

GST Update

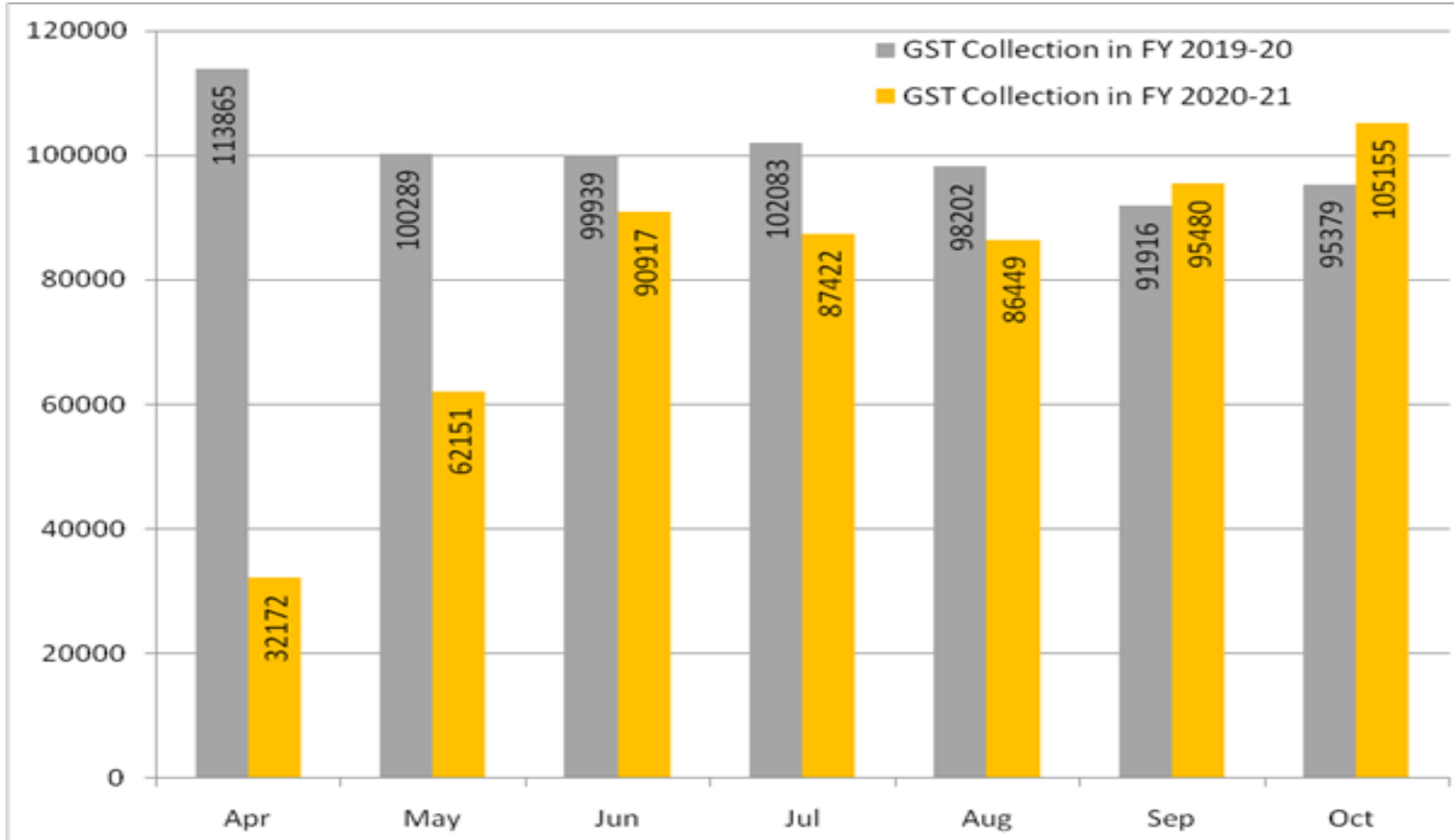
Weekly Update
14.11.2020

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 17.10.2020. It supplements the earlier GST Updates. No updates were issued on 24.10.20, 31.10.20 and 07.11.2020
- This presentation is based on CGST Act/Rules/ Notifications, except the provisions related solely to SGST provisions. Similar parallel provisions in State Laws may be referred to as required

GST Revenue for October 2020

- <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=1669239>
- The gross GST revenue collected in the month of October 2020 is ₹ 1,05,155 crore of which CGST is ₹ 19,193 crore, SGST is ₹ 25,411 crore, IGST is ₹ 52,540 crore (including ₹ 23375 crore collected on import of goods) and Cess is ₹ 8,011 crore (including ₹ 932 crore collected on import of goods).
- The revenues for the month are 10% higher than the GST revenues in the same month last year. During the month, revenues from import of goods was 9% higher and the revenues from domestic transaction (including import of services) are 11% higher than the revenues from these sources during the same month last year.

GST Revenue for October 2020 (Contd)



Due Date for GSTR-9/9C for FY 2018- 19



- **Notification No. 80 /2020 – Central Tax dated 28th October 2020**
- Amends notification no. 41/2020-Central Tax dated 05.05.2020
- Extends due date of return under Section 44 (FORM GSTR 9/9C for FY 2018-19) till 31.12.2020.

Due Date for GST ITC-04

- **Notification No. 87/2020 – Central Tax dated 10th November 2020**
- The time limit for furnishing the declaration in FORM GST ITC-04, in respect of goods dispatched to a job worker or received from a job worker, during the period from July, 2020 to September, 2020
- Extended till 30th November, 2020

Due Date for GSTR-1

- **Notification No. 83/2020 – Central Tax dated 10th November 2020**
- The time limit for furnishing the details of outward supplies in FORM GSTR-1 of the CGST Rules, 2017, for each of the tax periods
 - Extended till 11th day of the month succeeding such tax period
- The time limit for furnishing the details of outward supplies in FORM GSTR-1 of the CGST Rules, 2017 for the class of registered persons required to furnish quarterly return under proviso to section 39(1) of the CGST Act, 2017
 - Extended till 13th of the month succeeding such tax period.

- **Notification No. 88/2020 – Central Tax dated 10th November 2020**
- E-Invoicing in terms of rule 48(4) of the CGST Rules, 2017 in respect of supply of goods or services or both to a registered person (B2B) made mandatory for registered persons with aggregate turnover exceeding Rs. 100 crore w.e.f
- 1st January 2020

Quarterly Return Monthly Payment (QRMP) Scheme

Notifications No. 81, 82, 84 & 85/2020 – Central Tax, all dated 10.11.2020; Circular No. 143/13/2020- GST dated 10th November 2020

Eligibility

- Registered person having aggregate turnover up to five (5) crore rupees allowed to furnish return on quarterly basis along with monthly payment of tax, with effect from 01.01.2021
- The aggregate annual turnover for the preceding financial year shall be calculated in the common portal taking into account the details furnished in the returns by the taxpayer for the tax periods in the preceding financial year.
- In case the aggregate turnover exceeds 5 crore rupees during any quarter in the current financial year, the registered person shall not be eligible for the Scheme from the next quarter.

- Rule 61A of the CGST Rules, 2017,
 - A registered person can opt in for any quarter from first day of second month of preceding quarter to the last day of the first month of the quarter.
 - The registered person must have furnished the last return, as due on the date of exercising such option.
- *Example: A registered person intending to avail of the Scheme for the quarter 'July to September' can exercise his option during 1st of May to 31st of July. If he is exercising his option on 27th July for the quarter (July to September), in such case, he must have furnished the return for the month of June which was due on 22/24th July.*

- The option to avail the QRMP Scheme is GSTIN wise and therefore, distinct persons as defined in Section 25 of the CGST Act (different GSTINs on same PAN) have the option to avail the QRMP Scheme for one or more GSTINs. In other words, some GSTINs for that PAN can opt for the QRMP Scheme and remaining GSTINs may not opt for the Scheme.
- In case the aggregate turnover exceeds 5 crore rupees during any quarter in the current financial year, the registered person shall not be eligible for the Scheme from the next quarter.
- All persons who have obtained registration during any quarter or the registered persons opting out from paying tax under Section 10 of the CGST Act during any quarter shall be able to opt for the Scheme.

Default Migration

- For the first quarter of the Scheme i.e. January, 2021 to March, 2021, all registered persons, whose aggregate turnover for the FY 2019-20 is up to 5 crore rupees and who have furnished the return in FORM GSTR-3B for the month of October, 2020 by 30th November, 2020, shall be migrated on the common portal.
- Such registered persons may change option, if they so desire, from 5th of December, 2020 to 31st of January, 2021.
- The taxpayers who have not filed their return for October, 2020 on or before 30th November, 2020 will not be migrated to the Scheme. They will be able to opt for the Scheme once the FORM GSTR-3B as due on the date of exercising option has been filed.

Furnishing of GSTR-1

- The registered persons opting for the Scheme would be required to furnish the details of outward supply in FORM GSTR-1 quarterly as per rule 59 of the CGST Rules, 2017.
- **Invoice Furnishing Facility- IFF:** For each of the first and second months of a quarter, a registered person will have the facility to furnish the details of such outward supplies to a registered person, as he may consider necessary, between 1st to 13th day of succeeding month. Facility is optional.
- **Purpose:** Such supplies are duly reflected in the FORM GSTR-2A / 2B of the concerned recipient; To enable recipient to take ITC
- After 13th of month, this facility for previous month not available.
- The said details of outward supplies shall, however, not exceed the value of fifty lakh rupees in each month.

Monthly payment for quarterly taxpayer

- The registered person under the QRMP Scheme to pay the tax due in each of the first two months of the quarter by depositing the due amount in FORM GST PMT-06, by the 25th of the month succeeding such month.
- The said person can use any of the following two options provided below for monthly payment of tax during the first two months:
- **Fixed Sum Method:** An amount equal to **35%** of the tax paid in cash in the preceding quarter where the return was furnished quarterly; or equal to the tax paid in cash in the last month of the immediately preceding quarter where the return was furnished monthly.

Monthly payment for quarterly taxpayer (Contd)

- **Self-Assessment Method:** The said persons, in any case, can pay the tax due by considering the tax liability on inward and outward supplies and the input tax credit available, in FORM GST PMT-06. In order to facilitate ascertainment of the ITC available for the month, an auto-drafted input tax credit statement has been made available in FORM GSTR2B, for every month.
- In case the balance in the electronic cash ledger and/or electronic credit ledger is adequate for the tax due for a month of the quarter or where there is nil tax liability, the registered person may not deposit any amount for the said month.

Quarterly filing of FORM GSTR-3B

- FORM GSTR-3B, for each quarter, to be filed on or before 22nd or 24th of the month succeeding such quarter.
- The amount deposited by the registered person in the first two months shall be debited solely for the purposes of offsetting the liability furnished in that quarter's FORM GSTR-3B. However, any amount left after filing of that quarter's FORM GSTR-3B may either be claimed as refund or may be used for any other purpose in subsequent quarters.
- In case of cancellation of registration of such person during any of the first two months of the quarter, he is still required to furnish return in FORM GSTR-3B for the relevant tax period

Quarterly filing of FORM GSTR-3B (Contd)

Taxpayers having aggregate turnover (PAN based) up to Rs. 5 crore in the previous financial year and having principal place of business in the State/ UT of	Due date of filing of Form GSTR 3B, from October 2020 till March 2021
States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana and Andhra Pradesh , the Union territories of Daman and Diu, Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep	22 nd day of the following month
States of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand and Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi	24 th day of the following month

Applicability of Interest

- No interest would be payable in case the tax due is paid in the first two months of the quarter by way of depositing auto-calculated fixed sum amount by opting fixed sum method.
- In case such payment of tax by depositing the system calculated amount in FORM GST PMT-06 is not done by due date, interest would be payable at the applicable rate, from the due date of furnishing FORM GST PMT-06 till the date of making such payment.
- Further, in case FORM GSTR-3B for the quarter is furnished beyond the due date, interest would be payable as per the provisions of Section 50 of the CGST Act for the tax liability net of ITC.

Applicability of Late Fee

- Late fee is applicable for delay in furnishing of return / details of outward supply as per the provision of Section 47 of the CGST Act.
- As per the Scheme, the requirement to furnish the return under the proviso to Section 39(1) of the CGST Act is quarterly.
- Accordingly, late fee would be the applicable for delay in furnishing of the said quarterly return / details of outward supply. It is clarified that no late fee is applicable for delay in payment of tax in first two months of the quarter.



GST Portal Updates

Auto-populated Form GSTR 3B

- GSTN has introduced auto-populated Form GSTR-3B in PDF format, for benefit of the taxpayers. The auto-populated PDF of Form GSTR-3B will consist of:-
 - Liabilities in Table 3.1(a, b, c and e) and Table 3.2 from Form GSTR-1
 - Liability in Table 3.1(d) and Input Tax Credit (ITC) in Table 4 from auto-drafted ITC Statement from Form GSTR-2B.
- This facility is made available in Form GSTR 3B dashboard from October 2020 tax period onwards.
- This facility will become available for taxpayers who are registered as Normal taxpayer, SEZ Developer, SEZ unit and casual taxpayer.
- The system generated PDF will be made available on GSTR-3B dashboard. Taxpayers will be able to access their Form GSTR-3B (PDF) through: **Login to GST Portal > Returns Dashboard > Select Return period > GSTR-3B> System Generated 3B.**

Auto-population of e-invoice details into GSTR-1

- Upon successful generation of IRN, details of e-invoices will be auto-populated in respective tables of GSTR-1. Details of e-invoices can be downloaded as excel file.
- For October 2020, the e-invoice details would be processed incrementally from 13th November 2020. The processing of details of e-invoices/IRNs generated till 31st October 2020 is expected to take up to 10 days.
- The processing of documents, dated in October 2020, has no effect on filing of GSTR-1 for October. The taxpayers are advised not to wait for auto-population but file GSTR-1 for October, on their own (if not filed already).
- Taxpayers are requested to verify the documents present in excel and may share feedback on [GST Self Service Portal](#) , on below aspects:
 - All documents reported to IRP are present in excel
 - Status of each e-invoice/IRN is correct
 - All the details of document are populated correctly
- For November 2020, e-invoices generated will be auto-populated into GSTR-1 in incremental manner and the process for whole month will be completed by 2nd Dec 2020 (i.e. on T+2 basis).



THANK YOU