

Rule 159 : Provisional attachment of property

- (1) Where the Commissioner decides to attach any property, including bank account in accordance with the provisions of section 83, he shall pass an order in **FORM GST DRC-22** to that effect mentioning therein, the details of property which is attached.
- (2) The Commissioner shall send a copy of the order of attachment ¹[in **FORM GST DRC-22**] to the concerned Revenue Authority or Transport Authority or any such Authority to place encumbrance on the said movable or immovable property, which shall be removed only on the written instructions from the Commissioner to that effect ²[or on expiry of a period of one year from the date of issuance of order under sub-rule (1), whichever is earlier,] ³[and a copy of such order shall also be sent to the person whose property is being attached under section 83.]
- (3) Where the property attached is of perishable or hazardous nature, ⁴[and if the person, whose property has been attached,] pays an amount equivalent to the market price of such property or the amount that is or may become payable ⁵[by such person], whichever is lower, then such property shall be released forthwith, by an order in **FORM GST DRC-23**, on proof of payment.
- (4) Where ⁶[such person] fails to pay the amount referred to in sub-rule (3) in respect of the said property of perishable or hazardous nature, the Commissioner may dispose of such property and the amount realized thereby shall be adjusted against the tax, interest, penalty, fee or any other amount payable by ⁷[such person].
- (5) Any person whose property is attached may, ⁸[file an objection in **FORM GST DRC-22A**] to the effect that the property attached was or is not liable to attachment, and the Commissioner may, after affording an opportunity of being heard to the person filing the objection, release the said property by an order in **FORM GST DRC-23**.
- (6) The Commissioner may, upon being satisfied that the property was, or is no longer liable for attachment, release such property by issuing an order in **FORM GST DRC-23**.

¹ Inserted by Noti. No. 40/2021–Central Tax, dt. 29-12-2021 w.e.f. 01-01-2022.

² Inserted by Noti. No. 52/2023–Central Tax, dt. 26-10-2023 w.e.f. 26-10-2023.

³ Inserted by Noti. No. 40/2021–Central Tax, dt. 29-12-2021 w.e.f. 01-01-2022.

⁴ Substituted for "and if the taxable person" by Noti. No. 40/2021–Central Tax, dt. 29-12-2021 w.e.f. 01-01-2022.

⁵ Substituted for "by the taxable person" by Noti. No. 40/2021–Central Tax, dt. 29-12-2021 w.e.f. 01-01-2022.

⁶ Substituted for "the taxable person" by Noti. No. 40/2021–Central Tax, dt. 29-12-2021 w.e.f. 01-01-2022.

⁷ Substituted for "the taxable person" by Noti. No. 40/2021–Central Tax, dt. 29-12-2021 w.e.f. 01-01-2022.

⁸ Substituted for ", within seven days of the attachment under sub-rule (1), file an objection" by Noti. No. 40/2021–Central Tax, dt. 29-12-2021 w.e.f. 01-01-2022.