



CHAPTER 12

PAYMENT OF GST

**CHAPTER OVERVIEW**

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49	Payment of tax, interest, penalty and other amounts
50	Interest on delayed payment of tax

RULES	TOPIC
85	Electronic liability register
86	Electronic credit ledger
87	Electronic cash ledger
88	Identification number for each transaction



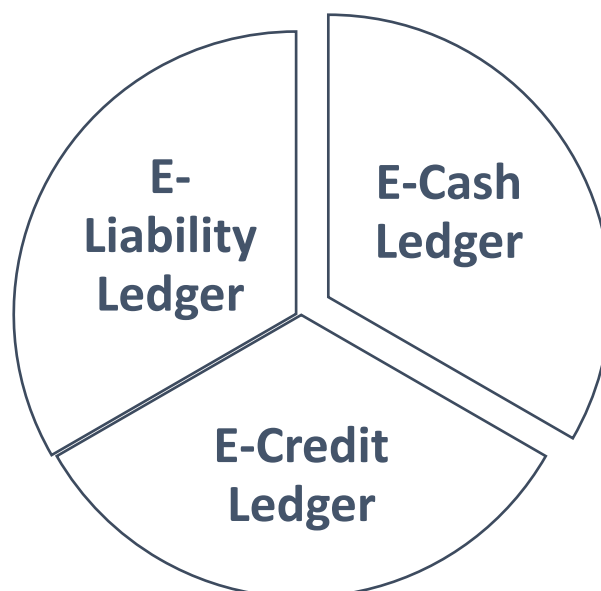
PAYMENT OF GST [SECTION 49 – 53]

TYPES OF TAX PAID UNDER GST

TYPES OF TAX	WHOM PAID
CGST	CENTRAL GOVERNMENT
SGST	CONCERNED STATE GOVERNMENT
IGST (consist of CGST and SGST)	CENTRAL GOVERNMENT (subsequently apportioned to STATE GOVERNMENT)
Tax Deducted at Source (TDS) & Tax Collected at Source (TCS)	Both Central Government and State Government
Interest, Penalty, Fees and any charges	Both Central Government and State Government

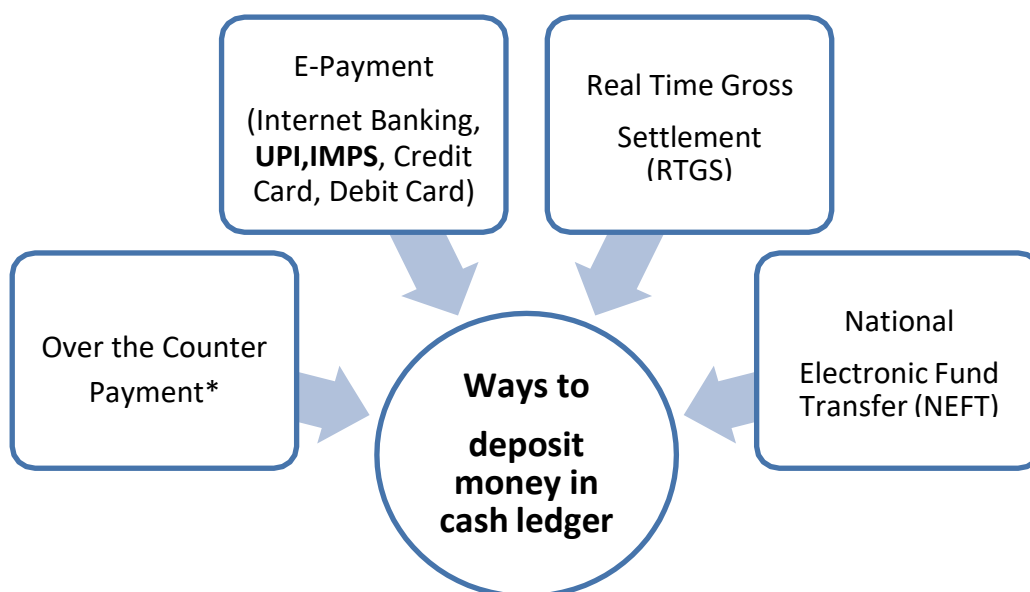
KINDS OF ELECTRONIC LEDGERS UNDER GST

Under GST regime, all the taxpayers will get **3 electronic ledgers** namely



**E-CASH LEDGER [Section 49(1) & (3)] / Rule 87]**

It contains a summary of all the deposits/payments made by a taxpayer and maintained in **Form GST PMT-05** for each person liable to pay tax, interest, penalty, fee or any other amount for **crediting** the amount deposited and **debiting** the amount of payment towards tax, interest, penalty, fee or any other amount.

Modes of payment of tax

**Over the Counter Payment can be made in branches of Banks Authorized for deposits up to ₹ 10,000 per challan per tax period, by cash, cheque or demand draft).*

Who can make payments by mode of Over the Counter “without any limit”?

Proper officer or any other officer authorized

- a) to collect the amount by way of cash/cheque/demand draft during any investigation/enforcement activity /any ad hoc deposit.
- b) to recover outstanding dues including attachment proceedings or sale of moveable/ immoveable properties

Government Departments and persons notified by commissioner.



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Manner of payment through challan in Form GST PMT-06

Common Portal Identification Number [CPIN]

- (i) Created for every Challan in **Form GST PMT 06** successfully generated by taxpayer.
- (ii) 14-digit unique number to identify the challan.
- (iii) CPIN remains valid for a period of 15 days.

Challan Identification Number [CIN]

- (i) Generated by banks, once payment in lieu of a generated Challan is successful.
- (ii) 17-digit number that is 14-digit CPIN plus 3-digit Bank Code.
- (iii) It is an indication that payment has been realized and credited to appropriate government account. CIN is communicated by authorized bank to taxpayer as well as to GSTN.

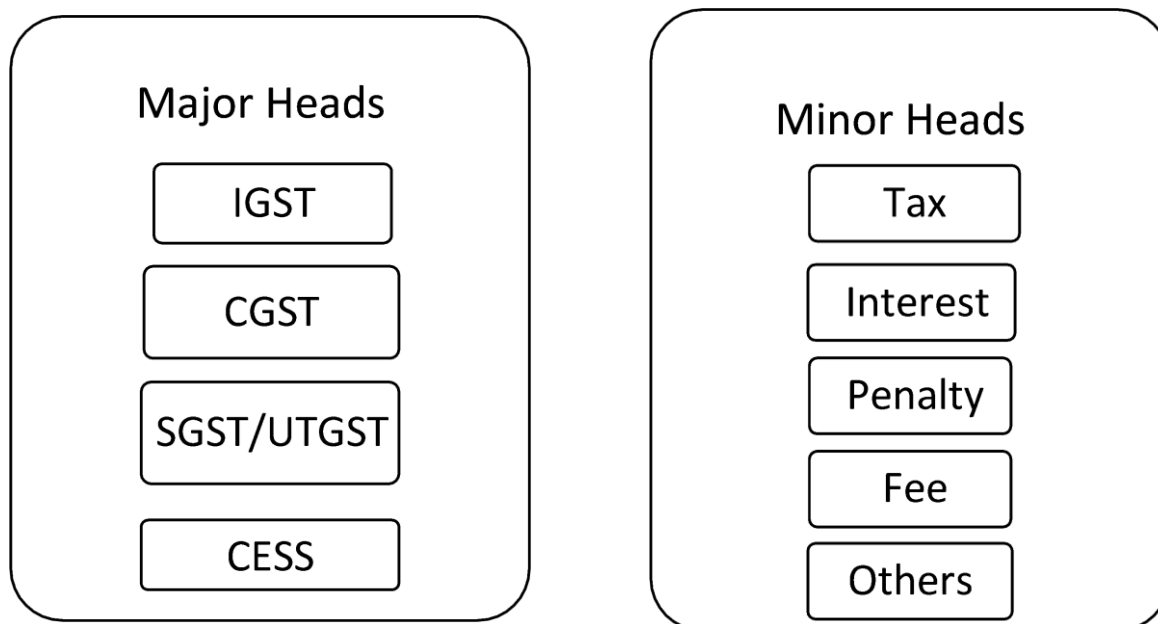
Bank Reference Number (BRN) is the transaction number given by bank for a payment against a Challan

Electronic Focal Point Branch [E-FPB]

- (i) These are branches of authorized banks which are authorized to collect payment of GST.
- (ii) Each authorized bank will nominate **only one branch** as its E-FPB for Pan India transaction.
- (iii) The E-FPB will have to open accounts under **each major head** for all governments. Any amount received by such E-FPB towards GST will be credited to appropriate account held by such E-FPB.
- (iv) For NEFT/RTGS Transactions - RBI will act as E-FPB.

Manual or physical Challans are NOT ALLOWED under GST regime. It is mandatory to generate Challans ONLINE on GST Portal

Single Challan prescribed for all taxes, fees, penalty, interest, and other payments made under GST regime

**MANNER OF UTILIZATION OF CREDITS IN ELECTRONIC CASH LEDGER [SECTION 49(3)]**

Information is kept minor head-wise for each major head.

Transfer of funds in E-cash ledger [Section 49(9) and 49(10) substituted vide Finance Act 2022]

A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for

- (a) IGST, CGST, SGST, UTGST or cess, or
- (b) **IGST or CGST of a distinct person as specified in Section 25(4) and 25(5), [Inserted vide Finance Act 2022]**

in **Form GST PMT 09** and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act.

Provided that no such transfer under clause (b) shall be allowed if the said registered person has any unpaid liability in his electronic liability register. [Inserted vide Finance Act 2022]

Where any amount has been transferred to the electronic cash ledger under this Act, the same **shall be deemed to be deposited in the said ledger** as provided in Section 49(1).

This Form **PMT 09** can be used either for

- (i) transfer of erroneous deposits under any minor head of a major head to any other minor head of same or other major heads or
- (ii) for any of the amounts already lying unutilised under any of the minor heads in Electronic Cash ledger.

For instance, a registered person has deposited a sum of ₹ 1,000 under the head of “Interest” column of CGST & ₹ 1,000 under the head of “Interest” column of SGST, instead of the head “Fee”.



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Such amount can be transferred using Form GST PMT-09 for making a transfer to the head "Fee". The said transfer is required using the above Form, because when the registered person has to make the remittance of Tax/Interest/Penalty/ Fee/ Other amount at a stage "Offset Liabilities" in any of the GST Returns/ Forms for Tax payments through Electronic Cash Ledger, adequate amount should be available under the respective head of account.

Illustration

M/s. Daksha Enterprises has made a cash deposit of ₹ 10,000 under minor head 'tax' of major head 'SGST'. It has a liability of ₹ 2,000 for minor head "Interest" under the major head "SGST".

State whether M/s. Daksha Enterprises can utilise the amount available for payment of interest.

Solution:

The Registered person is allowed to transfer the amount available under any minor head of a major head to any of the minor head of the same or other major head as per Section 49(10) of the CGST Act vide Form PMT-09.

Therefore, in the given case, amount of ₹ 10,000 available under minor head 'tax' of major head 'SGST' can be utilised for payment of liability of ₹ 2,000 under minor head 'interest' of the same major head, after making a due transfer entry using Form GST PMT-09 from the minor head of 'tax' to 'interest'.

Other points relating to E-cash ledger

- (i) E- challan validity is for 15 days
- (ii) Any unregistered person to make payment on basis of **TEMPORARY IDENTIFICATION NUMBER** generated through common portal
- (iii) Challan Identification Number (CIN) will be generated by collecting bank which will be indicated in challan on successful credit of amount in concerned CG/SG account.
- (iv) Deposit of tax to be credited to Electronic Cash Ledger of the taxable person
- (v) The common portal will generate a **receipt** once the said amount is credited into the electronic cash ledger of the person
- (vi) Date of credit into treasury of the State Government/Central Government is **deemed to be date of deposit** and not the actual date of debit to the amount of the taxable person.
- (vii) TDS deducted and TCS collected claimed by the registered taxable person from whom the said amount was deducted or collected shall be **credited to his electronic cash ledger**.
- (viii) Where a person has claimed **refund** of any amount from the electronic cash ledger, the said amount shall be **debited to the electronic cash ledger**.
- (ix) If the refund so claimed is **rejected**, either fully or partly, the amount debited as above, to the **extent of rejection**, shall be **credited to the electronic cash ledger** by the proper officer by an order made in **FORM GST PMT-03**.



When is refund claim rejected?

The refund shall be deemed to be rejected if the appeal is finally rejected or if the claimant gives an undertaking to the proper officer that he shall not file an appeal.

- (x) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under the Act to the electronic cash ledger for CGST or IGST of a distinct person as specified in Section 25(4) or, as the case may be, Section 25(5), in FORM GST PMT-09. Provided that no such transfer shall be allowed if the said registered person has any unpaid liability in his electronic liability register. [N/N 14/2022 dtd. 05/07/2022]

In case any discrepancy is noticed in electronic cash ledger, registered person shall communicate to the jurisdictional officer, through the common portal in Form GST PMT-04

E-CREDIT LEDGER [Section 49(2) & (4) & (12)] / Rule 86]

It shall be maintained by each registered person who is eligible for **input tax credit** under the Act on the Common Portal and every claim of input tax credit under the Act shall be **credited** to the said Ledger.

Input Tax Credit as “**self-assessed in monthly returns**” will be reflected in the **ITC Ledger**. The credit in this ledger can be used to make payment of “**TAX ONLY**” and not other amounts such as interest, penalty, fees etc.

Self- assessed input tax credit (ITC) by a registered person shall be credited to its Electronic Credit Ledger.

What happens if the taxable person files the return but does not make payment of tax?

- (i) Return is not considered as a valid return.

“**Valid return**” means a return furnished under Section 39(1) on which “**self-assessed tax**” has been paid in **full**.

- (ii) Unless the supplier has **paid entire** self-assessed tax and filed his return and the recipient has filed his return, **the ITC of the recipient would not be confirmed.**

Other Points to remember

- (i) If the refund so filed is rejected, either fully or partly, the amount debited, to the extent of rejection, shall be re-credited to the electronic credit ledger by the proper officer by an order made in **FORM GST PMT-03**.
- (ii) Where a registered person has claimed refund of any amount paid as tax wrongly paid or paid in excess for which debit has been made from the electronic credit ledger, the said amount, if found admissible, shall be re-credited to the electronic credit ledger by the proper officer by an order made in **FORM GST PMT-03**.



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(iii) Where a registered person deposits the amount of erroneous refund sanctioned to him, -

(a) u/s 54(3) of the Act, or

(b) u/r 96(3), in contravention of u/r 96(1),

along with interest and penalty, wherever applicable, through FORM GST DRC-03, by debiting the electronic cash ledger, on his own or on being pointed out, an amount equivalent to the amount of erroneous refund deposited by the registered person shall be re-credited to the electronic credit ledger by the proper officer by an order made in FORM GST PMT-03A

Registered person shall, upon noticing any discrepancy in his electronic credit ledger, communicate the same to the officer exercising jurisdiction in the matter, through Common Portal in FORM GST PMT-04.

Upper limit of utilization of ITC [Section 49(12)]

Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, subject to such conditions and restrictions, specify such maximum proportion of output tax liability under this Act or under the IGST Act, 2017 which may be discharged through the electronic credit ledger by a registered person or a class of registered persons, as may be prescribed.”.

Transfer of ITC [Section 53]

If CGST is utilised to pay towards dues of IGST, there shall be reduction in CGST on such utilisation and the Central Government shall transfer equivalent amount to the credit of IGST account. Thus, in this manner the Central Government shall ensure due credit to IGST.

Such treatment shall be ensured by the Central Government for UTGST and SGST also in respective cases.

It may be noted that equivalent provision is there in **Section 18 of IGST Act, 2017**.

Clarifications regarding utilization of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities

Issue	Clarification
Whether the amount available in the electronic credit ledger can be used for making payment of any tax under the GST Laws	Any payment towards output tax, whether self-assessed in the return or payable as a consequence of any proceeding instituted under the provisions of GST laws, can be made by utilization of the amount available in the electronic credit ledger of a registered person. Further, as output tax does not include tax payable under reverse charge mechanism, implying thereby that the electronic credit ledger cannot be used for making payment of any tax which is payable under reverse charge mechanism.



Whether the amount available in the electronic credit ledger can be used for making payment of any liability other than tax under the GST laws	As per section 49(4), the electronic credit ledger can be used for making payment of output tax only under the CGST Act or the IGST Act. It cannot be used for making payment of any interest, penalty, fees or any other amount payable under the said Acts. Similarly, electronic credit ledger cannot be used for payment of erroneous refund sanctioned to the taxpayer, where such refund was sanctioned in cash.
Whether the amount available in the electronic cash ledger can be used for making payment of any liability under the GST laws	As per section 49(3), the amount available in the electronic cash ledger may be used for making any payment towards tax, interest, penalty, fees or any other amount payable under the provisions of the GST laws.

E-LIABILITY REGISTER [SECTION 49(7), (8) & (9)] / Rule 85

Every registered taxable person is required to record and maintain an electronic liability ledger and all amounts payable will be **debited** in the said register. **It will reflect the total tax liability of a taxpayer (after netting) for the particular month.**

Every taxable person shall discharge his **“tax and other dues”** under this Act or rules made thereunder in the following order, namely:

- (i) self-assessed tax, and other dues related to returns of **“previous tax periods”**;
- (ii) self-assessed tax, and other dues related to the return of the **“current tax period”**;
- (iii) any other amount payable under this Act or the rules made thereunder including the demand determined under section 73 or section 74 [**liability arising out of demand notice**]

“Other dues” means interest, penalty, fee or any other amount payable under the Act or the rules made thereunder. This sequence has to be mandatorily followed.

Registered person shall, upon noticing any discrepancy in his electronic liability ledger, communicate the same to the officer exercising jurisdiction in the matter, through the common portal in **FORM GST PMT-04**.

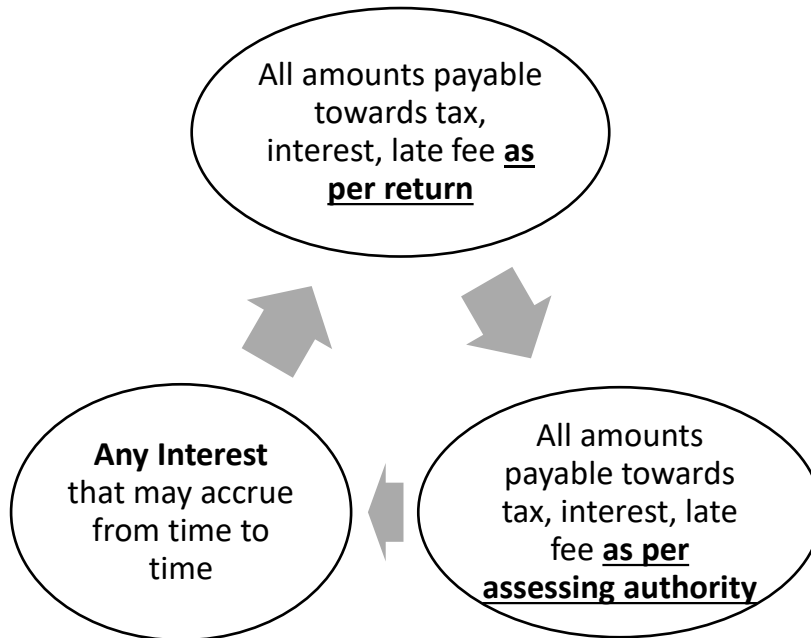
Presumption that incidence of tax is passed on [Section 49(9)]

When a taxable person has paid the GST under the corresponding Act, **the taxable person is deemed to have passed on the incidence of such payment of tax to the recipient of such goods and /or services.** Thus, if tax has been paid under the CGST Act, then the taxable person is deemed to have passed on the incidence of such payment of CGST to the recipient. This is subject to the contrary being proved.



CHAPTER IX OF CGST RULES

(I) DEBIT TO ELECTRONIC LIABILITY REGISTER:



(II) DEBIT TO ELECTRONIC CREDIT/CASH LEDGER

<u>DEBIT</u> to Electronic Credit Ledger <u>CREDIT</u> to Electronic Liability Register	<u>DEBIT</u> to Electronic Cash Ledger <u>CREDIT</u> to Electronic Liability Register
<p>Payment of all the liabilities of a registered person as per his return subject to Section 49.</p>	<p>Payment of all the liabilities of a registered person as per his return subject to Section 49.</p> <ul style="list-style-type: none"> (i) Payment of TDS deducted u/s 51, TCS deducted by e-commerce operator u/s 52, (ii) Amount payable under reverse charge basis, (iii) Amount payable u/s 10, (iv) Amount payable towards payment of interest, penalty, fee or any other amount under the Act.

**Benefits of new payment systems for taxpayer and the Commercial Tax Department**

- (i) No more queues and waiting for making payments as payments can be made online 24 X 7.
- (ii) Instant online receipts for payments made online.
- (iii) Tax Consultants can make payments on behalf of the clients.
- (iv) Single Challan form to be created online, replacing the three or four copy Challan.
- (v) Revenue will come earlier into the Government Treasury as compared to the old system.
- (vi) Greater transparency.
- (vii) Online payments made after 8 pm will be credited to the taxpayer's account on the same day.

INTEREST ON DELAYED PAYMENT OF GST [SECTION 50]

BELEATED PAYMENT OF TAX [SECTION 50(1)]	ITC WRONGLY AVAILED & UTILISED [SECTION 50(3)]
If a taxable person liable to pay tax, fails to pay such tax shall for the period of unpaid tax, is liable to pay, on his own, interest @ 18% p.a.	Where the input tax credit has been wrongly availed and utilised, the registered person shall pay interest on such input tax credit wrongly availed and utilised @ rate not exceeding 24% p.a. and interest shall be calculated in prescribed manner

Maximum rate notified u/s 50(3) is 18%

N/N 13/2017 – Central Tax, dated the 28th June, 2017, is being amended retrospectively, with effect from the 1st day of July, 2017, so as to notify rate of interest under subsection (3) of section 50 of the CGST Act as **18%**.

Period of interest: Date following the due date of payment - Actual date of payment of tax.

Other points to be remembered

- Interest payable under this section shall be **debited to the Electronic Liability Register.**
- The liability for interest can be settled by adjustment with balance in Electronic Cash Ledger **but not with balance in electronic credit ledger**
- The payment of interest in case of belated payment of tax should be made voluntarily i.e. even without a demand.



Levy of interest on tax paid by debiting the electronic cash ledger [Proviso to Section 50(1)]

Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, **shall be payable on that portion of the tax which is paid by debiting the electronic cash ledger.**

Illustration 1

Mr. Alok, a registered supplier of taxable goods, filed GSTR 3B for the month of January, 2020 on 15th April, 2020. The prescribed due date to file the said GSTR 3B was 20th February, 2020. The amount of net GST payable, in Cash i.e. Electronic Cash Ledger on supplies made by him for the said month worked out to be ₹ 36,500 which was paid on 15th April, 2020. Briefly explain the related provisions and compute the amount of interest payable under the CGST Act, 2017 by Mr. Alok. Ignore the effect of leap year, if applicable in this case.

Solution

Interest is payable in case of delayed payment of tax @ 18% per annum from the date following the due date of payment to the actual date of payment of tax.

Thus, the amount of interest payable by Mr. Alok is as under:-

Period of delay = 21st February, 2020 to 15th April, 2020 = 54 days

Hence, amount of interest = ₹ 36,500 x 18% x 54/365 = ₹ 972

Illustration 2

M/s ABC Ltd., have filed their GSTR 3B for the month of July, 2020 within the due date prescribed under Section 39 i.e. 20.08.2020. Post filing of the return, the registered person has noticed during September 2020 that tax dues for the month of July, 2020 have been short paid for ₹ 40,000. M/s ABC Ltd., has paid the above shortfall of ₹ 40,000, through GSTR 3B of September 2020, filed on 20.10.2020 [payment through Cash ledger - ₹ 30,000 and Credit ledger ₹ 10,000]. Examine the Interest payable under the CGST Act, 2017.

What would be your answer if, GSTR 3B for the month of July 2020 has been filed belatedly on 20.10.2020 and the self-assessed tax of ₹ 40,000/- has been paid on 20.10.2020 [payment through electronic cash ledger ₹ 30,000 and electronic credit ledger ₹ 10,000]

Notes:

- There exists adequate balance in Electronic Cash & Credit ledger as on 31.07.2020 for the above short fall
- No other supply has been made nor tax payable for the month of July, 2020 other than ₹ 40,000/- missed out to be paid on forward charge basis
- Ignore the effect of leap year, if applicable in this case.



Solution

Interest is payable u/s 50 of the CGST Act, 2017 in case of delayed payment of tax @ 18% p.a. from the date following the due date of payment to the actual date of payment of tax.

As per proviso to Section 50(1), interest is payable on the net tax liability paid in cash, only if the return to be filed for a tax period u/s 39, has been filed after the due date to furnish such return.

In the above scenario, M/s ABC Ltd., has defaulted in making the payment for ₹ 40,000 on self-assessment basis in the return for the month of July, 2020. Accordingly, interest is payable on the gross liability and proviso of subsection 50(1) shall not be applicable.

Thus, the amount of interest payable by M/s ABC Ltd., is as under:-

Period of delay = 21st August, 2020 to 20th October, 2020 = 60 days

Hence, amount of interest = ₹ 40,000 x 18% x 60/365 = ₹ 1,184

Alternatively, if M/s ABC Ltd., have filed the return for the month of July, 2020 on 20.10.2020, beyond the stipulated due date of 20.08.2020 and if the self-assessed tax for July, 2020 has been paid on 20.10.2020, Interest under proviso to Section 50(1) shall be payable on the tax paid through Electronic Cash Ledger only.

Hence Interest is payable from 21st August 2020 till 20th October 2020 = 60 days

Amount of Interest = ₹ 30,000 x 18% x 60/365 = ₹ 888



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Manner of calculating interest on delayed payment of tax [Rule 88B]

Particulars	Period & Amount
In case, where the supplies made during a tax period are declared by the registered person in the return for the said period and the said return is furnished after the due date in accordance with provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period	Interest on tax payable in respect of such supplies shall be calculated on the portion of tax which is paid by debiting the electronic cash ledger, for the period of delay in filing the said return beyond the due date, at such rate as may be notified u/s 50(1)
In all other cases, where interest is payable in accordance with Section 50(1)	Interest shall be calculated on the amount of tax which remains unpaid, for the period starting from the date on which such tax was due to be paid till the date such tax is paid, at such rate as may be notified u/s 50(1)
In case, where interest is payable on the amount of input tax credit wrongly availed and utilised in accordance with Section 50(3)	Interest shall be calculated on the amount of input tax credit wrongly availed and utilised , for the period starting from the date of utilisation of such wrongly availed input tax credit till the date of reversal of such credit or payment of tax in respect of such amount, at such rate as may be notified u/s 50(3)

Particulars	Meaning
Input tax credit wrongly availed shall be construed to have been utilized	The balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, and the extent of such utilisation of input tax credit shall be the amount by which the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed
Date of utilisation of such input tax credit shall be taken to be	<p>(a) Date, on which the return is due to be furnished u/s 39 or the actual date of filing of the said return, whichever is earlier, if the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, on account of payment of tax through the said return; or</p> <p>(b) the date of debit in the electronic credit ledger when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, in all other cases</p>

**Clarification on charging of interest u/s 50(3) in cases of wrong availment of IGST credit and reversal thereof [Circular No. 192/04/2023 GST dated 17.07.2023]**

Issue	Clarification
<p>Whether in the cases of wrong availment of IGST credit by a registered person and reversal thereof, for the calculation of interest u/r 88B, <u>whether the balance of ITC available in electronic credit ledger (ECL) under the head of IGST only needs to be considered or total ITC available in electronic credit ledger, under the heads of IGST, CGST and SGST taken together, has to be considered.</u></p>	<p>Since the amount of ITC available in ECL, under any of the heads of IGST, CGST or SGST, can be utilized for payment of liability of IGST, <u>it is the total ITC available in ECL, under the heads of IGST, CGST and SGST taken together, that has to be considered for calculation of interest u/r 88B</u> and for determining as to whether the balance in the ECL has fallen below the amount of wrongly availed ITC of IGST, and to what extent the balance in ECL has fallen below the said amount of wrongly availed credit. Thus, in the cases where IGST credit has been wrongly availed and subsequently reversed on a certain date, <u>there will not be any interest liability u/s 50(3) if, during the time period starting from such availment and up to such reversal, the balance of ITC in the ECL, under the heads of IGST, CGST and SGST taken together, has never fallen below the amount of such wrongly availed ITC, even if available balance of IGST credit in ECL individually falls below the amount of such wrongly availed IGST credit.</u></p> <p>However, when the balance of ITC, under the heads of IGST, CGST and SGST of ECL <u>taken together, falls below such wrongly availed amount of IGST credit, then it will amount to the utilization of such wrongly availed IGST credit and the extent of utilization will be the extent to which the total balance in ECL under heads of IGST, CGST and SGST taken together falls below such amount of wrongly availed IGST credit, and will attract interest as per section 50(3)</u> read with section 20 of the IGST Act, 2017 and of rule 88B(3).</p>



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Whether the credit of compensation cess available in ECL shall be taken into account while considering the balance of ECL for the purpose of calculation of interest u/r 88B(3) in respect of wrongly availed and utilized IGST, CGST or SGST credit	Since ITC in respect of compensation cess can be utilised only towards payment of compensation cess. Thus, credit of compensation cess cannot be utilized for payment of any tax under CGST or SGST or IGST heads and/ or reversals of credit under the said heads. <u>Accordingly, credit of compensation cess available in ECL cannot be taken into account while considering the balance of ECL for the purpose of calculation of interest under rule 88B(3) in respect of wrongly availed and utilized IGST, CGST or SGST credit</u>
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Manner of dealing with difference in liability reported in statement of outward supplies and that reported in return [Rule 88C inserted vide N/N 26/2022 dtd. 26/12/2022]

(1) Where the tax payable by a registered person, in accordance with the statement of outward supplies furnished by him in FORM GSTR-1 or using the Invoice Furnishing Facility in respect of a tax period, exceeds the amount of tax payable by such person in accordance with the return for that period furnished by him in FORM GSTR-3B, by such amount and such percentage, as may be recommended by the Council, the said registered person shall be intimated of such difference in **Part A of FORM GST DRC-01B**, electronically on the common portal, and a copy of such intimation shall also be sent to his e-mail address provided at the time of registration or as amended from time to time, highlighting the said difference and directing him to

- (a) pay the differential tax liability, along with interest under section 50, through **FORM GST DRC-03**; or
- (b) explain the aforesaid difference in tax payable on the common portal, within a period of **7 days**

(2) The registered person referred above shall, upon receipt of the intimation referred above, either,-

- (a) **pay the amount of the differential tax liability**, as specified in Part A of FORM GST DRC-01B, fully or partially, along with interest under section 50, through FORM GST DRC-03 and furnish the details thereof in Part B of FORM GST DRC-01B electronically on the common portal; or
- (b) **furnish a reply electronically** on the common portal, incorporating reasons in respect of that part of the differential tax liability that has remained unpaid, if any, in Part B of FORM GST DRC-01B, within the period specified in the said sub-rule.

(3) Where any amount specified in the intimation referred to in sub-rule (1) remains unpaid within the period specified in that sub-rule and where no explanation or reason is furnished by the registered person in default or where the explanation or reason furnished by such person is not found to be acceptable by the proper officer, the said amount shall be recoverable in accordance with the provisions of section 79



Manner of dealing with difference in ITC available in auto-generated statement containing the details of ITC and that availed in return prescribed [New Rule 88D inserted vide N/N 38/2023 CT dated 04/08/2023]

- (1) Where the **amount of input tax credit availed by a registered person in the return for a tax period or periods furnished by him in FORM GSTR-3B exceeds the input tax credit available to such person in accordance with the auto-generated statement containing the details of input tax credit in FORM GSTR-2B** in respect of the said tax period or periods, as the case may be, by such amount and such percentage, as may be recommended by the Council, the said registered person shall be **intimated** of such difference in **Part A of FORM GST DRC-01C**, electronically on the common portal, and a copy of such intimation shall also be sent to his e-mail address provided at the time of registration or as amended from time to time, highlighting the said difference and directing him to—
 - (a) pay an amount equal to the excess input tax credit availed in the said **FORM GSTR-3B**, along with interest payable u/s 50, through **FORM GST DRC-03**,
 - (b) **explain the reasons** for the aforesaid difference in input tax credit on the common portal,
within a period of seven days.
- (2) The registered person referred to sub-rule (1) shall, upon receipt of the intimation referred to in that sub-rule, either-
 - (a) **pay an amount equal to the excess input tax credit**, as specified in **Part A of FORM GST DRC-01C**, fully or partially, along with interest payable u/s 50, through **FORM GST DRC-03** and furnish the details thereof in **Part B of FORM GST DRC-01C**, electronically on the common portal; or
 - (b) **furnish a reply, electronically on the common portal**, incorporating reasons in respect of the amount of excess input tax credit that has still remained to be paid, if any, in **Part B of FORM GST DRC-01C**,
within the period specified in the said sub-rule
- (3) Where any amount specified in the intimation referred to in sub-rule (1) remains to be paid within the period specified in that sub-rule and where no explanation or reason is furnished by the registered person in default or where the explanation or reason furnished by such person is not found to be acceptable by the proper officer, **the said amount be liable to be demanded in accordance with the provisions of section 73 or section 74, as the case may be.**



TAX WRONGFULLY COLLECTED AND PAID TO CENTRAL GOVERNMENT OR STATE GOVERNMENT [SECTION 19 OF IGST ACT]

Payment of tax based on erroneous determination of 'nature of supply' is not permitted to be adjusted.

Taxable person who has paid "tax in error" is entitled to refund by first restoring the discharge of the correct tax due so that the incorrect tax paid reflects on the common portal as 'paid in excess' and

- IGST paid in error will be refunded subject to conditions prescribed
- IGST payable due to payment of CGST & SGST/UTGST is **exempted** from payment of **interest** on **IGST due**.

Forms prescribed in connection with the Payment

Forms	Deals with
GST PMT 01	Electronic Liability Register
GST PMT 02	Electronic Credit Ledger
GST PMT 03	Order for re-credit of the amount to cash or credit ledger on rejection of refund claim
GST PMT 04	Application for intimation of discrepancy in Electronic Credit Ledger/Cash Ledger/ Liability
GST PMT 05	Electronic Cash Ledger
GST PMT 06	Challan for deposit of GST
GST PMT 07	Application for intimating discrepancy relating to payment
GST PMT 09	Transfer of amount from one account head to another in e-cash ledger