

CHAPTER - X

PAYMENT OF TAX

Section 49 : Payment of tax, interest, penalty and other amounts

- (1) Every deposit made towards tax, interest, penalty, fee or any other amount by a person by internet banking or by using credit or debit cards or National Electronic Fund Transfer or Real Time Gross Settlement or by such other mode and subject to such conditions and restrictions as may be prescribed, shall be credited to the electronic cash ledger of such person to be maintained in such manner as may be prescribed.
- (2) The input tax credit as self-assessed in the return of a registered person shall be credited to his electronic credit ledger, in accordance with ¹[section 41 ²[****]], to be maintained in such manner as may be prescribed
- (3) The amount available in the electronic cash ledger may be used for making any payment towards tax, interest, penalty, fees or any other amount payable under the provisions of this Act or the rules made thereunder in such manner and subject to such conditions and within such time as may be prescribed.
- (4) The amount available in the electronic credit ledger may be used for making any payment towards output tax under this Act or under the Integrated Goods and Services Tax Act in such manner and subject to such conditions ³[and restrictions] and within such time as may be prescribed.
- (5) The amount of input tax credit available in the electronic credit ledger of the registered person on account of –
 - (a) integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order;
 - (b) the central tax shall first be utilised towards payment of central tax and the amount remaining, if any, may be utilised towards the payment of integrated tax;
 - (c) the State tax shall first be utilised towards payment of State tax and the amount remaining, if any, may be utilised towards payment of integrated tax:

⁴[**Provided** that the input tax credit on account of State tax shall be utilised towards payment of integrated tax only where the balance of the

1 Substituted for “section 41” by [CGST \(Amendment\) Act, 2018](#) (No. 31 of 2018). This amendment, not yet enforced.

2 The words and figures “or section 43A” omitted by [Finance Act, 2022](#) (No. 6 of 2022). It is made effective from 01-10-2022 by Noti. No. 18/2022–Central Tax, dt. 28-09-2022.

3 Inserted by [Finance Act, 2022](#) (No. 6 of 2022). It is made effective from 01-10-2022 by Noti. No. 18/2022–Central Tax, dt. 28-09-2022.

4 Proviso inserted by [CGST \(Amendment\) Act, 2018](#) (No. 31 of 2018). It is made effective from 01-02-2019 by Noti. No. 02/2019–Central Tax, dt. 29-01-2019.

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input tax credit on account of central tax is not available for payment of integrated tax;]

- (d) the Union territory tax shall first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards payment of integrated tax:

⁵[**Provided that** the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax;]

- (e) the central tax shall not be utilised towards payment of State tax or Union territory tax; and
 - (f) the State tax or Union territory tax shall not be utilised towards payment of central tax.
- (6) The balance in the electronic cash ledger or electronic credit ledger after payment of tax, interest, penalty, fee or any other amount payable under this Act or the rules made thereunder may be refunded in accordance with the provisions of section 54.
 - (7) All liabilities of a taxable person under this Act shall be recorded and maintained in an electronic liability register in such manner as may be prescribed.
 - (8) Every taxable person shall discharge his tax and other dues under this Act or the rules made thereunder in the following order, namely: –
 - (a) self-assessed tax, and other dues related to returns of previous tax periods;
 - (b) self-assessed tax, and other dues related to the return of the current tax period;
 - (c) any other amount payable under this Act or the rules made thereunder including the demand determined under section 73 or section 74 ⁶[or section 74A].
 - (9) Every person who has paid the tax on goods or services or both under this Act shall, unless the contrary is proved by him, be deemed to have passed on the full incidence of such tax to the recipient of such goods or services or both.
- ⁷[(10) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for,–

5 Proviso inserted by CGST (Amendment) Act, 2018 (No. 31 of 2018). It is made effective from 01-02-2019 by Noti. No. 02/2019–Central Tax, dt. 29-01-2019.

6 Inserted by The Finance (No. 2) Act, 2024 (No. 15 of 2024). It is made effective from 01-11-2024 by Noti. No. 17/2024–Central Tax, dt. 27-09-2024.

7 Sub-section (10) substituted by Finance Act, 2022 (No. 6 of 2022). It is made effective from 05-07-2022 by Noti. No. 09/2022–Central Tax, dt. 05-07-2022. Earlier to substitution it read as under:

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- (a) integrated tax, central tax, State tax, Union territory tax or cess; or
- (b) integrated tax or central tax of a distinct person as specified in sub-section (4) or, as the case may be, sub-section (5) of section 25, in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act:

Provided that no such transfer under clause (b) shall be allowed if the said registered person has any unpaid liability in his electronic liability register.]

⁸[(11) Where any amount has been transferred to the electronic cash ledger under this Act, the same shall be deemed to be deposited in the said ledger as provided in sub-section (1).]

⁹[(12) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, subject to such conditions and restrictions, specify such maximum proportion of output tax liability under this Act or under the Integrated Goods and Services Tax Act, 2017 (13 of 2017) which may be discharged through the electronic credit ledger by a registered person or a class of registered persons, as may be prescribed.]

Explanation—For the purposes of this section, —

- (a) the date of credit to the account of the Government in the authorised bank shall be deemed to be the date of deposit in the electronic cash ledger;
- (b) the expression, —
 - (i) “tax dues” means the tax payable under this Act and does not include interest, fee and penalty; and
 - (ii) “other dues” means interest, penalty, fee or any other amount payable under this Act or the rules made thereunder.

Relevant Rule: Rule 85, 86, 86A, 86B, 87, 88, 88C

Relevant Form: Form GST PMT-1 PART I, GST PMT-1 PART II, GST PMT-2, GST PMT-3, GST PMT-3A, GST PMT-4, GST PMT-5, GST PMT-6, GST PMT-7, GST PMT-9

⁸[(10) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for integrated tax, central tax, State tax, Union territory tax or cess, in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act.]

A. Earlier sub-section (10) inserted by [Finance \(No. 2\) Act, 2019](#) (No. 23 of 2019). It is made effective from 01-01-2020 by Noti. No. 01/2020–Central Tax, dt. 01-01-2020.

⁸ Sub-sections (11) inserted by [Finance \(No. 2\) Act, 2019](#) (No. 23 of 2019). It is made effective from 01-01-2020 by Noti. No. 01/2020–Central Tax, dt. 01-01-2020.

⁹ Sub-section (12) inserted by [Finance Act, 2022](#) (No. 6 of 2022). It is made effective from 01-10-2022 by Noti. No. 18/2022–Central Tax, dt. 28-09-2022.