

FAQs > Non Taxable Territory (NTT) Taxpayers Providing OIDAR Services

1. When does a supplier located in non-taxable territory providing OIDAR services need to pay GST?

A person located in Non-Taxable Territory (NTT) supplying Online Information and Database Access or Retrieval (OIDAR) services to a non-taxable online recipient is liable to pay IGST on such services provided.

2. Is there a process available to make such IGST payments through international money transfer?

To facilitate tax payments through international money transfer by the NTT taxpayers outside India, providing OIDAR services, a process is being made available. This would enable them to make their IGST payment through SWIFT payment network from their location outside India.

3. What are the steps to be taken before starting process of payment of IGST through SWIFT?

Step 1: NTT taxpayer desirous of making payment for his IGST liability through SWIFT should first assess the tax liability to be paid by him in Indian Rupee.

Step 2: Calculate the amount to be transferred in foreign currency through SWIFT mode.

Please note that the transferred amount should contain the liability amount as well as Bank's transaction charges.

4. What about the Bank's transaction charges?

While transferring the amount in foreign currency, NTT taxpayer should ensure that the transferred amount, after conversion to Indian currency, covers the total tax liability plus bank's transaction charges if any. Bank's transaction charges will be as available on the Bank's Portal.

5. What is the process for making payment through SWIFT?

The step wise process for making payment of tax through SWIFT for NTT taxpayer supplying OIDAR services is as under: –

1. NTT taxpayer needs to login to the GST Portal and assess the tax liability to be paid by him in Indian Rupee.
2. After assessing your liability, go to the SWIFT supporting Bank's portal.
3. On the selected Bank's webpage, initiate your SWIFT transaction by providing your GSTIN, Legal Name and breakup of tax liabilities.

Note: While transferring the amount in foreign currency, make sure that the transferred amount covers the total tax liability + Bank's transaction charges, after conversion to Indian currency.

4. On remitting the tax amount in foreign currency via SWIFT to the Bank in India, the overseas bank will send the message to credit the Centralized Account maintained by the Bank by giving the beneficiary account details and the GSTIN.
5. After the tax amount is transferred in foreign currency, NTT Taxpayer should send an e-mail to the Banks (both Indian as well as overseas Bank) giving the SWIFT details.
6. On receipt of the funds, Bank will convert the same to Indian Rupees and send an acknowledgement to the Taxpayer (via Email) confirming the amount received in Indian Rupees.

7. After receiving the confirmation of receipt of amount from the Bank in India, NTT taxpayer needs to generate a CPIN for the exact value of the Indian Rupee as intimated by the Bank, on the GST Portal and select the mode of Payment as NeFT/ RTGS.

Note: *CPIN should be generated only after the money has been transferred by the NTT Taxpayer to the Bank in India and for the exact value of the Indian Rupee as communicated by the Bank.*

8. After CPIN is generated from the GST Portal, NTT taxpayer needs to send a soft copy of the generated challan to the Bank in India through e-mail.

9. On receipt of the challan copy by e-mail, the Bank will remit the money to RBI for NeFT/ RTGS transaction and send an acknowledgement of the same to the NTT taxpayer.

10. RBI shall send the payment details (signed CIN) to GSTN for updating the Electronic Cash Ledger.

11. NTT taxpayer can login to the GST Portal to check the challan status or alternatively they can check the status of challan from “Track Payment Status” service without logging to the GST Portal.

6. Can CPIN be generated by making challan before the amount has been transferred to the Bank in India?

CPIN should be generated only after the money has been transferred by the taxpayer to the Bank in India and Bank has confirmed the amount for which challan will be created. Challan should be of the exact amount as communicated by the Indian Bank.

7. How can the NTT taxpayer check the status of payment process?

NTT taxpayer can login to the GST Portal to check the challan status or alternatively taxpayer can check the status of challan from “**Track Payment Status**” service without logging into the GST Portal.

8. Which mode of payment should be selected while creating challan from the GST Portal, when payment of tax is done through SWIFT mode ?

When the tax liability is paid using SWIFT mode, the challan should be generated for NeFT/RTGS mode of payment from the GST Portal.