



Government of Jammu and Kashmir
Finance Department
Civil Secretariat, Jammu

Government Order No. ~~177~~ FD of 2019
Dated: - 28.02.2019

Subject:- The Jammu and Kashmir Goods and Services Tax (Removal of Difficulties) Order, 2019.

WHEREAS, sub-section (1) of section 10 of the Jammu and Kashmir Goods and Services Tax Act, 2017 (**Act No. V of 2017**) (hereafter in this Order referred to as the said Act) provides that-

- (i) a registered person engaged in the supply of services, other than supply of service referred to in clause (b) of paragraph 6 of Schedule II to the said Act, may opt for the scheme under the said sub-section;
- (ii) a person who opts for the said scheme may supply services (other than those referred to in clause (b) of paragraph 6 of Schedule II to the said Act), of value not exceeding ten per cent. of turnover in a State or Union territory in the preceding financial year or five lakh rupees, whichever is higher; and

Whereas, clause (a) of sub-section (2) of section 10 of the said Act provides that the registered person shall be eligible to opt under sub-section (1), if, save as otherwise provided in sub-section (1), he is not engaged in the supply of services; and

Whereas, rendering of services as part of the savings and investment practice of business, by way of extending deposits, loans or advances, in so far as the consideration is represented by way of interest or discount, is resulting in their ineligibility for the aforesaid scheme, causing hardships to a lot of small businesses and because of that, certain difficulties have arisen in giving effect to the provisions of section 10;

Now, therefore, in exercise of the powers conferred by section 172 of the Jammu and Kashmir Goods and Services Tax Act, 2017 (**Act No. V of 2017**) and in supersession of the notification SRO.-GST No.20 (Rate) dated 13.10.2017, except as respects things done or omitted to be done before such supersession, the State Government, on recommendations of the Council, hereby makes the following Order, to remove the difficulties that have arisen; namely: —

1. Short title. —This Order may be called the Jammu and Kashmir Goods and Services Tax (Removal of Difficulties) Order, 2019.
2. For the removal of difficulties, it is hereby clarified that the value of supply of exempt services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount, shall not be taken into account-
 - (i) for determining the eligibility for composition scheme under second proviso to sub-section (1) of section 10;
 - (ii) in computing aggregate turnover in order to determine eligibility for composition scheme.

This notification shall come into force w.e.f. 01.02.2019.

By Order of the Government of Jammu & Kashmir.

Sd/-
(Navin K. Choudhary), IAS
Principal Secretary to the Government

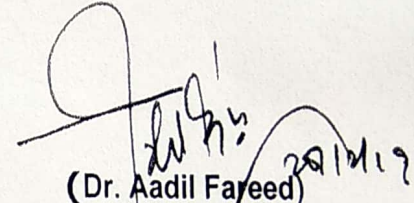
No: ET/Estt/GST/119/noti-III

Copy to the:-

Dated: 28 .02.2019

1. Secretary, GST Council, New Delhi.
2. All Financial Commissioners.
3. Principal Resident Commissioner, J&K Government, New Delhi.
4. Principal Secretary to Hon'ble Governor.
5. All Principal Secretaries to Government.
6. All Commissioner/Secretaries to Government.
7. Divisional Commissioner, Jammu/Kashmir.
8. Excise Commissioner, J&K.
9. Commissioner, State Taxes, J&K.
10. Additional Commissioner, State Taxes (Adm) Jammu/Kashmir.
11. Additional Commissioner, State Taxes Tax Planning, J&K.
12. Pvt. Secretary to Hon'ble Advisor (S).
13. President Kashmir Chamber of Commerce & Industry, Kashmir.
14. President Federation of Industry, Kashmir.
15. President Chamber of Commerce & Industry, Jammu.
16. President Industries Association Bari Brahmana/Samba.
17. President Tax Bar Association, Jammu/Srinagar.
18. General Manager, Government Press Jammu/Kashmir.
19. Private Secretary to Principal Secretary to Government, Finance Department.
20. Government Order file/Stock file/Incharge website.

28/2


(Dr. Aadil Fayed)
Deputy Secretary to the Government