriculture, horticulture, sericulture, the raising of crops, grass or garden produce and also grazing, but does not	-	Removed definition of agriculture

	include dairy farming, poultry farming, stock breeding, the mere cutting of wood or grass, gathering of fruit, raising of man-made forest or rearing of seedlings or plants;		
2 (8)	-	Appellate Authority" means an Authority appointed or authorised to hear appeals and referred to in section 107	Added definition
2 (9)	Appellate Tribunal means the National Goods and Services Tax Appellate Tribunal constituted under section 100;	Appellate Tribunal" means the Goods and Services Tax Appellate Tribunal constituted under section 109	National removed -
2 (10)	" <b>appointed day</b> " means the date on which section 1 of this Act comes into effect;	"appointed day" means the date on which the provisions of this Act shall come into force	
2 (15)		authorised representative" means the representative as referred to under section 116	New definition
2 (17)	" <b>business</b> " includes - (a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit; (b) any activity or transaction in connection with or incidental or ancillary to (a) above; (c) any activity or transaction in the nature of (a) above, whether or not there is volume, frequency, continuity or regularity of such transaction; (d) supply or acquisition of goods including capital assets and services in connection with commencement or closure of business; (e) provision by a club, association, society, or any such body (for a subscription or any other consideration) of	"business" includes-- (a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit; (b) any activity or transaction in connection with or incidental or ancillary to subclause(a); (c) any activity or transaction in the nature of sub-clause (a), whether or not there is volume, frequency, continuity or regularity of such transaction; (d) supply or acquisition of goods including capital	Any activity or transaction undertaken by the Central Government, a State Government or any local authority was previously treated as business by way of deeming provision. It is now specifically included in business definition

the facilities or benefits to its members, as the case may be;

(f) admission, for a consideration, of persons to any premises; and

(g) services supplied by a person as the holder of an office which has been accepted by him in the course or furtherance of his trade, profession or vocation;

(h) services provided by a race club by way of totalisator or a licence to book maker in such club;

*Explanation.*- Any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities shall be deemed to be business

goods and services in connection with

commencement or closure of business;

(e) provision by a club, association, society, or any such body (for a subscription or any other consideration) of the facilities or benefits to

its members;

(f) admission, for a consideration, of persons to any premises;

(g) services supplied by a person as the holder of an

office which has been accepted by him in the course or furtherance of his trade, profession or vocation;

(h) services provided by a race club by way of totalisator or a licence to book maker in such club ;

and (i) any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities;

2 (20) **"casual taxable person"** means a person who occasionally undertakes transactions involving supply of goods and/or services in the course or furtherance of business whether as principal, agent or in any other capacity, in a taxable territory where he has no fixed place of business

casual taxable person" means a person, other than a non-resident taxable person, who occasionally undertakes transactions involving supply of goods or services or both in the course or furtherance of business whether as principal, agent or in any other capacity, in a State or a Union territory where he has no fixed place of business;

Taxable territory replaced with State/Union Territory.

2 (21) **"CGST"** means the tax levied

"central tax" means the

CGST renamed as

	under the Central Goods and Services Tax Act, 2016;	central goods and services tax levied under section 9;	Central tax.
2 (22)		cess" shall have the meaning as assigned to it in the Central Goods and Services (Compensation to States) Act	New definition
2 (22)	<b>chartered accountant</b> means a chartered accountant within the meaning of the Chartered Accountants Act, 1949 (38 of 1949);	"chartered accountant" means a chartered accountant as defined in clause (b) of subsection (1) of section 2 of the Chartered Accountants Act, 1949;	Specific section of chartered accountants act incorporated.
2 (37)	<b>"deemed exports"</b> , as notified by the Central Government / State Government on the recommendation of the Council, refer to those transactions in which the goods supplied do not leave India, and payment for such supplies is received either in Indian	"deemed exports" means such supplies of goods as may be notified under section 147 Rupees or in convertible foreign exchange	As per Section 147, the Government may, on the recommendations of the Council, notify certain supplies of goods as deemed exports, where goods supplied do not leave India, and payment for such supplies is received either in Indian rupees or in convertible foreign exchange, if such goods <b>are manufactured in India.</b>
2 (42)		drawback" in relation to any goods manufactured in India and exported, means the rebate of duty or tax chargeable on any imported inputs or on any domestic inputs or input services used in the manufacture of such goods	New definition
2 (49)	Earlier law		Definition of earlier law deleted
2 (44)	<b>"exempt supply"</b> means supply of any goods and/or services which are not taxable under this Act and includes	exempt supply" means supply of any goods or services or both which attract nil rate of tax or	

	such supply of goods and/or services which attract nil rate of tax or which may be exempt from tax under section 11	which may be exempt from tax under section 11 of this Act or under section 6 of the Integrated Goods and Services Tax Act, and includes nontaxable supply;	
2 (45), 2 (46)			Definition of First Appellate authority, first stage dealer deleted.
2 (44)	<b>exempt supply</b> means supply of any goods and/or services which are not taxable under this Act and includes such supply of goods and/or services which attract nil rate of tax or which may be exempt from tax under section 11	exempt supply" means supply of any goods or services or both which attract nil rate of tax or which may be exempt from tax under section 11 of this Act or under section 6 of the Integrated Goods and Services Tax Act, and includes non-taxable supply;	
2 (49)		family" means, - (i) the spouse and children of the person, and (ii) the parents, grandparents, brothers and sisters of the persons if they are wholly or mainly dependent on the said person	New definition
2(50)	<b>"government"</b> means Central Government and its departments,a State Government and its departments and a Union territoryand its departments, but shall not include any entity, whether created by a statute or otherwise, the accounts of which are not required to be kept in accordance with Article 150 of the Constitution or the rules made thereunder;	Government" means the Central Government;	
2 (54)		"Goods and Services Tax (Compensation to the States) Act" means the Goods and Services Tax (Compensation to the States) Act, 2017	New definition

- 2 (55) Goods and services tax practitioner" means any person who has been approved under section 48 to act as such practitioner New definition
- 2 (56) "India" means the territory of India as referred to in article 1 of the Constitution, its territorial waters, seabed and sub-soil underlying such waters, continental shelf, exclusive economic zone or any other maritime zone as referred to in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976, and the air space above its territory and territorial waters;
- 2 (57) "Integrated Goods and Services Tax Act" means the Integrated Goods and Services Tax Act, 2017
- 2 (51) "**IGST**" means the tax levied under the Integrated Goods and Services Tax Act, 2016; integrated tax" means the integrated goods and services tax levied under the Integrated Goods and Services Tax Act
- 2 (54) "**Input Service Distributor**" means an office of the supplier of goods and / or services which receives tax invoices issued under section 28 towards receipt of input services and issues a prescribed document for the purposes of distributing the credit of CGST (SGST in State Acts) and / or IGST paid on the said services to a supplier of taxable goods and / or services having same PAN as that of the office referred to above; Input Service Distributor" means an office of the supplier of goods or services or both which receives tax invoices issued under section 31 towards the receipt of input services and issues a prescribed document for the purposes of distributing the credit of central tax, State tax, integrated tax or Union territory tax paid on the said services to a supplier of taxable goods or services or both having same Permanent

2 (55)	<p><b>"input tax"</b> in relation to a taxable person, means the IGST, including that on import of goods, CGST and SGST charged on any supply of goods or services to him and includes the tax payable under subsection (3) of section 8, but does not include the tax paid under section 9;</p>	<p>Account Number as that of the said office</p> <p>"input tax" in relation to a registered person, means the central tax, State tax, integrated tax or Union territory tax charged on any supply of goods or services or both and includes -</p> <p>(a) the integrated tax charged on import of goods;</p> <p>(b) the tax payable under the provisions of sub-sections (3) and (4) of section 9 ;</p> <p>(c) the tax payable under the provisions of sub-section (3) and (4) of section 5 of the Integrated Goods and Services Tax Act;</p> <p>(d) the tax payable under the provisions of sub-section (3) and (4) of section 9 of the respective State Goods and Services Tax Act;</p> <p>or</p> <p>(e) the tax payable under the provisions of sub-section (3) and (4) of section ___ of the respective Union Territory Goods and Services Tax Act;</p> <p>but does not include the tax paid under the composition levy;</p>	<p>Reworded to include all taxes.</p>
2 (63)	<p><b>"manufacturer"</b> shall have the meaning assigned to it by the Central Excise Act, 1944 (1 of 1944);</p>	<p>"manufacture" means processing of raw material or inputs in any manner that results in emergence of a new product having a distinct name, character and use and the term "manufacturer" shall be construed accordingly</p>	<p>Reference to Central Excise Act taken away</p>
2 (69)	<p><b>non-taxable territory"</b> means the territory which is outside the taxable territory;</p>	<p>non-taxable supply" means a supply of goods or services or</p>	<p>Deleted</p>

both which is not  
leviable to tax  
under this Act or under  
the Integrated Goods  
and Services Tax Act or  
under the Union  
Territory Goods And  
Services Tax Act (Sec.  
2(78))

2 (81) "other territory"  
includes territories  
other than  
those comprising in a  
State and those  
referred to in sub-  
clauses (a) to  
(e) of clause (114)

2 (71) **output tax**" in relation to a  
taxable person, means the  
CGST/SGST chargeable under  
this Act on taxable supply of  
goods and/or services made by  
him or by his agent and  
excludes tax payable by him on  
reverse charge basis

output tax" in relation  
to a taxable person,  
means the tax  
chargeable under this  
Act on taxable supply of  
goods or services or  
both made by him or by  
his agent and excludes  
tax payable by him on  
reverse  
charge basis

2 (73) **"person"** includes—  
(a) an individual;  
(b) a Hindu undivided family;  
(c) a company;  
(d) a firm;  
(e) a Limited Liability  
Partnership;  
(f) an association of persons or  
a  
body of individuals, whether  
incorporated or not, in  
India or outside India;  
(g) any corporation established  
by  
or under any Central, State or  
Provincial Act or a Government  
company as defined in section  
2(45) of the Companies Act,  
2013 (18 of 2013);  
(h) any body corporate  
incorporated by or under the  
laws of a country outside India;  
(i) a co-operative society  
registered under any law  
relating to cooperative  
societies;  
(j) a local authority;  
(k) government;  
(l) society as defined under the

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(b) a Hindu undivided  
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(c) a company;  
(d) a firm;  
(e) a Limited Liability  
Partnership;  
(f) an association of  
persons or  
a body of individuals,  
whether incorporated or  
not, in India or outside  
India;  
(g) any corporation  
established by or under  
any Central, State  
or Provincial Act or a  
Government company  
as  
defined in section 2(45)  
of the companies Act,  
2013 (18 of 2013);  
(h) any body corporate  
incorporated by or  
under the  
laws of a country  
outside India;  
(i) a co-operative



	<i>Societies Registration Act, 1860 (21 of 1860); (m) trust; and (n) every artificial juridical person, not falling within any of the preceding sub-clauses;</i>	<i>society registered under any law relating to cooperative societies; (j) a local authority; (k) Central Government or a State Government; (l) society as defined under the Societies Registration Act, 1860 (21 of 1860); (m) trust; and (n) every artificial juridical person, not falling within any of the preceding sub-clauses;</i>	
2 (75)	<b>"prescribed"</b> means prescribed by the rules, regulations or by any notification issued under this Act	<i>"prescribed" means prescribed by rules made under this Act, on the recommendations of the Council;</i>	
2 (78)	<b>"principal supply"</b> means the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary and does not constitute, for the recipient an aim in itself, buta means for better enjoyment of the principal supply;	<i>principal supply" means the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary;</i>	
		2(94) <i>"registered person" means a person who is registered under section 22 but does not include a person having a Unique Identity Number</i>	<i>New definition</i>
2 (87)	<b>"reverse charge"</b> means the liability to pay tax by the recipient of supply of goods or services instead of the supplier of such goods or services in respect of such categories of supplies as notified under sub-section (3) of section 8	<i>reverse charge" means the liability to pay tax by the recipient of supply of goods or services or both instead of the supplier of such goods or services or both in respect of such</i>	

- categories of supplies as may be notified under subsection(3) of section 9 of this Act or specified in sub-section (4) of that section or under subsection (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act
- 2 (92) **"services"** means anything other than goods;  
*Explanation 1.- Services include transactions in money but does not include money and securities;*  
*Explanation 2.- Services does not include transaction I<sup>n</sup> money other than an activity relating to the use of money or its conversion by cash or by any other mode, from one form, currency or denomination, to another form, currency or denomination for which a separate consideration is charged.*
- 2 (93) **"SGST"** means the tax levied under the State Goods and Services Tax Act, 2016;
- 2 (114) **"State"** includes a Union territory with Legislature;  
**"State tax"** means the tax levied under any State Goods and Services Tax Act;  
**"Union territory"** means *New definition*  
 (a) The Andaman and Nicobar Islands;  
 (b) Lakshwadeep;  
 (c) Dadra and Nagar Haveli;  
 (d) Daman and Diu;  
 (e) Chandigarh; and  
 (f) Other territory
- 2 (115) **"Union territory tax"** means the Union territory goods and services tax levied under the Union Territory Goods

and  
Services Tax Act  
2 (118)  
voucher" means an  
instrument in the form  
of a  
document containing an  
undertaking or an  
obligation to  
supply, in exchange of  
such  
instrument, goods or  
services  
or both of specified  
description  
or of any description in  
accordance with the  
condition  
of such exchange;

2 (110) **works contract"** means a contract wherein transfer of property in goods is involved in the execution of such contract and includes contract for building, construction, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, alteration or commissioning of any immovable property;

works contract" means a contract for building, construction, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, alteration or commissioning of any immovable property wherein transfer of property in goods is involved in the execution of such contract

2 (111) **Zero rated supply - Definition**

Deleted