

## TREASURIES AND ACCOUNTS DEPARTMENT

From

To

The Principal Secretary/ Commissioner of  
Treasuries and Accounts,  
Integrated Office Complex for Finance  
Department,  
Veterinary Hospital Campus,  
Nandanam, Anna Salai,  
Chennai – 600 035.  
Office: 044-24342438, 24357412  
Mobile: 97187 33070  
94455 43074

All Pay and Accounts Officers,  
All Treasury Officers and  
All Sub Pay and Accounts Officers.

Rc.No.55640/2016/ E1

Dated: 22.08.2017

Sir/Madam,

Sub: Goods and Services Tax – Registration of Government  
Departments and Tax Deduction at Source under the Tamil Nadu  
GST Act 2017 – Instructions issued by Finance Department –  
Communicated – Reg

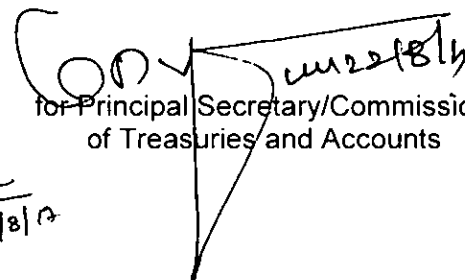
Ref: 1. Govt. letter No. 42034/Fin(OP-M)/2017-1 dated:  
12.08.2017  
2. Addl. Chief Secretary to Government, Commercial Taxes  
and Registration Department D.O.Letter No.8678/B1/2017  
dated: 02.08.2017


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Kind attention is invited to the references cited (copy enclosed) wherein the  
instruction have been issued regarding the Tax Deduction at Source (TDS) under  
the GST.

All Treasury Officers/Pay and Accounts Officers are requested to adhere  
the instructions until further orders issued.

Encl : As above

  
for Principal Secretary/Commissioner  
of Treasuries and Accounts

  
22/8/17

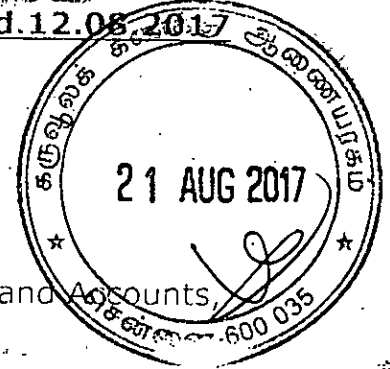


FINANCE (OP-M) DEPARTMENT,  
SECRETARIAT,  
CHENNAI-9.

035618

Letter No. 42034/Fin(OP-M)/2017-1, Dated 12.08.2017

From  
Thiru M.A.Siddique, I.A.S.,  
Secretary to Government (Expenditure)



To

- ✓ The Principal Secretary / Commissioner of Treasuries and Accounts,  
Chennai-35. (w.e)
- The Director of Local Fund Audit, Chennai-35. (w.e)
- The Chief Internal Auditor and Auditor of Statutory Boards,  
Chennai-35 (w.e)
- The Director of Pension, Chennai-35. (w.e)
- The Principal Secretary / Commissioner of Government Data Centre,  
Chennai-35. (w.e)
- The Director of Co-operative Audit, Chennai-35. (w.e)
- The Director of Small Savings, Chennai - 2. (w.e)

Sir,

Sub : Goods and Services Tax - Registration of  
Government Departments and tax Deduction at  
Source under the Tamil Nadu Goods and  
Services Act, 2017 - Instructions issued -  
Regarding.

Ref : From the Addl., Chief Secretary to Government,  
Commercial Taxes and Registration Department,  
D.O. Lr.No.8678/B1/2017, dated 02.08.2017.

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I am to enclose the copy of the reference cited for information and  
strict adherence.

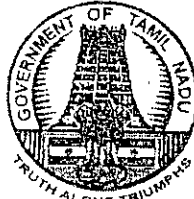
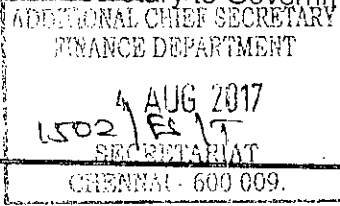
Yours faithfully,

S. Serya nala  
12/8/2017

for Secretary to Government (Expenditure)

Copy to:  
Finance (Bills A & B) Department,  
Secretariat, Chennai-9.

Dr. C. CHANDRAMOULI, I.A.S.,  
Addl. Chief Secretary to Government (FAC)



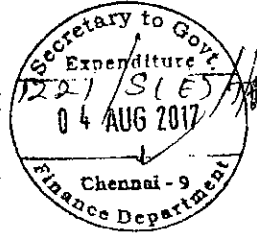
COMMERCIAL TAXES AND  
REGISTRATION DEPARTMENT  
Secretariat, Chennai - 600 009.  
Tele : 044-2567 2757  
Fax : 044-2567 0106

**D.O. Letter No.8678/B1/2017**

Dated **02.08.2017**

Dear Thiru Shanmugam,

Sub: Goods and Services Tax – Registration of Government  
Departments and Tax Deduction at Source under the  
Tamil Nadu Goods and Services Tax Act, 2017 -  
Regarding.



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As you are aware, the Goods and Services Tax (GST) has been implemented in the State with effect from 1<sup>st</sup> July 2017. Consequent to the implementation, there have been a lot of queries relating to registration of Government Departments and Tax Deduction at Source (TDS) under the new tax dispensation.

2. In order to elucidate, a brief note on this subject is annexed with this letter. I request that suitable instructions may be given to the concerned authorities functioning under your control.

With regards

Yours sincerely



To

Thiru.K. Shanmugam, IAS  
Additional Chief Secretary to Government,  
Finance Department,  
Secretariat, Chennai-9.

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**ANNEXURE**

**NOTE ON REGISTRATION OF GOVERNMENT DEPARTMENTS AND TAX DEDUCTION AT SOURCE UNDER THE TAMIL NADU GOODS AND SERVICES TAX ACT, 2017**

Under the Goods and Services Tax (GST) regime, a Government Department is obligated to get registration under two circumstances i.e.,

- I. As a taxable person engaged in supply of goods or services or both - under Section 9 read with Section 22 of the Tamil Nadu Goods and Services Tax Act, 2017; and
- II. As Tax Deductor - under Section 51 read with Section 24 of the Tamil Nadu Goods and Services Tax Act, 2017.

**I. Registration of Government Departments as a supplier of goods or services or both**

(a) The Government Departments, Agencies, Local Authorities have to register themselves under the Tamil Nadu Goods and Services Tax Act, 2017, when they are engaged in any form of intra-State supply of goods or services or both, such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration in the course or furtherance of business, exceeding Rs.20 lakhs per annum.

(b) The following details have to be furnished in Part-A of the Application for registration in Form GST REG-01 through the common portal [www.gst.gov.in](http://www.gst.gov.in) :

(i) Permanent Account Number (PAN);

(ii) Mobile Number;

(iii) e-mail id.

(c) The details furnished shall be verified electronically and One Time Password would be generated and sent to the mobile number and email id provided. Thereafter, Part-B of the Application for registration in Form GST REG-01 have to be filed through the above-mentioned common portal with the prescribed documents.

(d) The application shall be digitally signed with Digital Signature Certificate (DSC) or through e-signature or verified through any of the following methods:-

- (i) Aadhaar based Electronic Verification Code (EVC);
- (ii) Electronic Verification Code generated through net banking login on the common portal;
- (iii) Electronic verification code generated on the common portal.

Provided that where the mode of authentication of any document is through any of the aforesaid modes, such verification shall be done within two days of furnishing the documents.

(e) The Government Departments registered under the Tamil Nadu Goods and Services Tax Act, 2017 have to file monthly return in Form GSTR-1, 2 and 3 on or before 10<sup>th</sup>, 15<sup>th</sup> and 20<sup>th</sup> of the month succeeding the relevant tax period respectively in the above-mentioned common portal and should discharge their tax liability in respect of their intra-State and inter-State supplies of goods or services or both.

## **II. Registration of Government Departments as TDS Deductor:**

(a) In addition to the above, the Government Departments that make or credit payment to the supplier of taxable goods or services or both, where the total value of such supply, under a contract, exceeds Rs.2.50 lakhs, are required to deduct tax at,-

- (i) One per cent for State GST on such payment made or credited for supplies within the State; and
- (ii) One per cent for Central GST on such payment made or credited for supplies within the State.
- (iii) Two per cent for Integrated GST on such payment made or credited for inter-State supplies.

(b) The Government Departments that have to deduct tax at source are mandated to register themselves under the Tamil Nadu Goods and Services Tax Act, 2017, in addition to the registration obtained by such Departments for carrying out supplies of goods or services or both in the course or furtherance of business.

(c) The TDS deductors have to furnish the following in Part-A of the application for registration in Form GST REG-07:-

- (i) Permanent Account Number (PAN) or
- (ii) Tax Deduction and Collection Number (TAN);
- (iii) Mobile Number of the DDO (Drawing and Disbursing officer);
- (iv) e-mail id of the DDO (Drawing and Disbursing officer);

and the application for Registration in Part-A of the application in Form GST REG-07 shall be filed through the common portal [www.gst.gov.in](http://www.gst.gov.in). The above details shall be verified electronically by sending One Time Password to the mobile number and email id provided.

After verification of Part-A, Part-B of the application in Form GST REG-07 has to be filed through the common portal [www.gst.gov.in](http://www.gst.gov.in) along with prescribed documents. The application shall be digitally signed with Digital Signature Certificate (DSC) or through e-signature or verified in any of the following methods:-

- (i) Aadhaar based Electronic Verification Code (EVC);
- (ii) Electronic Verification Code generated through net banking login on the common portal;
- (iii) Electronic Verification Code generated on the common portal.

Provided that where the mode of authentication of any document is through any of the aforesaid modes, such verification shall be done within two days of furnishing the documents.

The Government Departments mandated to deduct tax at source have to file return in Form GSTR-7 electronically in the common portal on or before 10<sup>th</sup> of the succeeding month. The tax deducted can be paid through any one of the following modes of payment:-

- (i) Internet Banking through authorized banks;
- (ii) Credit card or Débit card through the authorised banks;
- (iii) National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS) from any bank; or
- (iv) Over the Counter payment (OTC) through authorized banks for deposits up to ten thousand rupees per challan per tax period, by cash, cheque or demand draft.

It is to be noted that this restriction for deposit up to ten thousand rupees per challan in case of an Over the Counter (OTC) payment shall not apply to deposit to be made by Government Departments.

It is also to be noted that Section 51 which enables Tax Deduction at Source (TDS) has not yet been notified by the Central and the State authorities. Hence, no TDS shall be made until Section 51 of the Tamil Nadu Goods and Services Tax Act, 2017 comes into operation.


A flow chart which gives an overview of the processes involved in Tax Deduction at Source is enclosed.

In conclusion, it is informed that the Government Departments involved in intra-State supply of goods or services or both, where the aggregate turnover exceeds Rs.20 lakhs per annum (taxable supply + exempt supply), have to register as taxable person for each Department. However, those Departments involved in inter-State supply of goods or services or both shall have to register irrespective of the threshold limit. It is also informed that in addition to registration under GST as a taxable person for each Department, all Drawing and Disbursing officers of the State Government Departments, Agencies and Local Authorities have to register themselves under GST as TDS Deductor.

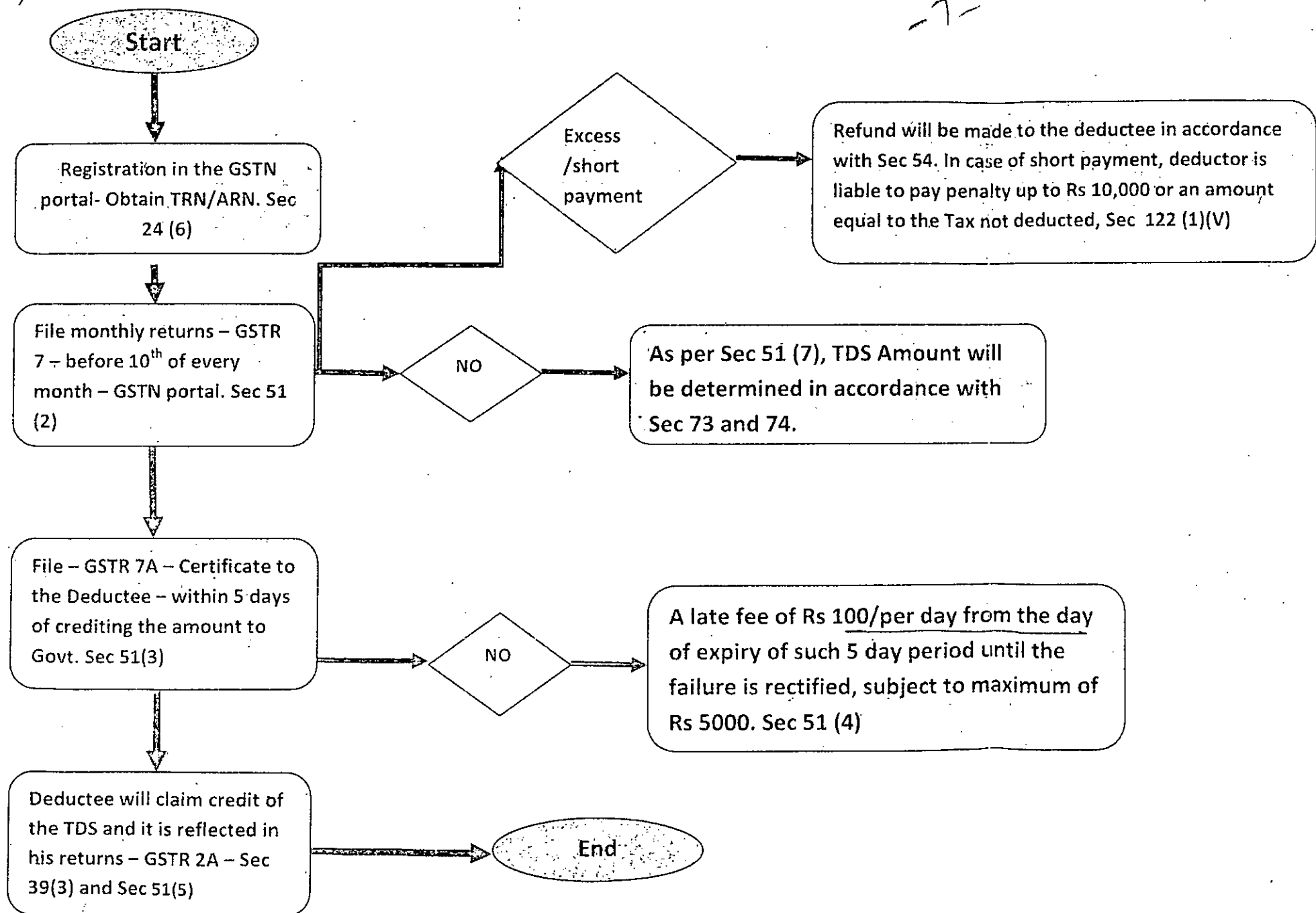
For further details, contact the State Helpdesk on this toll-free number: 1800 103 6751 or email us: [helpdesk@ctd.tn.gov.in](mailto:helpdesk@ctd.tn.gov.in).

Dr. C. CHANDRAMOULI  
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT (FAC)

/True Copy/

  
SECTION OFFICER.

# TDS UNDER GST – AN OVERVIEW





# MANDATORY REQUIREMENTS

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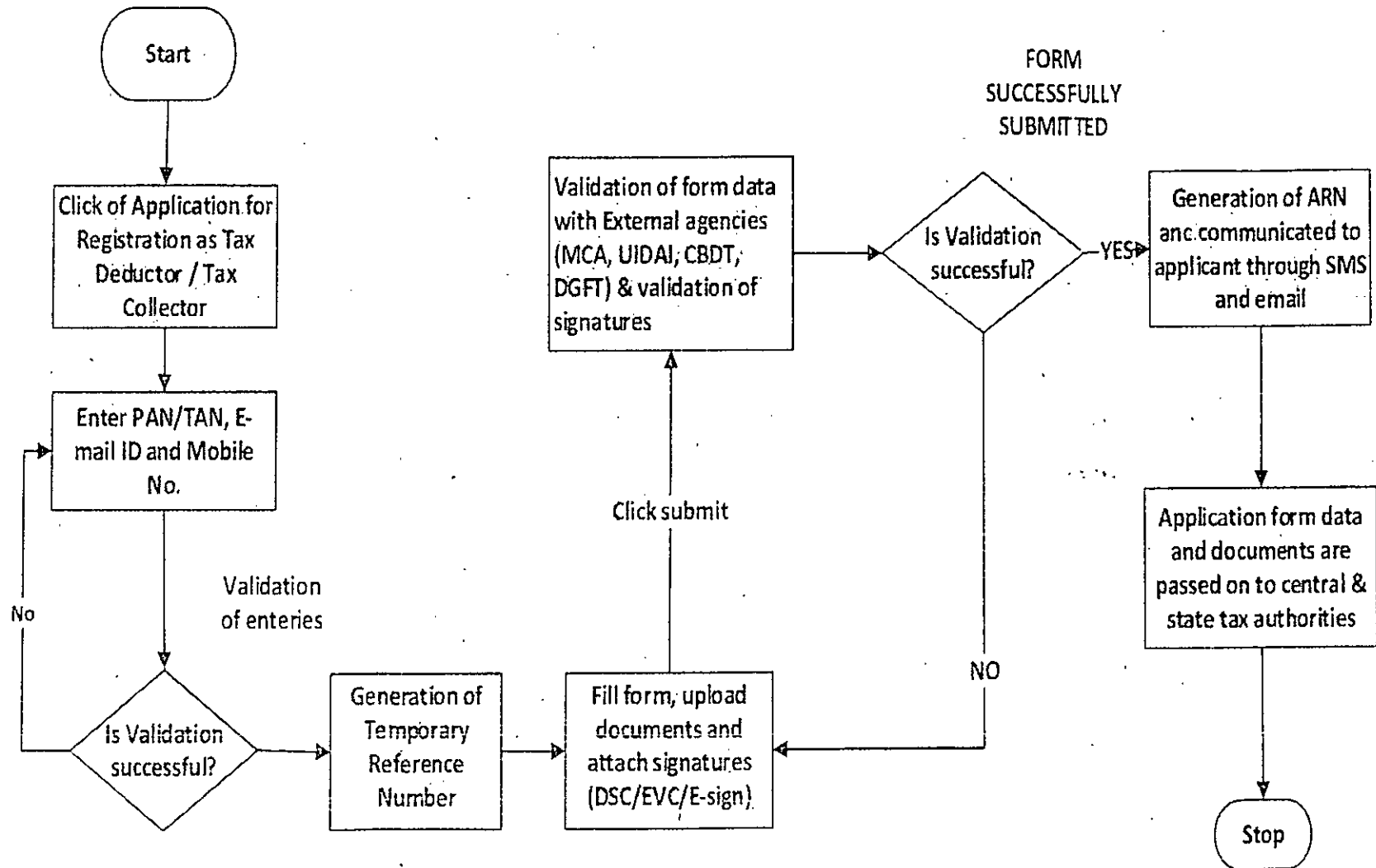
1. A valid Class II or Class III DSC or Aadhar card for e-sign
2. To access the GST Portal - System Requirement
  - a. Desktop Browser : Internet Explorer 10+, Chrome 49+ or Firefox 45+
  - b. Don't disable the following :- Cascading style Sheet, Java Script and Cookie
  - c. Unzip tool to extract the certificates from a zipped single file ex: Winzip 7+/ Win Rar 5+
3. GST portal supports only Crypto Tokens installed in Hard Tokens for DSC Registration
4. Down load the Web stock installer from the GST portal
  - a. Windows 32/64 bit OS
  - b. Java 1.6 JRE 1.6.0\_38+, Java 1.7, Java 1.8
  - c. Windows: Admin access to install the emSigner component
  - d. Any one of the following ports should be free  
1585 ,2095,2568,2868,4587
5. Double-click the emSigner.msi executable file. The emSigner Setup assistant wizard is displayed. Click the Next button.

Please refer : DSC Help file

<https://ctd.tn.gov.in/manual-for-user>

# REGISTRATION

9-



# RETURN FILING AND PAYMENT

## RETURNS

The deductor is required to file a return in Form GSTR-7 within 10 days from the end of the month. If the supplier is unregistered, name of the supplier rather than GSTIN shall be mentioned in the return.

A TDS certificate is required to be issued by deductor (the person who is deducting tax) in Form GSTR-7A to the deductee (the supplier from whose payment TDS is deducted), within 5 days of crediting the amount to the Government.

The details of tax deducted at source furnished by the deductor in FORM GSTR-7 shall be made available to each of the suppliers in Part C of GSTR-2A electronically through the Common Portal and the said supplier may include the same in FORM GSTR- 2

## PAYMENT

Net Banking,

Credit/DEBIT CARD,

NEFT/RGFT

OTC by Cheque, DD or Cash through authorized bank