

CGA
L E G A L

TAX BULLETIN

JULY-26 ISSUE-I



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About The Tax Bulletin

The Tax Bulletin from Team CGA Legal, is intending to keep its readers updated with all important legal and judicial updates in Goods & Services Tax and other Tax laws. The Newsletter also has a special column of Tax Alerts for the month. Along with it, CGA Legal also sends various legal recommendations which have immense implications in improving the compliance in your business.

All editions of our newsletters can be referred from below link below;

<https://www.cgalegal.co.in/newsletters.php>

Other Offerings from Team CGA Legal

- **CGA Legal Tax Alert:** Our Monthly Calendar detailing all GST & Income Tax related compliances for the month so that you never miss of any of the compliances.
- **CGA Legal Meet:** Our Monthly Webinar series discussing various trending GST legal and compliance issues

All the previous editions can be accessed on our website

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Tax Alert - July 2026

Date	Types of Return	Period	Types of Taxpayer
07-07-2026	TDS/ TCS Payment	June 2026	All persons liable to Deposit TDS/ TCS deducted or collected in June.
10-07-2026	GSTR-7	June 2026	TDS Deductors.
10-07-2026	GSTR-8	June 2026	E-Commerce Operators
11-07-2026	GSTR-1	June 2026	Turnover more than INR 5 crore in the preceding FY or Turnover up to INR 5 crores and opted for monthly return filing.
13-07-2026	GSTR-1	Apr to June 2026	Turnover up to INR 5 Crores and under QRMP Scheme
13-07-2026	GSTR-6	June 2026	Input Service Distributors (ISD).
13-07-2026	GSTR-5	June 2026	Non-Resident Taxable Person.
14-07-2026	GSTR-1A – Amendment Return	June 2026	Monthly GSTR-1 filers wishing to amend details after GSTR-1 filing
18-07-2026	CMP-08	April to June 2026	Composition Dealer
20-07-2026	GSTR-3B	June 2026	Turnover more than INR 5 crore in the preceding FY or Turnover up to INR 5 crore in the preceding FY but opted for monthly return filing.
20-07-2026	GSTR-5A	June 2026	OIDAR Service Providers
22-07-2026	GSTR-3B	April to June 2026	Taxpayers opted for QRMP Scheme, having aggregate turnover upto INR 5 Cr for *Category A States
24-07-2026	GSTR-3B	April to June 2026	Taxpayers opted for QRMP Scheme, having aggregate turnover upto INR 5 Cr for *Category B States
28-07-2026	GSTR-11	June 2026	UIN Holders.
31-07-2026	TDS and TCS Return	April to June 2026	Taxpayers who have deducted / collected tax at source. (Form 24Q = Form 138, Form 26Q = Form 140, Form 27Q = Form 144 and Form 27EQ = Form 143)
31-07-2026	Income Tax Return (ITR) Filing	FY 2025-26	All non-audit assesseees (Individuals, HUF, Partnership Firms, LLP) for AY 2026-27

Notes for Tax Alerts

Categories of Taxpayers whose Aggregate Turnover is upto INR 5 crore for the purpose of filing GSTR-3B:

**Category A: Regular Taxpayers having an aggregate turnover of upto INR 5 crores whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep.*

***Category B: Regular Taxpayers having an aggregate turnover of upto INR 5 crores whose principal place of business is in the States of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.*

GST Updates – CBIC Circular

Clarification regarding jurisdiction in cases involving migration/transfer of taxable persons from one jurisdiction to another jurisdiction

Dated: 25-06-2026

The CBIC has issued a new circular clarifying jurisdictional authority when a GST-registered taxpayer transfers their Principal Place of Business from one jurisdiction (the Transferor) to a new one (the Transferee).

The Core Principal: Jurisdiction is assessed based on the date a statutory power is invoked. A taxpayer's migration does not invalidate past actions taken by the original authority, but it does shift the responsibility for all future steps and enforcement to the new authority.

Past Actions Remain Valid: Any proceeding such as investigations, audits, show-cause notices (SCNs), or adjudication orders validly initiated by the transferor authority before the migration remains entirely valid. The transferee authority will act upon and enforce these actions as if they had initiated them.

New Authority Takes Over Pending Cases: If a taxpayer moves while proceedings are ongoing, the transferee authority assumes control immediately. They will pick up the case exactly where it was left off and handle all subsequent steps, including representing the department, defending orders, and filing appeals before appellate bodies.

Old Authority Loses Jurisdiction Post-Transfer: Once the migration is complete, the transferor authority cannot initiate new actions or proceedings against the taxpayer. If the old authority discovers a new issue or non-compliance, they must simply forward the information to the transferee authority to take action.

GST Updates – GST Technical Update

GST Appellate Tribunal (GSTAT) – Appeal Deadline Update

Dated: 30-06-2026

The Government has extended the last date for filing appeals/applications before the GST Appellate Tribunal.

➤ **New Update:**

- **New extended deadline: 31 July 2026**
- This extension applies to:
 - Taxpayer appeals where the order was communicated before 1 May 2026.
 - Departmental applications where the order was passed before 1 February 2026.

➤ **Key Points:**

- For orders issued after these dates:
 - **Taxpayer appeals:** Must be filed within 3 months from the date the order is communicated (for orders communicated on or after 1 May 2026).
 - **Departmental applications:** Must be filed within 6 months from the date the order is passed (for orders passed on or after 1 February 2026).

GST Updates – GST Technical Update

Advisory on e-Invoice API and e-Way Bill by IRN API changes for mandatory capture of Ship-to GSTIN and Voluntary Closure of e-Way Bill

Dated: 17-06-2026

Key Highlights:

- **Effective from: 1 August 2026.**
- In Bill-to/Ship-to transactions, Ship-to GSTIN must be mandatorily provided while generating an e-Way Bill through the e-Invoice (IRN) API.
- If the consignee is unregistered, enter "URP" in the Ship-to GSTIN field.
- Updates also include changes to the Voluntary e-Way Bill Closure API.
- The new API changes are already available in the Sandbox environment for testing.
- Businesses, ERP vendors, GSPs, ASPs, and IRPs should test and update their systems before 1 August 2026.
- All concerned stakeholders may accordingly be advised to access the advisory through the link given below and undertake necessary testing, system changes and preparedness within the prescribed timeline.

https://tutorial.gst.gov.in/downloads/news/advisory_einvoice_api_ewb_by_irn_approved.pdf

GST Updates – GST Technical Update

Advisory on Revision of Timeline for Amendment of Aggregate Annual Turnover (AATO), 2026

Dated: 01-07-2026

GSTN has revised the timeline for amendment of Aggregate Annual Turnover (AATO) for FY 2025-26. Earlier, taxpayers could amend their AATO during May, but from FY 2025-26 onwards, the amendment window has been shifted to July due to system enhancements on the GST Portal.

Activity	Timeline
AATO Amendment Application window for FY 2025-26	01 July to 31 July 2026
Review by jurisdictional Tax officer	01 Aug to 15 Aug 2026

➤ **New Highlights:**

- GSTN has upgraded the AATO functionality to automatically update turnover as subsequent GST returns are filed.
- The new system aims to ensure greater accuracy, consistency, and uniformity of AATO across different GST modules.
- Taxpayers should carefully verify the amended turnover details before submitting the application.
- In case of any issues, a grievance can be raised through the Self-Service Portal on the GST Portal.

GST – Judicial Precedents

1. Demand & Recovery

Whether an order imposing 100% penalty under Section 74 of the TNGST could be sustained when the proceedings, on the petitioner's case, ought to have been under Section 74A of that Act.

Tvl. Punitha Antony Store Versus The State Tax Officer (Madras High Court)

Facts: The GST authorities initiated proceedings for the Financial Year 2024–25 and passed an order under Section 74 of the TNGST Act imposing a 100% penalty. The petitioner challenged the order, contending that for Financial Year 2024–25, proceedings should have been initiated under Section 74A and not Section 74.

The Department argued that the proceedings had originally been initiated under Section 74A and that the reference to Section 74 in the final order was merely an inadvertent error.

Held: The Madras High Court held that a mere incorrect reference to a statutory provision would not by itself invalidate the proceedings.

However, since the impugned order imposed a 100% penalty, which is applicable under Section 74, whereas Section 74A provides for only a 50% penalty, the error was not merely clerical but reflected the exercise of power under the wrong statutory provision.

Accordingly, the Court quashed the impugned order and granted liberty to the Department to initiate fresh proceedings under Section 74A in accordance with law.

GST – Judicial Precedents

2. Demand and Recovery

Whether the adjudication and appeal orders were liable to be quashed for failure to serve the show cause notice and afford the petitioner an opportunity to file a reply and be heard.

RSH Amit Realty Development LLP & Anr. Versus The Deputy Commissioner of Revenue (Calcutta High Court)

Facts: The GST Department issued a Show Cause Notice (Form GST DRC-01) to the petitioner by uploading it only under the “Additional Notices and Orders” tab on the GST portal.

As the petitioner did not effectively receive the notice, it could not file a reply or participate in the adjudication proceedings. The petitioner became aware of the proceedings only after receiving a recovery email and challenged the adjudication and appellate orders on the ground that it had been denied an opportunity to respond.

Held: The Calcutta High Court held that since the petitioner had not effectively received the Show Cause Notice and was deprived of an opportunity to file a reply, the principles of natural justice had been violated.

Accordingly, the Court quashed the adjudication and appellate orders, permitted the petitioner to file a reply to the Show Cause Notice, and directed the authorities to pass a fresh reasoned order after granting an opportunity of hearing.

GST – Judicial Precedents

3. Demand and Recovery

GST proceedings against a deceased proprietor are void

Smt. Gulabben Gopaldas Jamvecha W/o Late Shri Gopaldas Jaisukhlal Jamvecha Versus The State Of Gujarat & Anr. (Gujarat High Court)

Facts: The petitioner is a senior citizen aged about 72 years roped in the recovery proceedings by the respondent-Department. She is a widow of late Shri Gopaldas Jaisukhlal Jamvecha i. e. the tax payer who was proprietor of M/s. Patel Timbers. Pursuant to the application filed by late Shri Gopaldas Jamvecha for cancelling his registration under the Goods and Service Tax (GST), the order dated 06.05.2019 was passed by the respondent authorities cancelling the registration w.e.f. 31.03.2019. The determination of amount payable by a person to such cancellations is referred in the said order is "0". Thereafter, Shri Gopaldas Jamvecha passed away on 01.08.2019. After a period of 4 years, the respondents issued Form GST DRC-01 raising outstanding demand of Rs. 5,94,928/-. Thereafter on 19.12.2023, the order under section 73 of the State GST Act, 2017 in Form GST DRC-01 was passed imposing tax aggregating to Rs. 6,06,026/-, followed by the order in Form GST DRC-07 dated 19.12.2023. Both the notice and order are passed in the name of a dead person.

Held: The Court held that the impugned show-cause notice and the order under the GST enactment had been issued and passed against a dead person. Once the foundational proceedings themselves were taken in the name of the deceased proprietor, they could not be sustained. On that basis, the consequential recovery measures, including freezing of the bank account, were also liable to fail. The Court at the same time clarified that the quashing of those proceedings would not preclude the respondents from initiating appropriate proceedings against the legal heir, if otherwise permissible in law.

GST – Judicial Precedents

4. Attachment of Bank Account

Whether the provisional attachment of the petitioner's bank account was sustainable in the absence of formation of opinion by the competent authority before issuing the attachment order.

M/s. Shri Petro Chemical Mercantile Pvt. Ltd. Versus Union of India (Gauhati High Court)

Facts: The petitioner challenged the provisional attachment of its bank account under Section 83 of the CGST Act, contending that the attachment order had been issued mechanically during the course of investigation without recording the mandatory satisfaction required under the statute.

The impugned order merely stated that the attachment was necessary to protect the interest of government revenue and invoked Section 83, without disclosing that the competent authority had formed an independent opinion before exercising such power. The petitioner relied on the Supreme Court's decision in Radha Krishan Industries and sought quashing of the attachment order.

Held: The Gauhati High Court held that the power of provisional attachment under Section 83 is a drastic measure and can be exercised only after the competent authority forms a reasoned opinion that such attachment is necessary to protect government revenue. Since the impugned order did not disclose compliance with this mandatory requirement and had been issued mechanically, it was held to be unsustainable in law.

Accordingly, the Court set aside the provisional attachment order and directed the bank to de-freeze the petitioner's bank account.

GST – Judicial Precedents

5. Refunds

Non furnishing of LUT is not an incurable defect for the purpose of granting refund

M/s Nuvteq Solutions Private Limited Versus Joint Commissioner Of Commercial Taxes (Appeals-5) (Karnataka High Court)

Facts: The learned counsel for the petitioner, submits that this Court must intervene on the ground of jurisdiction and also in view of the orders of this Court in the writ petition in W.P. No.11076/2024. In elaboration, the learned counsel submits that the petitioner's transaction qualifies as 'export services' under Section 2[6] of the Act and is therefore a 'zero rate' supplies but the second respondent has confirmed a Demand for CGST/KGST only on the ground that the petitioner has not furnished a Letter of Undertaking in the prescribed form. Sri K Hemakumar, the learned Additional Government Advocate, is heard in the light of these grounds and the records are perused.

Held: The Court held that the adjudicating authority was required to examine the true nature of the transaction under the relevant statutory provisions, and there was a failure to do so. Relying on the earlier order [2025 (12) TMI 1365 - KARNATAKA HIGH COURT], which considered the Circular dated 15.03.2018, the Court accepted that non-furnishing of LUT/Bond is not an incurable defect and that such requirement can be considered even subsequently for the purpose of refund. Since neither the character of the transaction as export services nor the petitioner's refund claim based on furnishing the Letter of Undertaking had been considered, the impugned orders were liable to be quashed and the matter restored for fresh decision by permitting the petitioner to place the Letter of Undertaking.

The impugned adjudication and appellate orders were quashed, and the proceedings were restored to the adjudicating authority for fresh consideration on the nature of the transaction, the jurisdictional objection, and the petitioner's refund entitlement after permitting production of the Letter of Undertaking.



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