

Payment of Taxes

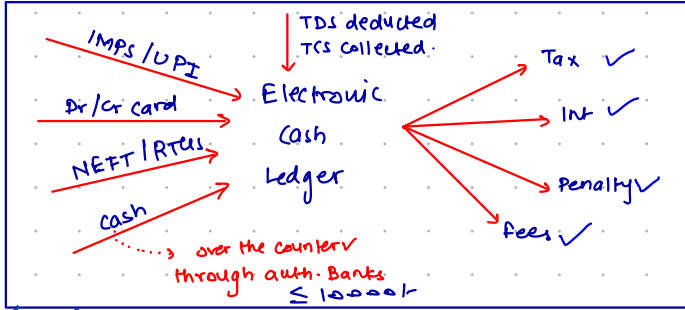


AMIT MAHAJAN



#1 Electronic Cash Ledger

Summary of all cash payments.



Note: Limit of ₹10000 is not applicable when such dep is made by Govt Dept.

#2 Payment by challan Read

CPIN → Common Portal Identification No.
 ✓ → 14 Digit unique no. → Issued at the time of generating GST Tax challan
 → valid for 15 days.

CIN → Challan Identification No.
 → Generated by Banks after receipt of ₹
 → 18 digit
 ↳ 14 Digit → CPIN
 ↳ 4 Digit → Bank Code

BRN → Bank Reference No.
 → Given by Bank
 → For payment against challan.



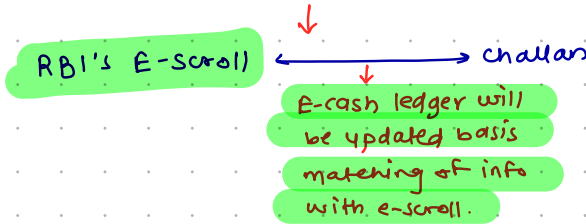
E-FPB → Electronic Focal Point Branch.
 → Branches of Authorized Banks.
 → which are authorized to collect payment
 → Each auth. Bank will nominate only 1 Branch as E-FPB (PAN India)

Are manual/Physical challan allowed? No

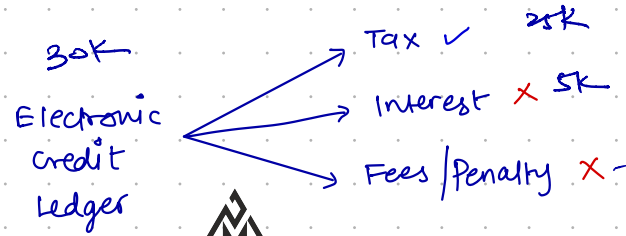
1 single challan is sufficient for Taxes, Fees, Penalties, Interest.

E-Challan Validity → 15 Days.

At the time of making a payment, sometimes amt gets deducted but CIN does not get generated



#3 Electronic Credit Ledger



Minor Head	Tax	Int.	Penalty	Fee	Others
Major Head					
IGST	xxx				
SAST/UTGST					
CST					
Cess					

* Can you transfer the balance from

IGST (Tax) → CGST (Fee)!

Yes ✓ → GST PMT-09

ANY combination



Balance in Elec. cash ledger can be transferred to another Deemed Distinct Person



IF Mumbai office wants to transfer the funds, there should not be any of tax liability of Mumbai office.



#4 Interest on delayed payment [Sec 50]

18% p.a.

#5

Mr. Amit did not file GSTR-3B for the month of July 2023.

He filed the same on 26 Sept 2023 with tax liability of ₹10,000.

He had ₹4000 ITC available in his Elec. cr. ledger & thus paid the remaining amt of ₹6000 in cash.

→ Delay : 31 days

→ Int → ₹6000 × 18% × 31/365 = ₹92/-



This benefit of calculating Int on Gross Net amt is available only when the return is also filed on delayed basis.

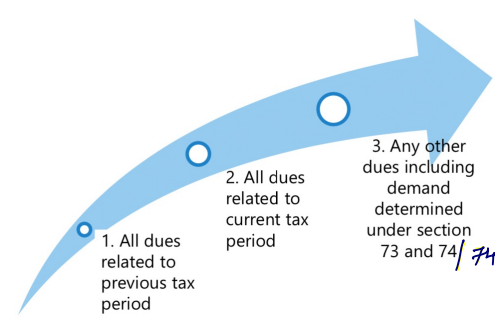
In other words, if return is filed on time & payment has not been made, then int would be computed on Gross

#6 Electronic Liability Register

Tax liab → June → 1000/- (2)
 Int → June → 200/-
 Tax liab → May → 400/- (1)
 Int → May → 100/- (2)
 SCN → 74A → 100

₹1500 El. cash led.

- All dues related to previous tax period
- All dues related to current tax period
- Any other dues including demand determined under section 73 and 74/74A.



GSTR-3B → Delayed basis.

Payment → Delayed basis.

Liab of → July 2024.

Due Date → 20/8/24. → GSTR-3B → 20/11/24.
→ Payment → 20/11/24.

Liab of July → ₹1,00,000.

ITC → ₹40,000

$$\text{Int} = \frac{\cancel{₹1,00,000} \times 18\% \times \frac{92}{365}}{60,000} = \boxed{₹2722/-}$$

GSTR-3B → within due date ✓

Payment → Delayed basis.

Liab of → July 2024.

Due Date → 20/8/24. → GSTR-3B → 18/8/24.
→ Payment → 20/11/24.

Liab → ₹1,00,000

ITC → ₹40,000

$$\text{Int} = ₹1,00,000 \times 18\% \times \frac{92}{365} = \boxed{₹4537/-}$$

Interest not applicable where balance is available in E Cash Ledger

Interest will not apply on the amount which is lying in E-cash Ledger on or before the due date for filing the return from the due date till the date of debit at the time of filing the return.

April Outward Tax (-) ITC = GST Liability

Rs 50,000 (-) Rs 30,000 = Rs 20,000

Due date of payment & Return → 20 May 2025

Return filed on 22 May ✓

E-cash balance → Rs 30,000

Late Fee ✓

Interest x

Month	op ITC	Eligible ITC	ITC availed wrongly	Total	Output Liability	Cl bal of ITC	Int on
Sept	-	6,00,000	50,000	6,50,000	6,00,000	50,000	No Interest
Oct	50,000	3,00,000	-	3,50,000	2,70,000	80,000	No Interest
Nov	80,000	50,000	-	1,30,000	1,20,000	10,000	Interest on 40,000