



E-Commerce

Introduction

- **“electronic commerce” – Sec 2(44)**
means the supply of goods or services or both, including digital products over digital or electronic network;
- **“electronic commerce operator” – Sec 2 (45)**
means any person who owns, operates or manages digital or electronic facility or platform for electronic commerce;
- Registration is compulsory for every e-commerce operator – Sec 24(x)



Collection of tax at source (TCS) Sec 52

- **E commerce operator (ECO), not being an agent**
- **TCS @ 1% (max) of net value of taxable supplies made through ECO for CGST/SGT each**
- **The consideration thereof is to be received by ECO**



Collection of tax at source (TCS) Sec 52

Net value of taxable supplies

- Aggregate of taxable supplies of goods /services/both
- Excludes services notified u/s 9(5)
- Made during any month by all regd. Persons through ECO
- **Less**: Aggregate value of taxable supplies returned to supplier during that month



Collection of tax at source (TCS) Sec 52

Due Date

The TCS has to be paid to the Government within 10 days after the end of the month in which the said tax was collected



Collection of tax at source (TCS) Sec 52

Monthly Statement

- **Details in Form GSTR-8 to be submitted for a given month:**
 - ✓ **Outwards supplies effected through the ECO; and**
 - ✓ **Supplies returned through the it; and**
 - ✓ **Amount of TCS.**
- **Due date: Within 10 days from the end of the each month.**



Collection of tax at source (TCS) Sec 52

Annual Statement

- **Details to be given for a given year :**
 - ✓ **Outwards supplies effected through the ECO,**
 - ✓ **Supplies returned through the it, and**
 - ✓ **Amount of TCS.**
- **Due date : Before the 31th day of December following the end of given financial year.**



Collection of tax at source (TCS) Sec 52

Rectification of monthly statement

- The error or omission identified should be otherwise than as a result of scrutiny, audit, inspection or enforcement activity of the tax authorities.
- Error or omission to be rectified in the return for the month during which it was noticed.
- Subject to payment of Interest u/s 50(1)



Collection of tax at source (TCS) Sec 52

Rectification of monthly statement

- No rectification shall be allowed after
 - × the due date for monthly return for the September following the end of respective financial year, or
 - × the actual date of filing of the annual return

whichever is earlier.



Collection of tax at source (TCS) Sec 52

Misc.

- TCS as GSTR-8 will auto populate as credit in GSTR-2A of supplier which is available in Electronic Cash Ledger of supplier
- TCS as per GSTR-8 will be matched with GSTR-1 (details of output supplies) of the supplier. Unmatched credit to be communicated in Form GST-MIS5 to the supplier and Form GST-MIS6 to ECO



Collection of tax at source (TCS) Sec 52

- **The supplier and/or ECO to make suitable rectifications in GSTR-1 and GSTR-8 respectively to match the TCS**
- **Unrectified discrepancy for the month in which it is communicated shall be added to the output tax liability of the supplier if the value of outward supplies as furnished by ECO is greater than that furnished by the supplier in the succeeding month**



Collection of tax at source (TCS) Sec 52

- Such to pay tax a.w. interest u/s 50(1) on such amount from the due date of such tax liability till the date of payment.
- Any authority not below DC can serve notice requiring ECO for details relating to:
 - Supplies affected during a given period, or
 - Stock of goods held by the suppliers which are manager by ECO and declared as addition place of business of supplier



Collection of tax at source (TCS) Sec 52

- Every ECO to whom such notice has been served shall furnish the required information within 15 working days of the date of service of such notice.
- Failure thereof entails a penalty upto Rs. 25,000/- in addition to actions u/s 122

