

**GOVERNMENT OF NAGALAND  
OFFICE OF THE COMMISSIONER OF STATE TAXES  
NAGALAND: DIMAPUR**

NO.CT/LEG/GST-CR/13/17/1597

Dated Dimapur, the 12<sup>th</sup> May, 2020

**CIRCULAR-2/2020**

**Sub: Clarification on Issuance of Tax Clearance Certificate (TCC):**

It has been brought to the notice of the department that some taxpayers have expressed reservation as to why GST has to be paid first for issuance of TCC (Tax Clearance Certificate).

This Circular is issued to briefly highlight the relevant provisions under section 12 and 13 of the NGST Act, 2017 and clarify such doubts and reservations as under:-

1. Section 12 and 13 of the NGST ACT, 2017 provides that the **“time of supply” shall be the earlier of the following dates**, namely
  - (i) the date of issue of invoice by the supplier or the last date on which he is required to issue the invoice in respect of the supply; or
  - (ii) the date on which the supplier receives the payment with respect to the supply;
2. From the above, it is clear that the time of supply is the date of issue of invoice, or the date of receipt of payment - whichever is earlier.
3. It is also clear from the above that the time of supply is the point of taxation (the point in time when goods or services have been deemed to be supplied or provided). The point of taxation enables us to determine the rate of tax, value, and due dates for payment of taxes.
4. Thus the time of supply provisions follows that if the date of issue of invoice is earlier than the date of receipt of payment, then the taxpayers will have to file the return and pay the taxes accordingly by the due date even if the taxpayers have not received the payment.
5. Accordingly, it is clarified that -
  - (a) The due date for payment of tax under GST is determined by the “time of supply” provided in section 12 and 13 of the NGST ACT, 2017;
  - (b) The payment of tax under GST is not payment of Tax in advance or otherwise;
  - (c) The filing of GST return and payment of tax by the due date is a statutory requirement;
  - (d) Issuance of Tax Clearance Certificate (TCC) is subject to filing of GST return and payment of tax by the due date;
  - (e) **TCC is mandatory ONLY for the purpose of release of payment by the deducting authority.**



(KESONYU YHOME) IAS  
Commissioner of State Taxes  
Nagaland: Dimapur

Dated Dimapur, the 12<sup>th</sup> May, 2020

Memo.NO.CT/LEG/GST-CR/13/17

Copy to:-

1. The Addl. Chief Secretary & Finance Commissioner to the Government of Nagaland, Finance Department (Revenue Branch) Nagaland, Kohima
2. **All AHODs/HODs for information and necessary action.**
3. The Editor, Nagaland Gazette, Kohima for publication in the Gazette Extraordinary.
4. The Director, Information and Public Relations, Kohima for wide publicity.
5. The Editor, Nagaland Post/Easter. Mirror/ Morung Express/Nagaland Page for kind information & publication in the next issue with immediate effect.
6. Office copy.



12.05.20  
Commissioner of State Taxes  
Nagaland: Dimapur