# Non-resident taxable person in GST

##### Introduction

“Non-resident taxable person” means any person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India.

A non-resident taxable person making taxable supply in India has to compulsorily take registration. There is no threshold limit for registration. A non-resident taxable person cannot exercise the option to pay tax under composition levy. He has to apply for registration at least five days prior to commencing his business in India using a valid passport (and need not have a PAN number in India). A business entity incorporated or established outside India, has to submit the application for registration along with its tax identification number or unique number on the basis of which the entity is identified by the Government of that country or its Permanent Account Number, if available. A non-resident taxable person has to make an advance deposit of tax in an amount equivalent to his estimated tax liability for the period for which the registration is sought.

**Registration**: A non-resident taxable person is not required to apply in normal application for registration being filed by other taxpayers. A simplified form GST REG-09 is required to be filled. A non-resident taxable person has to electronically submit an application, along with aselfattested copy of his valid passport, for registration, duly signed or verified through EVC, in FORM GST REG-09, at least five days prior to the commencement of business at the Common Portal either directly or through a Facilitation Centre notified by the Commissioner.

In case the non-resident taxable person is a business entity incorporated or established outside India, the application for registration shall be submitted along with its tax identification number or unique number on the basis of which the entity is identified by the Government of that country or its PAN, if available.

The application for registration made by a non-resident taxable person has to be signed by his authorized signatory who shall be a person resident in India having a valid PAN. On successful verification of PAN, mobile number and e-mail address the person applying for registration as a non-resident taxable person will be given a temporary reference number by the Common Portal for making the mandatory advance deposit of tax for an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought. The registration certificate shall be issued electronically only after the said deposit appears in his electronic cash ledger. The amount deposited shall be credited to the electronic cash ledger of the Non-resident person.

The non-resident taxable person can make taxable supplies only after the issuance of the certificate of registration. The certificate of registration shall be valid for the period specified in the application for registration or ninety days from the effective date of registration, whichever is earlier.

In case the non-resident taxable person intends to extend the period of registration indicated in his application of registration, an application in FORM GST REG-11 shall be submitted electronically through the Common Portal, either directly or through a Facilitation Centre notified by the Commissioner, before the end of the validity of registration granted to him. The validity period of ninety days can be extended by a further period not exceeding ninety days. The extension will be allowed only on payment of the amount of an additional amount of tax equivalent to the estimated tax liability for the period for which the extension.

**Input Tax Credit**: Input tax credit shall not be available in respect of goods or services or both received by a nonresident taxable person except on goods imported by him. The taxes paid by a non-resident taxable person shall be available as credit to the respective recipients.

**Returns**: The non-resident taxable person shall furnish a return in FORM GSTR-5 electronically through the Common Portal, either directly or through a Facilitation Centre notified by the Commissioner, including therein the details of outward supplies and inward supplies and shall pay the tax, interest, penalty, fees or any other amount payable under the Act or these rules within twenty days after the end of a calendar month or within seven days after the last day of the validity period of registration, whichever is earlier.

**Refund:** The amount of advance tax deposited by a non-resident taxable person at the time of initial registration/ extension of registration, will be refunded only after the person has furnished all the returns required in respect of the entire period for which the certificate of registration granted to him had remained in force. Refund can be applied in the serial no. 13 of the FORM GSTR -5.

**Non-Resident Taxable Person under GST**

### **Introduction**

Under the Goods and Services Tax (GST) regime, a Non-Resident Taxable Person (NRTP) is defined as any individual or entity who occasionally undertakes transactions involving the supply of goods or services or both in India, whether as a principal, agent, or in any other capacity, but who does not have a fixed place of business or residence in India. This provision is especially relevant to foreign businesses or individuals conducting limited-term or event-based transactions within the Indian Territory.

### **Compulsory Registration**

Unlike domestic suppliers, a non-resident taxable person is mandatorily required to obtain GST registration irrespective of turnover. There is no exemption threshold applicable to such persons. Further:

* NRTPs are **not eligible for the Composition Scheme**.
* Registration must be obtained **at least five days prior** to the commencement of business in India.
* The application can be submitted using a **valid passport** in case of individuals, or a **Tax Identification Number (TIN)/unique ID number** issued by the foreign government, or **Permanent Account Number (PAN)**, if available, for entities.
* A mandatory **advance tax deposit** equal to the estimated tax liability for the registration period is required prior to approval.

### **Procedure for Registration**

Registration is to be completed via **Form GST REG-09**, a simplified electronic form specific to NRTPs. The key procedural steps include:

* Submission of **self-attested passport copy** (in case of individuals) or foreign registration proof (for entities).
* Appointment of an **authorized signatory** who must be a resident of India with a valid PAN.
* Upon successful verification of PAN, email, and mobile number, a **Temporary Reference Number (TRN)** is issued to facilitate the advance tax deposit.
* **Registration certificate** is granted only upon credit of the tax deposit into the electronic cash ledger.

### **Validity and Extension of Registration**

The registration certificate is valid for:

* The period specified in the application, or
* **90 days** from the effective date of registration,  
  whichever is earlier.

Extension of registration can be sought using **Form GST REG-11**, submitted **before expiry** of the initial validity. An additional tax deposit proportionate to the extended period must be made. The extension period shall **not exceed 90 days** beyond the initial period.

### **Input Tax Credit (ITC)**

The availability of Input Tax Credit for a non-resident taxable person is limited:

* **ITC is not available** on goods or services procured locally in India.
* **ITC is allowed only on goods imported** by the NRTP.
* The taxes paid by the NRTP are available as credit to the **Indian recipients**, provided all other conditions are met.

### **Returns Filing Obligations**

An NRTP must file **Form GSTR-5** through the GST Common Portal. Key timelines include:

* **Within 20 days** after the end of a calendar month, or
* **Within 7 days** after the expiry of the registration period,  
  whichever is earlier.

The return should disclose both **outward and inward supplies**, along with the **payment of tax, interest, penalties, and any other dues** under the GST law.

### **Refund Mechanism**

Any **unutilized balance** of the advance tax deposit remaining in the electronic cash ledger at the end of the validity period is eligible for **refund**, subject to the condition that:

* All applicable returns under GSTR-5 for the entire period have been duly filed.
* Refund application is to be submitted under **serial no. 13 of GSTR-5**.

### **Conclusion**

The provisions for Non-Resident Taxable Persons under GST aim to ensure tax compliance by foreign entities and individuals operating temporarily in India. By mandating advance tax deposits, disallowing ITC except on imports, and prescribing strict return-filing timelines, the framework seeks to balance ease of doing business with revenue protection for the government.