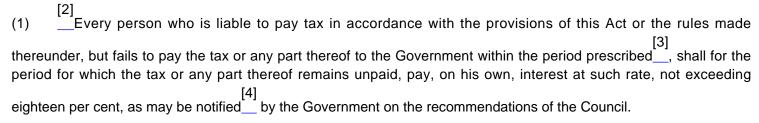


Interest on delayed payment of tax

50.[1] Interest on delayed payment of tax.



[Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, shall

be levied on that portion of the tax that is paid by debiting the electronic cash ledger.]

- The interest under sub-section (1) shall be calculated, in such manner as may be prescribed, from the day (2)succeeding the day on which such tax was due to be paid.
- A taxable person who makes an undue or excess claim of input tax credit under sub-section (10) of section 42 or undue or excess reduction in output tax liability under sub-section (10) of section 43, shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate not exceeding twenty-four per [6] cent., as may be notified__ by the Government on the recommendations of the Council.
- Enforced with effect from 1.7.2017.
- [2] Refer Cir. Nos. 65/2018, dt. 14.9.2018 & 67/2018- GST, dt 28.9.2018.
- [3] See rule 37, 42 and 96A of the CGST Rules, 2017.
- [4] For notified rate of interest, refer Not. No. 13/2017- CT, dt. 28.6.2017; Not. No.6/2017- IT, dt. 28.6.2017.
- [5] Inserted vide The Finance (No.2) Bill, 2019, with effect from a date yet to be notified.
- [6] For notified rate of interest, Refer Not. No. 13/2017-CT, dt. 28.6.2017; Noti No. 6/2017- IT, dt. 28.6.2017.