CGST Circular 255/2026: Who Owns Your GST Case After a Jurisdiction Change

A S Banka Advisors Private Limited advisory. What founders and finance teams must know when a Principal Place of Business shift moves a live GST proceeding from one office to another.

CBIC CIRCULAR NO. 255/01/2026-GST

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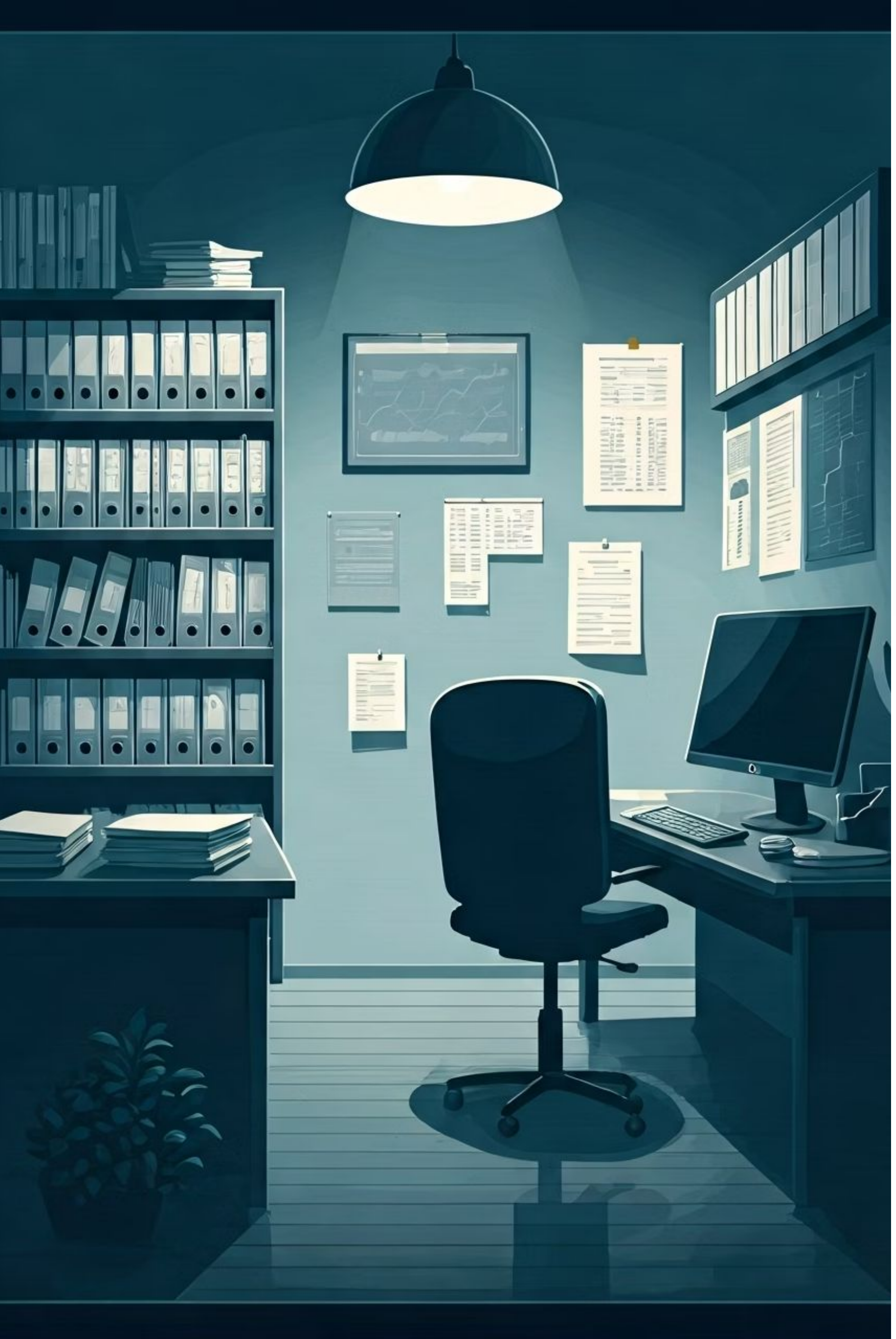

What Circular 255/2026 Actually Settles

On 25 June 2026, CBIC issued Circular No. 255/01/2026-GST (File No. CBIC-20010/11/2026-GST). It answers a question that used to trigger real litigation: when a taxpayer shifts its Principal Place of Business and migrates from one GST jurisdiction to another, what happens to the show cause notices, audits and appeals already running?

The clean answer: **continuity**. A jurisdiction change neither wipes out a pending proceeding nor lets the old officer keep acting. It is a clarificatory circular on existing law, not an amendment to the CGST Act.

> **Key fact:** Migration is a transfer of administrative control over a continuing case, not a reset button.

The Three Operative Rules

1

Prior Proceedings Stay Valid

Any investigation, audit, show cause notice under Section 73 or 74, adjudication order, review or appeal validly initiated by the old (transferor) authority before migration remains legally valid despite the transfer.

2

The New Officer Takes Over

Once migration takes effect, the transferee jurisdictional authority handles every future stage: your reply, personal hearing, adjudication order, recovery and appellate litigation, from the stage the case stood at on the migration date.

3

The Old Officer Cannot Restart

If a fresh issue surfaces after migration, the transferor authority must not initiate new proceedings. It must pass the information to the transferee authority, which alone is competent to act.

Transferor vs Transferee: Who Does What

Transferor (Old) Authority	Transferee (New) Authority
Keeps: Nothing going forward.	**Owns:** Every future stage of the pending proceeding.
Prior validly issued notices and orders remain valid.	Continues from the exact stage the case stood at on migration.
Cannot start fresh proceedings after migration.	Passes the adjudication order, runs recovery, defends the appeal.
Duty: hand over the file and communicate any new issue to the new office.	Is the only office competent to initiate further action.

The legal logic: Proper officers are cross-empowered under the CGST Act, and a proceeding is not void merely because the officer exercising jurisdiction changes.

Who This Affects

Businesses That Relocated or Restructured

A pending SCN, audit or appeal survives the move. Do not assume a migration killed a notice.

Taxpayers With Ongoing GST Litigation

Track which office is now competent. Replies, hearings and appeals go to and come from the new jurisdiction.

CAs and GST Practitioners

A clear rule to advise on. Continuity is preserved; a procedural objection based purely on migration is unlikely to succeed.

Founders Scaling Across States

Office moves, new registrations and restructurings all trigger this. Map jurisdiction before the shift, not after a notice lands.

The Migration Defence Is Now Dead

For years, a common tactic was to argue that once you migrated, the old officer's notice had lapsed because that officer no longer had jurisdiction over you. Circular 255/2026 closes that door.

The Notice Does Not Lapse

The order does not become void. The only thing that changes is the office handling the case.

Objection Unlikely to Hold

A jurisdiction-based objection that a notice expired on migration is now very unlikely to succeed before any authority.

The Strategic Shift

Stop arguing the procedure, start arguing the merits. Spend your effort on the substance of the case, not on a technical escape hatch that no longer exists.

Your Action Checklist

01

Map Your Live Proceedings

List every pending notice, audit, adjudication or appeal with its issuing authority and your current jurisdiction. Flag any mismatch.

02

Confirm the Competent Authority

For any migrated case, the new jurisdiction is now competent. Direct all replies, submissions and hearing attendance there.

03

Drop the Migration Defence

Argue the merits, not the jurisdiction change.

04

Watch the Handover

A fresh notice from the old officer after migration is contrary to the circular. Flag it immediately.

05

Keep Registration Current

Update your Principal Place of Business promptly so records reflect the correct jurisdiction and you are not caught between two offices.

The Bottom Line

CGST Circular 255/2026 trades a litigation grey area for clean certainty. A jurisdiction change will not rescue you from a properly issued notice, and it will not leave you exposed to two officers acting at once. Continuity passes to the new authority; the old authority steps back.

> Cite it as: **CBIC Circular No. 255/01/2026-GST, dated 25 June 2026.** Read the full text on the CBIC GST portal before relying on it in a submission.

Caught between an old and a new GST jurisdiction on a live notice or appeal? Book a quick call: **calendly.com/asbanka-info/30min**

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