

**GOVERNMENT OF MANIPUR
FINANCE DEPARTMENT
(FINANCE COMMISSION CELL)**

OFFICE MEMORANDUM

Imphal, the ~~29th~~ June, 2020

No.10/1/2009-FC(PT.2): Reference is invited to this Department's Office Memorandum No. 10/1/2009-FC(PT) dated the 11th October, 2017 (enclosed) which laid down the procedure for levy and deduction of GST for supply of taxable goods or services or both to the Government, in the context of implementation of GST. The matter has been re-examined and partial modification of the previous OM issued in this regard is necessary in order to further streamline the process of Tax Deduction at Source (TDS) of GST.

2. With effect from 1st October, 2018 as per section 51 of the Manipur Goods and Services Tax Act, 2017 Rules there under and notifications issued in this regard by the Finance Department vide Notification No. 17/2018 – State Tax dated the 13th September 2018 (enclosed) and Notification No. 23/2018 – State Tax dated 5th November 2018 (enclosed), all the supplies of taxable goods or services or both to:

- (a) a department or establishment of the State Government; or
- (b) local authority; or
- (c) Government agencies; or
- (d) an authority or a board or any other body
 - i. set up by an Act of a State Legislature; or
 - ii. established by the State Government, with fifty-one percent or more participation by way of equity or control, to carry out any function; or
- (e) a society established by the state government or a local authority under the Societies Registration Act, 1860; or
- (f) a public sector undertaking.

were liable for deduction of tax at the rate of 1.0 % SGST and 1.0 % CGST if the supply is intra-state and 2.0 % IGST if the supply is inter-state, from the payment made or credited to the supplier of taxable goods or services or both, where the total taxable value of such supply, under a contract, exceeds Rs. 2,50,000/- (Rupees two lakh and fifty thousand) without tax, in a single invoice for a particular contract.

3. Further, it was notified that the Tax Deduction at Source (TDS) of GST shall not apply to supply of taxable goods or services or both which takes place between those entities specified in para 2 vide Notification no. 25/2018 – State Tax dated the 31st December 2018.

4. For works contract services, when supplies for construction of an immovable property includes re-construction, renovation, additions or alterations or repairs, to the extent of services executed by the department itself or by a committee where there is no involvement of GST registered contractors, the Tax Deduction at Source (TDS) of GST shall not apply to such supply of services. However, all the materials involved in the work shall be procured from the GST registered firms as per FD's O.M. no 5/20/20 17- FD (TAX)Pt dated 27th July 2017.

(Signature)
29/06/2020

5. It has also been noticed that some Suppliers/Contractors are defaulting in filing monthly return FORM GSTR-3B in time, although the Drawing and Disbursal Officers (DDOs) have filed the return in FORM GSTR-7 with regards to the Suppliers/Contractors from whom the GST-TDS of 2.0% has been deducted. Many of these Suppliers/Contractors are not paying GST, which is liable to be paid, thereby leading to a huge revenue loss to the Government. In order to monitor the tax compliance of those Suppliers/Contractors who have been given supply order or contract to avail their services in various matters, **all DDOs are to provide the details of those Suppliers/Contractors with amount paid and GST-TDS deducted in the PROFORMA enclosed in ANNEXURE-I within 15 days after filing the FORM GSTR-7.**

6. All proposals submitted by Administrative Departments for E/P and CDA, including withdrawal from 8443/8449 for payment of liability to Suppliers/Contractors shall be accompanied by the latest GST return filing proof and latest Professional Tax receipt/ challan [as mentioned in the enclosed Schedule of the Manipur Professions, Trades, Callings and Employments Taxation (Ninth Amendment) Act, 2020] of the concerned Suppliers/Contractors.

7. Further, for all procurement chargeable under GST made by the Departments, Establishments of the Government, local bodies, autonomous bodies, Public Sector Undertakings (PSUs), Grant-in-Aid bodies or any other organization working under the administrative control of the Government of Manipur, whose invoice value excluding GST is between Rs. 20,000/- and Rs. 2,50,000/-, the DDO concerned shall furnish the copy of the **PROFORMA attached in ANNEXURE-II** to the Department of Taxes every month.

8. The above instructions shall apply to all Departments, Establishments of the Government, local bodies, autonomous bodies, Public Sector Undertakings (PSUs), Grant-in-Aid bodies or any other organization working under the administrative control of the Government of Manipur. The concerned Head of Department, DDO and any authority issuing cheques to such bodies shall ensure that procurements made are from GST registered suppliers only. These instructions shall cover all Government transactions involving procurement of goods and services, including inter-state supplies, and shall remain in force till further instructions.

Rajesh Kumar
29/06/2020

(Dr. Rajesh Kumar)

Additional Chief Secretary (Finance)
Government of Manipur

Copy to:

1. Staff Officer to the Chief Secretary, Government of Manipur
2. All Administrative Secretaries, Government of Manipur
3. All Heads of Departments, Government of Manipur
4. Director, Treasuries & Accounts, Manipur
5. Relevant file

ANNEXURE-I**PROFORMA**

Name of the Department: _____ DDO: _____

Sl. No.	GSTIN of the Deductee (Suppliers/Contractors)	Trade Name	Legal Name	Amount paid to the Deductee on which tax is deducted (Taxable value/Base value) (In rupees)	Date of deposit of e-Challan to the bank	Integrated Tax (IGST @2%)	Central Tax (CGST@1%)	State Tax (SGST @1%)	Total (In rupees)	Status of filing GSTR-7	Date of filing GSTR-7	Remarks if any
1.												
2.												
3.												

Signature & Seal

ANNEXURE-II**PROFORMA**

Name of the Department: _____ DDO: _____

Sl. No	Date of received of Invoice	Date of payment to Supplier	GSTIN of the Supplier	Trade Name	Legal Name	Latest Return GSTR-3B filing report of the Supplier	Amount paid to the Supplier without tax (In rupees)	Integrated Tax (IGST @%)	Central Tax (CGST @%)	State Tax (SGST @%)	Total (In Rupees)	Remarks if any
1.												
2.												
3.												

Signature & Seal

GOVERNMENT OF MANIPUR
FINANCE DEPARTMENT
(FINANCE COMMISSION CELL)
Imphal, the 11th October, 2017

OFFICE MEMORANDUM

No.10/1/2009-FC (Pt): With passage of Central Goods & Services Tax Act (CGST) 2017, Integrated Goods & Services Act (IGST) 2017 & Manipur Goods and Service Act (MIGST) 2017, a new system of indirect taxation in the form of Goods & Service Tax (GST) has come into place in Manipur. It has replaced 8 central and 9 state taxes and has created an integrated indirect tax system across the country. MGST Act has also repealed the Manipur Value Added Tax 2004 (MVAT 2004). These changes have made it necessary for the government to amend its earlier system of estimate preparation, Floating of Tenders, Expenditure Sanction and Encashment Permission/ CDA allotment. Therefore, in supersession of all previous orders following changes are being introduced:

A) Estimate Preparation for Civil Works:

As of now, Manipur Schedule Rate (2015) is being followed for preparation of estimates for civil works. Estimates are being prepared as per the Finance department O.M of even number dated 18th December 2013. For the new works to be undertaken, the estimates will continue to be prepared in the method prescribed in this O.M with the only modification that VAT @ 5.6% as prescribed in the said O.M will not be included in these estimates. Departments may float tenders based on estimates so prepared with the condition that applicable GST shall be payable by the successful bidder from the work value. The bidder will be entitled to avail Input Tax Credit (ITC) while paying GST.

This procedure will be followed till the MSR 2015 is revised. After which, FD will issue separate instructions for preparation of estimates.

B) Floating of Tenders:

As per the FD O.M. no 5/20/2017-FD(TAX) ptdated 27th July 2017, only GST registered suppliers/ bidders having valid GSTIN shall be considered for award of work for procurement of Goods/Services. Thus the bid documents should clearly indicate GST registration as one of the eligibility criteria for bidding. Bid documents should also specify that bids quoted by the bidders should be inclusive of applicable GST. It is hereby clarified that unlike VAT regime, procurement of services by government departments shall also be subject to GST, hence the GST registration will be an essential criteria for procurement of services also. Other norms of procurements shall continue to be governed by the separate instructions issued by Finance Department from time to time.

C) Expenditure Sanctions:

Henceforth, Finance department will not grant Expenditure Sanction for a particular work unless a competitive bidding for procurement of goods & services, as applicable, is carried out by the AD. While submitting proposals for E/S concerned AD will indicate the GSTIN number of the successful bidder without which E/S shall not be accorded. It is reiterated that the successful supplier shall be liable to pay applicable GST from the work/ Supply value.

D) Encashment Permission (EP)/ CDA allotment:

Under the TDS provisions of GST legislations, concerned DDO is liable to deduct 2% GST of the base value of work (Excluding the GST component) at source from the bills of contractor/ Supplier. However, these TDS provisions have not been operationalized by GST council. Till these provisions are operationalized, following procedure will be followed:

- 1) For the Supply order issued after 1st July 2017 in respect of supply of goods/ services (other than civil works), the concerned AD shall be pay full amount to the supplier subject to the condition that an undertaking in prescribed format (Enclosed at Annexure), indicating GSTIN Number, name of the work, work value, rate of GST and value of GST will obtained from the concerned supplier, who will commit to clear his full tax liability out of that work and submit the necessary returns on GST portal within the prescribed timeline. Proposals for EP under this category will be considered only when accompanied by such undertaking. Concerned HoD will ensure to send the copy of the undertaking along with Work Order to Department of Taxes for monitoring Tax compliance.
- 2) For the Work orders issued after 1st July 2017 in respect of civil works, in case of Engineering departments, CDA will be issued invariably in multiple instalments for works above Rs.1cr value. The subsequent instalments will be released only after the supplier clears his tax liability from the previous instalment. It has also been decided that the bank guarantee of the contractor shall not be returned until the contractor clears his full tax liability. If required AD may increase the Bank Guarantee amount to cover the tax liability of the contractor payable from the final running bill. In case of non-engineering departments, for works above Rs.1 Cr value, the EP shall be issued in multiple instalments and same procedure will be followed for release of subsequent instalments as in case of CDA.
- 3) For all the works for which work order/supply orders have been issued before 1st July 2017, existing arrangement of E/P & CDA allotment will continue till further instructions are issued by Finance Department.

The above instructions shall be applicable to all government departments, Public Sector Undertakings, Engineering wings, Autonomous institutions, Grant-in-Aid bodies, Local Self Government bodies, and all other institutions working under administrative control of Government of Manipur. Concerned HoD, DDO and the authority issuing cheques to such bodies shall be personally responsible to ensure that procurements made by these bodies are from GST registered suppliers only. These instructions shall cover all government transactions involving procurement of goods & Services including the interstate supplies and shall remain in force till further instructions.

By orders of Governor etc.



(Vivek Kumar Dewangan)
Principal Secretary (Finance)
Government of Manipur

Copy to:

1. Secretary to Governor of Manipur.
2. Secretary to Hon'ble Chief Minister, Manipur.
3. PPS to Hon'ble Deputy Chief Minister, Manipur.
4. PPS to All Hon'ble Ministers, Manipur.
5. Learned Advocate General, Manipur.
6. Chief Secretary, Government of Manipur.
7. All Additional Chief Secretaries, Government of Manipur.
8. All Administrative Secretaries, Government of Manipur.
9. Commissioner (GST), Central Board of Indirect Taxes, Manipur.
10. All HoDs, Manipur.
11. All Deputy Commissioners, Manipur.
12. All Officers of Finance department.
13. Guard file

DECLARATION CUM UNDERTAKING

It is to state that the following work/supply (Name of the Work) has been awarded in favour of undersigned by (Name of the Department) vide work order no _____:

i) Total amount of work/supply: Rs.

ii) Description of Work/supply:

iii) GST amount: a) CGST @ ... Rs.

b) SGST @ Rs.

iv) Any others (if any) :

I/We do hereby declare that I/We am/are registered person (s) under the GST GSTIN No., having read and completely understood all rules and regulations pertaining to the matters hereinafter state:

1. Being a GST registered person (s), I/We hereby agree and undertake to furnish Return for every calendar month or part thereof, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and others particulars as may be prescribed on or before Twentieth day of the month succeeding such calendar month or part thereof.

2. I/We also hereby agree and undertake to pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such Return.

3. I/ We also hereby agree to pay late fee of one hundred rupees for every day during which such failure continues subject to a maximum amount of five thousands rupees in case of failure to comply the term of the above para 2 under section 47 (1) of CGST/IGST/MGST Act, 2017.

4. I/We further agree and undertake that after any payment receipt for this particular work/supply all details/particulars will furnish to the Tax Authority within ten days after the payment made.

5. I/We further agree and understand that the undersigned has/have no objection for being black listed for further work/supply under Government and its subsidiaries for failure to fulfill GST liability.

*I/We further declare that the undersigned has/have the authority to give this declaration and undertaking on behalf of the firm/company.

Signature of the Supplier/Contractor/Authorized Person

Firm/Company: M/s

GSTIN

Address:

Place :

Date:

*Applicable when the declaration/undertaking is signed on behalf of the firm/Company.

**GOVERNMENT OF MANIPUR
SECRETARIAT: FINANCE DEPARTMENT
(EXPENDITURE SECTION)**

Notification No. 17/2018-State Tax

Imphal, 13th September, 2018

No. TAX/4(53)/GST-NOTN/2016:- In exercise of the powers conferred by sub-section (3) of section 1 of the Manipur Goods and Services Tax Act, 2017 (3 of 2017) and in supersession of the notification of the Government of Manipur, Secretariat: Finance Department (Expenditure Section) Notification No. 5/10/2017-FD(TAX)/6, dated the 15th September, 2017, published in the Gazette of Manipur, Extraordinary, *vide* number 393, dated the 7th November, 2017, except as respects things done or omitted to be done before such supersession, the State Government hereby appoints the 1st day of October, 2018, as the date on which the provisions of section 51 of the said Act shall come into force with respect to persons specified under clauses (a), (b) and (c) of sub-section (1) of section 51 of the said Act and the persons specified below under clause (d) of sub-section (1) of section 51 of the said Act, namely:-

(a) an authority or a board or any other body, -

- (i) set up by an Act of Parliament or a State Legislature; or
- (ii) established by any Government,

with fifty-one percent or more participation by way of equity or control, to carry out any function;

(b) Society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860);

(c) public sector undertakings.


13/9/18

Rakesh Ranjan
Principal Secretary (Finance)
Government of Manipur.

**GOVERNMENT OF MANIPUR
SECRETARIAT: FINANCE DEPARTMENT
(EXPENDITURE SECTION)**

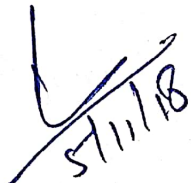
Notification No. 23/2018 - State Tax

Imphal, the 5th November, 2018

No. TAX/4(53)/GST-NOTN/2016: — In exercise of the powers conferred by sub-section (3) of section 1, read with section 51 of the Manipur Goods and Services Tax Act, 2017 (3 of 2017), hereafter in this notification referred to as the said Act, the State Government, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of Manipur, Secretariat: Finance Department (Expenditure Section) No. 17/2018 - State Tax dated the 13th September, 2018 published in the Gazette of Manipur, Extraordinary, vide number 218 dated the 14th September, 2018, namely:-

In the said notification, after the proviso, the following proviso shall be inserted, namely:-

“Provided further that nothing in this notification shall apply to the supply of goods or services or both from a public sector undertaking to another public sector undertaking, whether or not a distinct person, with effect from the 1st day of October, 2018.”.


Rakesh Ranjan
Principal Secretary (Finance)
Government of Manipur

Note:- The principal notification was published in the Gazette of Manipur, Extraordinary, vide number 218, dated the 14th September, 2018 and subsequently amended vide notification No. 21/2018-State Tax, dated the 23rd October, 2018, published in the Gazette of Manipur, Extraordinary, vide number , dated the 2th October, 2018.

**GOVERNMENT OF MANIPUR
SECRETARIAT: FINANCE DEPARTMENT
(EXPENDITURE SECTION)**

Notification No. 25/2018-State Tax

Imphal, 31st December, 2018

No. TAX/4(53)/GST-NOTN/2016:- In exercise of the powers conferred by sub-section (3) of section 1, read with section 51 of the Manipur Goods and Services Tax Act, 2017 (3 of 2017), hereafter in this notification referred to as the said Act, the State Government, on the recommendations of the Council, hereby makes the following further amendment in the notification of the Government of Manipur, Secretariat: Finance Department (Expenditure Section) Notification No. 17/2018-State Tax, dated the 13th September, 2018, published in the Gazette of Manipur, Extraordinary, vide number 218, dated the 14th September, 2018, namely:-

In the said notification, after the second proviso, the following proviso shall be inserted, namely:-

“Provided also that nothing in this notification shall apply to the supply of goods or services or both which takes place between one person to another person specified under clauses (a), (b), (c) and (d) of sub-section (1) of section 51 of the said Act.”.


Rakesh Ranjan

Principal Secretary (Finance)
Government of Manipur.

Note:- The principal notification No. 17/2018-State Tax, dated the 13th September, 2018, published in the Gazette of Manipur, Extraordinary, vide number 218, dated the 14th September, 2018 and last amended vide notification No. 23/2018-State Tax, dated the 05th November, 2018, published vide number 313, dated the 12th November, 2018.

SCHEDULE APPENDED TO MANIPUR PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENT TAXATION (NINTH AMENDMENT) ACT, 2020

Sl. No.	Class of Assessee	Rate of Tax per annum
(1)	(2)	(3)
1	Salary & Wage earners: - When the range of total gross annual income is-	
	(i) up to Rs. 1,00,000/-	Nil
	(ii) Rs. 1,00,001/- and above and upto Rs. 2,00,000/-	Rs.1,800/- per annum
	(iii) Rs. 2,00,001/- and above	Rs. 2,500/- per annum
2	(a) Legal practitioners including solicitors and notaries public.	Rs. 2,500/- per annum
	(b) Medical Practitioners including medical consultants. Dentists, Radiologists, Pathologists and persons engaged in similar other professions or callings of a paramedical nature;	
	(c) Technical and Professional consultants other than those mentioned in item (b), but including Architects, Engineers, R.C.C. consultants, Plumbers, Electricians, Tax consultants including Income Tax and Tax practitioners, Chartered Accountant, Actuaries, Cost Accountants, and Management consultants, Market Research Analyst, Software Consultant.	
3	Chief Agents, Principal Agents, Special Agents, Insurance Agents and Surveyors or Loss Assessors registered or licenced under the Insurance Act, 1938.	Rs. 2,500/- per annum
4	a) Estate Agents, Brokers, Promoters, Commission Agents, clearing and Forwarding Agents, Advertising Agents, Auctioneers or Mercantile Agents, Travel or Tourist Agents, Manpower or Private Security Service Providers.	Rs. 2,500/- per annum
	(b) Contractors of all types or suppliers having turnover more than 5.00 lakh.	Rs. 2,500 /- per annum
5	Directors other than those nominated by the Govt. Companies registered under the Companies Act, 1956.	Rs. 2,500/- per annum
6	Dealers or persons or tax payers under the Manipur Value Added Tax Act, 2004 or Central Sales Tax Act, 1956, Manipur Goods and Services Tax Act, 2017 or Central Goods and Services Tax Act, 2017 whether registered or not and other traders where total turnover in any year-	
	(i) Does not exceed Rs. 3,00,000.00	NIL
	(ii) Exceeds Rs. 3,00,000.00	Rs. 2,500/- per annum
	The entries Manipur Goods and Services Tax Act, 2017 or Central Goods and Services Tax Act, 2017 shall be inserted and shall deemed to have been inserted retrospectively with effect from the 1 st day of July, 2017.	

	Explanation: - For the purpose of this entry "Annual Gross Turnover" shall mean the turnover of sales made during the immediately preceding year	
7	Occupiers of factories as defined under the factories Act, 1948 who are not covered by entry 6.	Rs. 2,500/- per annum
8	Principal Officers or establishment as defined in the Manipur Shops and Establishment Act, 1972 who are not covered by entry 6.	Rs. 2,500/- per annum
9	(a) Owners or lessees of Diesel/Petrol filling stations, CNG filling Stations, Oil pumps, service station, garages and workshops of Auto mobiles and Agents and Distributors including retail dealers of liquefied petroleum gas.	Rs. 2,500/- per annum
	(b) Owners or lessees of Flour mills, Rice mills, Oil mills, Oil ghanies, Khandasari and Sugar factories, Oil rotteries (with powers), Huller mills, Cashew factories.	Rs. 2,500/- per annum
	(c) Licenced liquor vendor, Licenced opium, pachwai, today, Bhang or other intoxicant's vendors, owners or lessees of distilleries, bottling units, blending units.	Rs. 2,500/- per annum
	(d) Owners, lessees or licencees, as the case may be, of beauty clinics & parlours, hair dressing saloons, tutorial colleges or training institution, type writing and shorthand institutions, Private Educational Institutes.	Rs. 2,500/- per annum
	(e) Owners, lessees or Licencees, as the case may be, of Nursing Home, Hospitals, X-ray Clinics & Pathological laboratory	Rs. 2,500/- per annum
	(f) Owners, lessees, as the case may be, of Cinema House, theatres, video parlours, video laboratories, DTH Service Providers, Multi System Operators and Local Cable Operators.	Rs. 2,500/- per annum
	(g) Owners, lessees or licencees, as the case may be, of spinning mills, power looms, mini steel plant, steel re-rolling mills, stone crushers, tiles factories, chemical and pharmaceuticals laboratories, furniture making units, printing presses, fruit canning units, saw mills, cotton ginning or processing factories, gun manufacturing units, cement flooring, stone manufacturing units, cold storages, Brick Kiln, Sand and gravel quarry.	Rs. 2,500/- per annum
	(h) Owners or occupiers or lessees, as the case may be, of residential hotels, restaurant, catering, marriage hall or any other eating place.	Rs. 2,500/- per annum
	(i) Owners, lessees or licencees, as the case may be, of Authorised Service Centres, Courier Service, Transport business, Cargo, Travel Agents, Gym/Fitness Centres.	Rs. 2,500/- per annum
10	<p>Holders of permits of transport vehicle granted under the Motor Vehicles Act, 1939 or the Motor Vehicles Act, 1988 which are issued or adopted to be used for hire or reward for: -</p> <p>(I) In respect of 4 wheeler light motor vehicle by whatever name known (used other than as private carrier)</p>	

	(i) Not more than one	Rs. 1,800/- per annum
	(ii) More than one and more	Rs. 2,500 /- per annum
	(II) In respect of 3 wheeler light motor vehicle by whatever name known (used other than as private carrier).	
	(i) Not more than one	Rs. 1,800/- per annum
	(ii) More than one and more	Rs. 2,500/- per annum
	(iii) In respect of truck or bus by whatever name known.	Rs. 2,500/- per annum
11	Individuals or Institutions conducting chit funds.	Rs. 2,500/- per annum
12	Co-operative Societies registered under the Manipur Cooperative societies Act, 1976 and engaged in any professions, trades and callings and any other society.	Rs. 2,500/- per annum
13	Banking Companies as defined in the Banking Regulation Act, 1949.	Rs. 2,500/- per annum
14	Companies registered under the Companies Act, 1956 and engaged in any professions, trades or callings.	Rs. 2,500/- per annum
15	Partnership firms when engaged in any professions, trades or callings exceeding annual gross turnover of Rs. 5.00 lakh.	Rs. 2,500/-per annum
16	Persons other than those mentioned in any of the preceding entries, who are engaged in any profession, trade or calling or employment, the rate of tax shall be as may be fixed by notification, not exceeding Rs. 2,500/- per annum.	Rs. 2,500/-per annum