

Law and Provisions under UTGST
CHAPTER IV - PAYMENT OF TAX

4.1 Payment of tax [Section 9]

9	01.07.2017 to 31.01.2019	<p>The amount of input tax credit available in the electronic credit ledger of the registered person on account of,—</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 5%; text-align: center;">(a)</td> <td>integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order;</td> </tr> <tr> <td style="text-align: center;">(b)</td> <td>the Union territory tax shall first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards payment of integrated tax;</td> </tr> <tr> <td style="text-align: center;">(c)</td> <td>the Union territory tax shall not be utilised towards payment of central tax.</td> </tr> </table>	(a)	integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order;	(b)	the Union territory tax shall first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards payment of integrated tax;	(c)	the Union territory tax shall not be utilised towards payment of central tax.
	(a)	integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order;						
(b)	the Union territory tax shall first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards payment of integrated tax;							
(c)	the Union territory tax shall not be utilised towards payment of central tax.							
01.02.2019 to till date	<p>The amount of input tax credit available in the electronic credit ledger of the registered person on account of,—</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 5%; text-align: center;">(a)</td> <td>integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order;</td> </tr> <tr> <td style="text-align: center;">(b)</td> <td>the Union territory tax shall first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards payment of integrated tax; ¹[Provided that the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax.]</td> </tr> <tr> <td style="text-align: center;">(c)</td> <td>the Union territory tax shall not be utilised towards payment of central tax.</td> </tr> </table> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="text-align: center;">Notes</p> <p>1. Inserted w.e.f. 01.02.2019 vide section 3 of the Union Territory Goods and Services Tax (Amendment) Act, 2018 (33 of 2018) which came into force vide Notification No. 1/2019 - Union Territory Tax Dated 29th January, 2019.</p> </div>	(a)	integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order;	(b)	the Union territory tax shall first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards payment of integrated tax; ¹ [Provided that the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax.]	(c)	the Union territory tax shall not be utilised towards payment of central tax.	
(a)	integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order;							
(b)	the Union territory tax shall first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards payment of integrated tax; ¹ [Provided that the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax.]							
(c)	the Union territory tax shall not be utilised towards payment of central tax.							

4.2 Utilisation of input tax credit [Section 9A]

¹[9A]	01.02.2019 to till date	<p>Notwithstanding anything contained in section 9, the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax or Union territory tax, as the case may be, only after the input tax credit available on account of integrated tax has first been utilised towards such payment.]</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="text-align: center;">Notes</p> <p>1. Inserted w.e.f. 01.02.2019 vide section 4 of the Union Territory Goods and Services Tax (Amendment) Act, 2018 (33 of 2018) which came into force vide Notification No. 1/2019 - Union Territory Tax Dated 29th January, 2019.</p> </div>
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4.3 Order of utilisation of input tax credit [Section 9B]

¹[9B]	01.02.2019 to till date	<p>Notwithstanding anything contained in this Chapter and subject to the provisions of clause (c) of section 9, the Government may, on the recommendations of the Council, prescribe the order and manner of utilisation of the input tax credit on account of integrated tax, Central tax, State tax or Union territory tax, as the case may be, towards payment of any such tax.]</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="text-align: center;">Notes</p> <p>1. Inserted w.e.f. 01.02.2019 vide section 4 of the Union Territory Goods and Services Tax (Amendment) Act, 2018 (33 of 2018) which came into force vide Notification No. 1/2019 - Union Territory Tax Dated 29th January, 2019.</p> </div>
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4.4 Transfer of input tax credit [Section 10]

10	01.07.2017 to till date	<p>On utilisation of input tax credit of Union territory tax for payment of tax dues under the Integrated Goods and Services Tax Act in accordance with the provisions of sub-section (5) of section 49 of the Central Goods and Services Tax Act, as reflected in the valid return furnished under sub-section (1) of section 39 of the Central Goods and Services Tax Act, the amount collected as Union territory tax shall stand reduced by an amount equal to such credit so utilised and the Central Government shall transfer an amount equal to the amount so reduced from the Union territory tax account to the integrated tax account in such manner and within such time as may be prescribed.</p>
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