

# FAQs > Transition Form GST TRAN - 1

## 1. What are Transitional Provisions?

As per the transitional provisions of CGST/ SGST/ UTGST Act, registered person can take credit of taxes or duties paid under existing State or Central laws, like Value Added Tax Act, Central Excise Act and Service Tax laws and carry them forward to the GST regime, if the same are eligible as CGST/SGST/UTGST credit, subject to conditions/ limitations as prescribed in the GST Act and rules. These transitional credits can be claimed through Form GST TRAN - 1 and TRAN - 2.

## 2. Why do I need to file transition Form GST TRAN - 1?

Every registered person who is eligible to take credit of eligible duties and taxes paid under existing laws in respect of input or input services or capital goods in his/her Electronic Credit Ledger, needs to file a declaration in Form GST TRAN - 1 within 90 days + extended days of the appointed day (1st July 2017).

After successful filing of transition Form GST TRAN - 1 online, the credit will be credited/posted to their Electronic Credit Ledger and can be utilized for discharge of liabilities under GST regime.

## 3. What do I need to do to submit the transition Form GST TRAN - 1?

You need to login to the GST Portal and navigate to **Services > Transition Form > TRAN - 1**. Fill the form and then you need to file the form attaching DSC/ EVC.

## 4. By when do I need to file the transition Form GST TRAN - 1?

Transition Form GST TRAN - 1 has to be filed within <90 days > from the appointed day (1st July 2017). The time limit can be extended by another 90 days by the Commissioner on the recommendation of GST Council.

The due date for filing Form GST TRAN-1 has been extended to 27<sup>th</sup> December 2017.

## 5. Can I make any amendment to the transition Form GST TRAN - 1?

A one-time revision provision is being made available for taxpayers who have either submitted or filed their Form GST Tran-1. However, the details of transfer of cenvat credit for registered person having centralized registration under existing law (Section 140(8)) as declared in previous submission can-not be revised downwards. However, you may transfer more credit if applicable.

## 6. Do I need to attach any document along with transition Form GST TRAN - 1?

There is no requirement for uploading any documents as an attachment along with transition Form GST TRAN - 1. However in some sections data can be uploaded to the portal through using Offline Utility tool.

## 7. I am registered as composition taxpayer. Do I need to submit the transition form?

Transition Form is not required to be submitted by the taxpayer who is registered as composition taxpayer under GST Law. Moreover, Transition form will not be displayed to the composition dealer.

## 8. What will happen once the transition Form GST TRAN - 1 is filed?

Once the transition Form GST TRAN - 1 is successfully filed, ARN is generated and transition credit will be credited to the Electronic Credit Ledger of the taxpayer and same can be utilized by taxpayer for offsetting the tax liability in GST regime.

## 9. What will happen if the transition Form GST TRAN - 1 is submitted but not filed with DSC/EVC?

Credit claimed in TRAN - 1 gets credited to the taxpayer's credit ledger on successful submit of the Form GST TRAN - 1, however filing of the form with prescribed electronic signature is necessary for subsequent utilisation of the credit. Moreover, Form GSTR-3B cannot be filed if the credit is utilized for payment of liabilities declared therein, unless TRAN - 1 is filed. After submit, the taxpayer cannot change any entries of the TRAN - 1, hence the declaration need to be thoroughly checked before submitting.

## 10. What is the correlation of various sections of the CGST Act and sections of the GST Form TRAN - 1 for availing credit?

Please refer to following table for correlation of the various sections of the CGST Act and sections of the GST Form TRAN - 1.

Section of the GST Form TRAN 1	Relevant section of CGST/ SGST Act	Headings
Table 5	Section 140(1) and 140(4)(a) of CGST Act	Amount of tax credit carried forward in the return filed under existing laws
Table 6	Section 140(2) of CGST Act	Details of capitals goods for which unavailed credit has not been carried forward under existing law (section 140 (2))
Table 7	Section 140(3), 140(4)(b), 140(5) and 140(6) of CGST Act	Details of the inputs held in stock in terms of sections 140(3), 140(4)(b), 140(5) and 140(6)
Table 8	Section 140(8) of CGST Act	Details of transfer of cenvat credit for registered person having centralized registration under existing law (Section 140(8))
Table 9	Section 141 of CGST Act	Details of goods sent to job-worker and held in his stock on behalf of principal under section 141
Table 10	Section 142(14) of SGST Act	Details of goods held in stock as agent on behalf of the principal under section 142 (14) of the SGST Act
Table 11	Section 142(11)(c) of CGST Act	Details of credit availed in terms of Section 142 (11 (c))
Table 12	Section 142(12) of CGST Act	Details of goods sent on approval basis six months prior to the appointed day (section 142(12))

## 11. I am getting an error message - "Processed with error" when I am saving the details of the existing registration while claiming transitional credit in the TRAN-1 form. What should I do now?

You can get error message as "Processed with error" while saving the details of existing registration in the Form TRAN-1.

During Enrolment/ Registration, you were given an opportunity to enter details of the existing registration. In case the details of existing registration in TRAN 1 do not match the details of existing registration entered in the Registration/ Enrolment application, Business Details tab, the error is displayed.

## Credit Carried Forward(Central Tax) - Add

Registration no. under existing law (Central Excise and Service Tax) \*

Tax period to which the last return filed under the existing law pertains \*

Select

Date of filing of the return \*

DD/MM/YYYY



Balance CENVAT credit carried forward in the said last return \*

CENVAT Credit admissible as ITC of central tax in accordance with transitional provisions \*

In case you face the error, you need to include the existing registrations in your Enrolment/ Registration details using the non-core amendment facility and then file TRAN-1 to claim the transitional credit.

While filing the application of non-core registration amendment, you MUST take care of the following at the relevant places in the Registration application:

1. Do not use special characters (-, /) while adding Service Tax No./ Central Excise No./ VAT/ TIN on the Business Details Tab.
2. Do not give duplicate e-mail or phone number for Promoters/ Partners or Authorized Signatories.
3. Check that the Service Accounting Code (SAC) provided during migration has been provided as per new service codes (and not the earlier ones).
4. Ensure that all the mandatory fields are filled and not blank.
5. Ensure that the STD code is entered correctly in the field provided and it is not entered in the field for entering the local Telephone number.

## 12. What is Re-open button?

Re-open button is given only for those users who have either submitted or filed TRAN-1. Re-open functionality can be used only in case of any modification to previously submitted/ filed data or for adding missing records.

Currently this option would be available only for taxpayers who have submitted/ filed it before this option was made available i.e. 9<sup>th</sup> of November, on the GST portal.

## 13. Can I modify/ delete data in Table-8?

Downward Modification or deletion of already distributed ITC data in Table-8 is not allowed. Upward modifications of earlier distributions can be done. But you can Add/ Modify/ Delete data which are newly added after reopening the TRAN-1 Form.

## 14. What is the limit of entries for table 6a, 6b and 7b in offline mode?

10,000 entries is the limit at a time for table 6a, 6b and 7b in offline mode in single upload to GST Portal. In case of more number of records you may upload them sequentially in batches of ten thousand (10000).

## 15. What is the impact of Tran downward revision to my Credit ledger and Liability Register?

In case the transitional credit declared in revised Tran-1 is less than Tran-1 credit as declared in previous submission / filing, the delta ITC credit shall be debited from your credit ledger (provided you have sufficient ITC balance in credit ledger).

In case of insufficient ITC balance, the whole amount of downward credit modification from earlier declarations would be included in the next tax period GSTR 3B liability and would be included in the GSTR 3B liability when it gets posted in the liability ledger.