

Section 129 : Detention, seizure and release of goods and conveyance in transit

- (1) Notwithstanding anything contained in this Act, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance shall be liable to detention or seizure and after detention or seizure, shall be released,—

- ¹[(a) on payment of penalty equal to two hundred per cent. of the tax payable on such goods and, in case of exempted goods, on payment of an amount equal to two per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods comes forward for payment of such penalty;
- (b) on payment of penalty equal to fifty per cent. of the value of the goods or two hundred per cent. of the tax payable on such goods, whichever is higher, and in case of exempted goods, on payment of an amount equal to five per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods does not come forward for payment of such penalty;]
- (c) upon furnishing a security equivalent to the amount payable under clause (a) or clause (b) in such form and manner as may be prescribed:

Provided that no such goods or conveyance shall be detained or seized without serving an order of detention or seizure on the person transporting the goods.

- (2) ²[****]

1 Substituted clause (a) & (b) by The Finance Act, 2021 (No. 13 of 2021). It is made effective from 01-01-2022 by Noti. No. 39/2021–Central Tax, dt. 21-12-2021. Earlier to substitution it read as under:

- "(a) on payment of the applicable tax and penalty equal to one hundred per cent. of the tax payable on such goods and, in case of exempted goods, on payment of an amount equal to two per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods comes forward for payment of such tax and penalty;
- (b) on payment of the applicable tax and penalty equal to the fifty per cent. of the value of the goods reduced by the tax amount paid thereon and, in case of exempted goods, on payment of an amount equal to five per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods does not come forward for payment of such tax and penalty;"

2 Sub-section (2) omitted by the Finance Act, 2021 (No. 13 of 2021). It is made effective from 01-01-2022 by Noti. No. 39/2021–Central Tax, dt. 21-12-2021. Earlier to omission it read as under:

Central Goods & Services Tax Act, 2017

- ³[(3) The proper officer detaining or seizing goods or conveyance shall issue a notice within seven days of such detention or seizure, specifying the penalty payable, and thereafter, pass an order within a period of seven days from the date of service of such notice, for payment of penalty under clause (a) or clause (b) of sub-section (1).]
- (4) ⁴[No penalty] shall be determined under sub-section (3) without giving the person concerned an opportunity of being heard.
- (5) On payment of amount referred in sub-section (1), all proceedings in respect of the notice specified in sub-section (3) shall be deemed to be concluded.
- ⁵[(6) Where the person transporting any goods or the owner of such goods fails to pay the amount of penalty under sub-section (1) within fifteen days from the date of receipt of the copy of the order passed under sub-section (3), the goods or conveyance so detained or seized shall be liable to be sold or disposed of otherwise, in such manner and within such time as may be prescribed, to recover the penalty payable under sub-section (3):
- Provided** that the conveyance shall be released on payment by the transporter of penalty under sub-section (3) or one lakh rupees, whichever is less:
- Provided further** that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with passage of time, the said period of fifteen days may be reduced by the proper officer.]

"(2) The provisions of sub-section (6) of section 67 shall, *mutatis mutandis*, apply for detention and seizure of goods and conveyances."

- 3 Sub-section (3) substituted by the Finance Act, 2021 (No. 13 of 2021). It is made effective from 01-01-2022 by Noti. No. 39/2021-Central Tax, dt. 21-12-2021. Earlier to substitution it read as under:

"(3) The proper officer detaining or seizing goods or conveyances shall issue a notice specifying the tax and penalty payable and thereafter, pass an order for payment of tax and penalty under clause (a) or clause (b) or clause (c)."

- 4 Substituted for "No tax, interest or penalty" by the Finance Act, 2021 (No. 13 of 2021). It is made effective from 01-01-2022 by Noti. No. 39/2021-Central Tax, dt. 21-12-2021.

- 5 Sub-section (6) substituted by the Finance Act, 2021 (No. 13 of 2021). It is made effective from 01-01-2022 by Noti. No. 39/2021-Central Tax, dt. 21-12-2021. Earlier to omission it read as under:

"(6) Where the person transporting any goods or the owner of the goods fails to pay the amount of tax and penalty as provided in sub-section (1) within ⁴[fourteen days] of such detention or seizure, further proceedings shall be initiated in accordance with the provisions of section 130:

Provided that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with passage of time, the said period of ⁴[fourteen days] may be reduced by the proper officer."

A. Earlier substituted for "seven days" by CGST (Amendment) Act, 2018 (No. 31 of 2018). It is made effective from 01-02-2019 by Noti. No. 2/2019-Central Tax, dt. 29-01-2019.

Central Goods & Services Tax Act, 2017

Relevant Forms: GST MOV-01, GST MOV-02, GST MOV-03, GST MOV-04, GST MOV-05, GST MOV-06, GST MOV-07, GST MOV-08, GST MOV-09, GST MOV-10, GST MOV-11, GST DRC-10.
