

The Integrated Goods and Services Tax (Extension to Jammu and Kashmir) Act, 2017

(ACT NO. 27 OF 2017)

[*As on the* 1st *September*, 2026]

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THE INTEGRATED GOODS AND SERVICES TAX (EXTENSION TO JAMMU AND KASHMIR) ACT, 2017

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title and commencement.
2. Extension and amendment of Integrated Goods and Services Tax Act, 2017.
3. Repeal and saving.

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THE INTEGRATED GOODS AND SERVICES TAX (EXTENSION TO JAMMU AND KASHMIR) ACT, 2017

ACT NO. 27 OF 2017

[23rd *August*, 2017.]

An Act to provide for the extension of the Integrated Goods and Services Tax Act, 2017 to the State of Jammu and Kashmir*.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

1. Short title and commencement.—(*1*) This Act may be called the Integrated Goods and Services Tax (Extension to Jammu and Kashmir) Act, 2017.

(*2*) It shall be deemed to have come into force on the 8th day of July, 2017.

2. Extension and amendment of Integrated Goods and Services Tax Act, 2017.—(*1*) The Integrated Goods and Services Tax Act, 2017 (13 of 2017) (hereinafter referred to as the principal Act) and all rules, notifications, schemes and orders made thereunder by the Central Government are hereby extended to, and shall be in force in, the State of Jammu and Kashmir*.

(*2*) With effect from the date of commencement of this Act, in the principal Act, in section 1, in sub-section (*2*), the words "except the State of Jammu and Kashmir*" shall be omitted.

3. Repeal and saving.—(*1*) The Integrated Goods and Services Tax (Extension to Jammu and Kashmir) Ordinance, 2017 (Ord. 4 of 2017) is hereby repealed.

(*2*) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

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*. *Vide* notification No. S.O. 3912(E), dated 30th October, 2019, this Act is made applicable to the Union territory of Jammu and Kashmir and the Union territory of Ladakh.

STATEMENT OF OBJECTS AND REASONS

The Integrated Goods and Services Tax Act, 2017 (IGST Act) was enacted with a view to make a provision for levy and collection of tax on inter-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto.

2. Sub-section (*2*) of section 1 of the IGST Act provides that the said Act extends to the whole of India except the State of Jammu and Kashmir.

3. On 5th July, 2017, the Legislative Assembly of the State of Jammu and Kashmir passed a resolution adapting the Constitution (One Hundred and First Amendment) Act, 2016. Consequently on 6th July, 2017, the Constitution (Application to Jammu and Kashmir) Amendment Order, 2017 was issued by the President extending the provisions of the Constitution (One Hundred and First Amendment) Act, 2016 to the State of Jammu and Kashmir.

4. The State of Jammu and Kashmir passed the Jammu and Kashmir Goods and Services Tax Act, 2017 which came into force on 8th July, 2017 and the integrated tax levied under the IGST Act had to be imposed on inter-State supplies in the State to avoid any anomalous situation that may go against the very spirit of the goods and services tax.

5. In view of the above, it had become necessary to extend the provisions of the IGST Act to the State of Jammu and Kashmir by amending sub-section (*2*) of section 1 of the said Act omitting the words "except the State of Jammu and Kashmir".

6. As Parliament was not in session and an urgent legislation was required to be made, the President promulgated the Integrated Goods and Services Tax (Extension to Jammu and Kashmir) Ordinance, 2017 (Ord. 4 of 2017) on the 8th day of July, 2017.

7. The Bill seeks to replace the aforesaid Ordinance.

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ARUN JAITLEY.

NEW DELHI;
The 24*th July,* 2017.