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Ph: 0471-2785276 Dated: 18-11-2024

File No. SGST/5230/2024-PLC9

Circular No. :21/2024-Kerala SGST

Sub: Kerala State Goods and Services Tax Act, 2017- Adjudication of Show Cause Notices- Common Adjudicating Authority- reg:

Ref: 1.Notification No. 7/2024 dated 18-10-2024

2. Circular No. 12/2024-Kerala SGST dated 18-10-2024 issued in File No.SGST/5230/2024-PLC9

(1)Adjudication of show cause notices issued by various verticals has been entrusted with the jurisdictional adjudicating authority in the taxpayer service vertical, as per the instructions issued vide Circular No. 04/2023-SGST dated 08.01.2023. Further, vide circular No. 6/2023-SGST dated 09.10.2023, instructions have been issued such that if multiple notices are issued to the same taxpayer on the same issue for different periods, the authority adjudicating the notice having the highest value shall adjudicate the other notices.

(2)There can be situations wherein multiple taxpayers are identified to be involved with respect to a particular issue. In respect of show cause notices issued by officers of the Intelligence and Enforcement Vertical, there may be cases where the principal places of business of noticees fall under the jurisdiction of multiple adjudicating authorities. There can also be situations where multiple show cause notices are issued on the same issue to different noticees, having the same PAN but different GSTINs and their principal places of business fall under the jurisdiction of multiple adjudicating authorities.

(3) When such a situation arises, the present procedure followed is to transfer the case related to each taxpayer involved in the issue to the

respective adjudicating authority after issuance of SCN by the proper officer concerned. This results in a scenario where multiple authorities adjudicate on the same issue, potentially leading to legal challenges. To prevent such inconsistencies, a single adjudicating authority shall henceforth handle all adjudications in such situations, ensuring uniformity and consistency in decision-making.

(4) For the purpose of adjudication in such scenarios, the Joint Commissioners of Taxpayer Services are empowered with state-wide jurisdiction vide Notification referred above. When multiple taxpayers across the state are identified to be involved and interconnected in a single detected issue, such show cause notices may be adjudicated, regardless of the amount involved, by the Joint Commissioners of Taxpayer Services.

(5) The Show Cause Notices issued by any vertical which require a common adjudicating authority shall be made answerable to the Taxpayer Services Joint Commissioners in the following manner regardless of the amount involved.

(6) Where the principal place of business of the noticee, having the highest amount of demand of tax or penalty in the said show cause notice(s), falls in a particular district, then the notices issued to all other interconnected noticees, whose principal places of business may fall under the jurisdiction of multiple adjudicating authorities, shall be adjudicated by the Joint Commissioner of Taxpayer Services of that specific district.

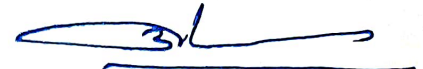
(7) In situations where multiple taxpayers involved in a single issue are identified to be located in the same district, but under the jurisdiction of different adjudicating authorities, to bring uniformity in adjudication, irrespective of the amount involved, all SCNs shall be adjudicated by the Joint Commissioner of Taxpayer Services vertical of that district.

(8) Further, if any connected penalty notices have been issued under any section along with notices issued under sections 73/74/76 of the Kerala SGST Act, then those notices too shall be adjudicated by the common adjudicating authority.

(9) Circular No. 12/2024-Kerala SGST dated 18-10-2024 issued in File No. SGST/5230/2024-PLC9, referred 2nd above, stands withdrawn. However, any action already initiated by the department on the basis of the said Circular will be valid and will be treated as the action initiated on the

basis of this Circular.

(10) Difficulties faced, if any, in the implementation of this circular may be informed at the earliest.


18/11/24

COMMISSIONER

To

All Concerned

(Note: Subsequent to the issuance of Circular No. 12/2024-Kerala SGST dated 18-10-2024 in File No. SGST/5230/2024-PLC9, it is found that a Circular in the same number, ie, Circular No. 12/2024-Kerala SGST, has already been issued in File No. SGST/5310/2024-PLC6 on 13-08-2024. To correct the duplication in the Circular number this fresh Circular is issued)