



CHAPTER 14

GST RETURNS

**CHAPTER OVERVIEW**

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RETURNS

INTRODUCTION

“Filing of returns” constitutes most important compliance procedure which enables the Government/ tax administrator to estimate tax collection for particular period and determine correctness and completeness of the tax compliance of the taxpayers

Under GST laws, correct and timely filing of returns is of utmost importance because of following reasons

- (i) Taxpayer is required to estimate his tax liability on “self-assessment” basis and deposit tax amount along with/before the filing of such return.
- (ii) Acts as working sheet/supporting document for tax authorities that can be relied upon as the basis on which the tax has been computed by the taxpayer
- (iii) Has a huge bearing on determination of tax liability of other persons with whom the former has entered into taxable activities.

MODES OF FILING RETURNS

- (i) **ONLINE:** File their statement and returns directly on GST common portal online. This may be tedious and time consuming for taxpayers with large number of invoices
- (ii) **OFFLINE:** Offline utilities have been provided by GSTN that can be used for preparing statements offline after downloading the auto populated details and uploading them on the common portal.

PROVISIONS RELATING TO FILING OF RETURNS AS UNDER

Section 37	Furnishing details of outward supplies
Section 38	Furnishing details of inward supplies
Section 39	Furnishing of returns
Section 40	First return
Section 41	Availment of input tax credit
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Section 48	Goods and services tax practitioners

**TIMELINES OF GST RETURNS**

Return Form	Particulars	Frequency	Due Date
GSTR-1	Details of outward supplies of taxable goods and/or services affected	Monthly	11 th of the next month with effect from October 2018 Previously, the due date was 10 th of the next month
GSTR-2A	Details of auto-drafted inward supplies		
GSTR-2B	Auto drafted ITC statement		
GSTR-3A	Notice to return defaulter u/s 46 for not filing return		
GSTR-3B	Simple Return in which summary of outward supplies along with Input Tax Credit is declared and payment of tax is affected by taxpayer	Monthly	20 th of the next month 22 nd /24 th of the month succeeding the quarter (QRMP)
GSTR-4	Return for a taxpayer registered under the composition levy	Annually	30th April following the end of financial year Form CMP-08 Quarterly return by 18 th of the month succeeding quarter
GSTR-5	Return for a Non-Resident foreign taxable person	Monthly	20 th of the next month or within 7 days after the last day of the period of registration specified u/s 27(1), whichever is earlier
GSTR 5A	Details of supplies of OIDAR services		
GSTR-6	Return for an Input Service Distributor	Monthly	13 th of the next month
GSTR-7	Return for authorities deducting tax at source	Monthly	10 th of the next month
GSTR-8	Details of supplies effected through e-commerce operator and the amount of tax collected	Monthly	10 th of the next month
GSTR-9	Annual Return for a Normal Taxpayer	Annually	31st December of next FY
GSTR-9A	Annual Return for a taxpayer registered under the composition levy	Annually	31st December of next FY



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GSTR-10	Final Return - Once, when GST Registration is cancelled or surrendered	Once registration is cancelled or surrendered	Within 3 months of the date of cancellation or date of cancellation order, whichever is later.
GSTR-11	Details of inward supplies to be furnished by a person having UIN and claiming a refund	Monthly	28 th of the month following the month for which statement is filed

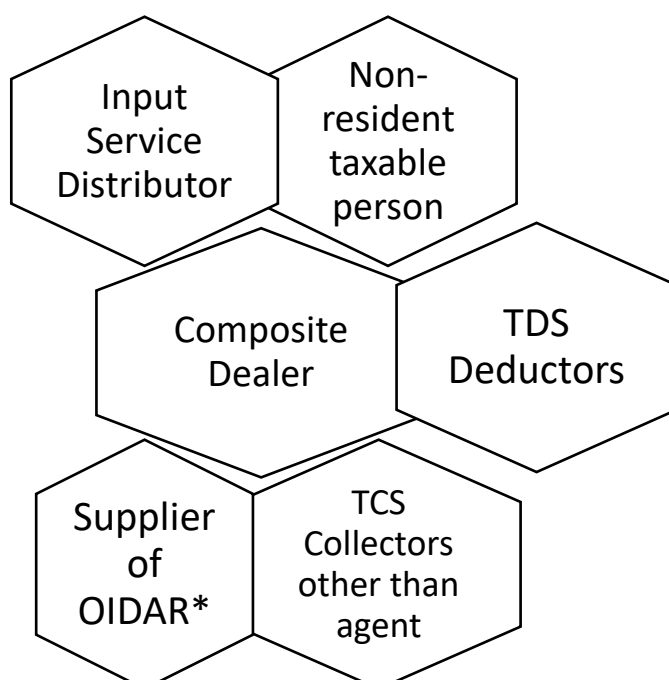
FURNISHING DETAILS OF OUTWARD SUPPLIES - SECTION 37

MEANING OF OUTWARD SUPPLIES

Outward supply means **supply of goods or services or both**, whether by sale, transfer, barter, exchange, licence, rental, lease or disposal or any other mode, made or agreed to be made by “taxable person” in the “course or furtherance of business”

WHO IS NOT REQUIRED TO FURNISH DETAILS OF OUTWARD SUPPLIES

All registered persons including **Casual Taxable Persons** are required to file details of outward supplies other than following:



*OIDAR - Online information and database access or retrieval services



Form and due dates of returns

The details of outward supplies are required to be electronically furnished in **Form GSTR-1**. Further, a Nil GSTR-1 can be filed through an SMS using the registered mobile number of the taxpayer.

GSTR-1 for a particular month is filed on or before **10th** of immediately succeeding **month** [Can be filed anytime between 1st and 10th]

Extension of Time Limits: Time limit for furnishing the details of outward supplies in **Form GSTR-1** for each tax periods is **11th day** of the month succeeding such tax period:

Time limit for furnishing the details of outward supplies in **Form GSTR-1** for the class of registered persons required to furnish return for every **quarter** u/s 39(1) shall be extended till the **13th day** of the month succeeding such tax period.

Manner of furnishing of return or details of outward supplies by SMS facility [Rule 67A]

A registered person who is required to furnish a Nil return u/s 39 in **FORM GSTR-3B** or Nil details of outward supplies u/s 37 in **FORM GSTR-1** or a Nil Statement in **FORM CMP-08** for a tax period, any reference to electronic furnishing shall include furnishing of the said return or the details of outward supplies through a **short messaging service** using the **registered mobile number** and the said return or the details of outward supplies or statement shall be verified by a registered mobile number based **One Time Password facility**.

Explanation: A Nil return or Nil details of outward supplies or Nil statement shall mean a return u/s 39 or details of outward supplies u/s 37 or statement u/r 62, for a tax period **that has nil or no entry in all the Tables** in FORM GSTR-3B / FORM GSTR-1 / FORM GST CMP-08.”.

Furnishing of monthly returns using Invoice Furnishing Facility [Rule 59(2)]

The registered persons required to furnish return for every quarter under proviso to Section 39(1) may furnish the details of such outward supplies of goods or services or both to a registered person, as he may consider necessary, **for the first and second months of a quarter, up to a cumulative value of ₹ 50 lakhs** in each of the months,- using invoice furnishing facility (“IFF”) electronically on the common portal, duly authenticated in the manner prescribed under rule 26, from the 1st day of the month succeeding such month till the 13th day of the said month.

EXCEPTIONS TO THE FACT THAT GSTR 1 CANNOT BE FILED BEFORE END OF TAX PERIOD

- (i) Casual taxpayers, after the closure of their business
- (ii) Cancellation of GSTIN of a normal taxpayer [A taxpayer who has applied for cancellation of registration will be allowed to file GSTR-1 after confirming receipt of the application]



What kind of details of outward supplies are required to be furnished in GSTR-1?

A registered person required to furnish details of invoices and revised invoices in relation to **supplies made by him to registered and unregistered persons** during a month and debit notes and credit notes.

Invoice-wise* details of ALL	Consolidated details of ALL	Debit and credit notes
Inter-State and Intra-State supplies made to <u>registered persons</u>	Intra-State supplies made to <u>unregistered persons</u> [Rate of tax wise]	Issued during the month for invoices issued previously
Inter-State supplies made to <u>unregistered persons</u> with invoice value exceeding ₹ 2,50,000	Inter-State supplies made to <u>unregistered persons</u> with invoice upto ₹ 2,50,000 [State-wise and rate of tax wise]	

The details of outward supplies of goods or services or both furnished using the IFF shall include the –

- invoice wise details of inter-State and intra-State supplies made to the registered persons;
- debit and credit notes, if any, issued during the month for such invoices issued previously.

Blocking of GSTR 1 in case of non-filing of GSTR 3B under Rule 59(6)

Notwithstanding anything contained in Rule 59:

- a registered person shall not be allowed to furnish the details of outward supplies of goods or services or both u/s 37 in FORM GSTR-1, **if he has not furnished the return in FORM GSTR-3B for preceding ~~two~~ month;**
- a registered person, required to furnish return for every quarter under the proviso to section 39(1), shall not be allowed to furnish the details of outward supplies of goods or services or both u/s 37 in FORM GSTR-1 or using the invoice furnishing facility, **if he has not furnished the return in FORM GSTR-3B for preceding tax period;**
- ~~a registered person, who is restricted from using the amount available in electronic credit ledger to discharge his liability towards tax in excess of 99% of such tax liability u/r 86B, shall not be allowed to furnish the details of outward supplies of goods or services or both u/s 37 in FORM GSTR-1 or using the invoice furnishing facility, if he has not furnished the return in FORM GSTR-3B for preceding tax period."~~
- a registered person, to whom an intimation has been issued on the common portal u/r 88C(1) in respect of a tax period, shall not be allowed to furnish the details of outward supplies of goods or services or both u/s 37 in FORM GSTR-1 or using the invoice furnishing facility for a subsequent tax period, unless he has either deposited the amount specified in the said intimation or has furnished a reply explaining the reasons for any amount remaining unpaid, as required u/r 88C(2) [Inserted vide N/N 26/2022 dtd. 26/12/2022]



- e) a registered person, to whom an intimation has been issued on the common portal under the provisions of sub-rule (1) of rule 88D in respect of a tax period or periods, shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in FORM GSTR-1 or using the invoice furnishing facility for a subsequent tax period, unless he has either paid the amount equal to the excess input tax credit as specified in the said intimation or has furnished a reply explaining the reasons in respect of the amount of excess input tax credit that still remains to be paid, as required under the provisions of sub-rule (2) of rule 88D; [Clause (e) inserted vide N/N 38/2023 dated 04/08/2023]
- f) a registered person shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in FORM GSTR-1 or using the invoice furnishing facility, if he has not furnished the details of the bank account as per the provisions of rule 10A. [Clause (f) inserted vide N/N 38/2023 dated 04/08/2023]

Other Points to be remembered

- (i) Scanned copies of invoices are not required to be uploaded.
- (ii) Only certain prescribed fields of information from invoices need to be uploaded e.g., invoice no., date, value, taxable value, rate of tax, amount of tax etc.
- (iii) Only HSN code in respect of supply of goods & accounting code of supply of services will be fed.

Amendments in details of outward supply furnished in prior periods

The supplier can make amendments in GSTR-1 filed by him for “prior periods”

Particulars furnished in GSTR-1 of prior periods ----- can be amended ----- by way of Amendment Tables given in GSTR-1 of subsequent periods

RECTIFICATION OF ERRORS

The supplier shall rectify in the tax period during which **such error or omission is noticed**, and pay the tax and interest, if any, in case there is short payment, in the return to be furnished for such tax period.

Example 1: GSTR-1 for the month of August, 2022 was filed on 10th September, 2022 and the consolidated return u/s 39 pertaining to the month of August, 2022 was filed on 20th September, 2022.

Solution: The supplier has to rectify the said errors till 30th November 2023

If there is any tax liability because of such amendment/rectification, it will be automatically calculated in his return u/s 39 for November, 2023.



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TIME LIMIT FOR RECTIFICATION

The time limit of such rectification is **earlier** of the following dates:

- (i) **30th November** following the end of the financial year to which such details pertain or
- (ii) Date of filing of the relevant **ANNUAL RETURN**

File Annual Return after 30th November 2023	File Annual Return before 30th November 2023
If the supplier, files his annual return for financial year 2022-2023 on 20 th December, 2023, he can rectify errors till 30 th Nov 2023	If the supplier, files his annual return for financial year 2022-2023 on 25 th November, 2023, he can rectify errors till 25 th November, 2023

In other words, once annual return for any financial year is filed before 30th November of the next FY, no amendments relating to that will be permitted thereafter and in such case, mismatch will become permanent and liability to that extent will be fastened on the receiver.

TAX-PERIOD WISE SEQUENTIAL FILING OF GSTR 1 [Section 37(4)]

A registered person shall not be allowed to furnish the details of outward supplies u/s 37(1) for a tax period, if the details of outward supplies for any of the previous tax periods has not been furnished by him:

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the details of outward supplies u/s 37(1), even if he has not furnished the details of outward supplies for one or more previous tax periods

OTHER CRUCIAL POINTS FOR GSTR 1

- (i) GSTR 1 needs to be filed even if there is no business activity (Nil Return) in the tax period.
- (ii) Filing of GSTR-1 for current month is possible only when GSTR-1 for previous month has been filed.
- (iii) All values like invoice value, taxable value and tax amounts in GSTR-1 are to be declared up to 2 decimal digits. The rounding off of the self-declared tax liability to the nearest rupee will be done in GSTR 3.
- (iv) Taxpayer opting for voluntary cancellation of GSTIN will have to file GSTR-1 for active period.
- (v) In cases where a taxpayer has been converted from a normal taxpayer to composition taxpayer, GSTR 1 will be available for filing only for the period during which the taxpayer was registered as normal taxpayer. The GSTR 1 for the said period, even if filed with delay would accept invoices for the period prior to conversion.

**MAXIMUM TIME LIMIT TO FURNISH GSTR 1**

A registered person shall not be allowed to furnish the details of outward supplies u/s 37(1) for a tax period **after the expiry of a period of three years from the due date of furnishing the said details:**

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the details of outward supplies for a tax period u/s 37(1), even after the expiry of the said period of three years from the due date of furnishing the said details.

**Communication of details of inward supplies and input tax credit
[Section 38]**

(1) The details of outward supplies furnished by the registered persons under sub-section (1) of section 37 and of such other supplies as may be prescribed, and an autogenerated statement containing the details of input tax credit shall be made available electronically to the recipients of such supplies in such form and manner, within such time, and subject to such conditions and restrictions as may be prescribed.

(2) The auto-generated statement under sub-section (1) shall consist of—

- (a)** details of inward supplies in respect of which credit of input tax may be available to the recipient; and
- (b)** details of supplies in respect of which such credit cannot be availed, whether wholly or partly, by the recipient, on account of the details of the said supplies being furnished under sub-section (1) of section 37:
 - (i) by any registered person within such period of taking registration as may be prescribed; or
 - (ii) by any registered person, who has defaulted in payment of tax and where such default has continued for such period as may be prescribed; or
 - (iii) by any registered person, the output tax payable by whom in accordance with the statement of outward supplies furnished by him under the said subsection during such period, as may be prescribed, exceeds the output tax paid by him during the said period by such limit as may be prescribed; or
 - (iv) by any registered person who, during such period as may be prescribed, has availed credit of input tax of an amount that exceeds the credit that can be availed by him in accordance with clause (a), by such limit as may be prescribed; or
 - (v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of section 49 subject to such conditions and restrictions as may be prescribed; or
 - (vi) by such other class of persons as may be prescribed.”.



FURNISHING OF RETURNS [SECTION 39]

FILING OF GSTR 3B [Section 39(1) r/w Rule 61(5) & 61(6)]

Form GSTR-3B to be treated as a monthly return furnished u/s 39 of the CGST Act. It is to be filed by **20th day of the month succeeding the relevant calendar month.**

GSTR-3B is a simple return containing following:

- (i) Summary of outward supplies and
- (ii) Inward supplies liable to reverse charge,
- (iii) Eligible ITC,
- (iv) Payment of tax etc.

Thus, GSTR-3B does not require invoice-wise data of outward supplies.

Furnishing of Returns [Section 39(1)]

Every registered person, other than

- (a) an Input Service Distributor or
- (b) a non-resident taxable person or
- (c) a person paying tax under the provisions of section 10 or section 51 or section 52
- (d) supplier of OIDAR services.

shall, for every **calendar month** or part thereof, furnish, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars, in such form and manner, and within such time, as may be prescribed:

The Government may, on the recommendations of the Council, **notify** certain class of registered persons who shall furnish a return for **every quarter** or part thereof, subject to such conditions and restrictions as may be specified therein.



FILING OF RETURNS BY COMPOSITION SUPPLIER [Section 39(2) r/w Rule 62]

Furnishing of Returns by Persons opting for Composition Scheme [Section 39(2)]

A registered person paying tax u/s 10, shall, for **each financial year** or part thereof, furnish a return, electronically, of turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, tax paid and such other particulars in such form and manner, and within such time, as may be prescribed.

Such persons shall:

- a) furnish a statement in the prescribed form (**Form GST CMP-08**) containing details of payment of self – assessed tax, for every quarter (or part of the quarter), by **18th day of the month succeeding such quarter**.
- b) furnish a return (**GSTR 4**) for every financial year (or part of the financial year), on or before **30th day of April following the end of such financial year**

FILING OF RETURNS BY TDS DEDUCTORS [Section 39(3) r/w Rule 66]

Who is liable to deduct TDS?

Recipient being **Central/ State Government's Department/ establishment or, local authority, or Governmental agencies** is required to deduct tax at source u/s 51 on receipt of taxable goods or services or both from supplier.

Registration and TDS

Deductor ["person deducting TDS"] is required to be compulsorily registered and deduct tax **@1%** of the payment made to the supplier ("deductee") of taxable goods or services or both, where **total value** of such supply, under a contract, exceeds ₹ **2,50,000** (excluding the amount of CGST, SGST, IGST, UTGST and cess indicated in the invoice).

Returns and TDS

Deductor shall furnish a **monthly** return in **Form GSTR-7** electronically through the common portal on/before **10th of the month succeeding the calendar month** in which tax has been deducted at source

The details of TDS furnished by the deductor in GSTR-7 shall be made available electronically to each of the suppliers in Part C of Form GSTR- 2A/ Form GSTR- 4A (in case of registered person opting for composition levy) on the common portal **after the due date of filing of Form GSTR-7**. The said supplier may include the same in its Form GSTR-2/GSTR-4, as the case may be. The supplier can take this amount as credit in his Electronic Cash Register and use the same for payment of tax or any other liability.



FILING OF RETURN BY AN INPUT SERVICE DISTRIBUTOR (ISD) [Section 39(4) r/w Rule 65]

Meaning of ISD:

Input Service Distributor (ISD) means

- an office of the supplier of goods or services or both
- which receives tax invoices issued towards the receipt of input services and
- issues a prescribed document for purposes of distributing credit of CGST, SGST, IGST or UTGST paid on the said services to a supplier of taxable goods or services or both **having the same PAN as that of ISD.**

ISD can distribute the credit of “input services” (and not of inputs or capital goods) on **common invoices** pertaining to input services to various units belonging to the entities having same PAN (recipient of credit) in the prescribed manner, by issuing the ISD invoices.

Filing of Returns by ISD

It needs to file **only a monthly return** in **Form GSTR-6** electronically through the common portal on/before **13th** of the **month** succeeding the calendar **month** (can only be filed after 10th of the month). An ISD is required to distribute both eligible as well as ineligible credit as per Rule 39 of the CGST Rules, 2017.

Auto-population of input tax credit received for distribution

The details of input tax credit received for distribution by an ISD will be auto populated in **Form GSTR-6A**. Such details are auto-populated in Form GSTR-6A when the registered suppliers file their GSTR-1.

FILING OF RETURNS BY NON-RESIDENT TAXABLE PERSONS (NRTPs) [Section 39(5) r/w Rule 63]

Who are NRTPs?

Non-Resident Taxable Persons (NRTPs) are those suppliers who do not have a business establishment in India and have come for a short period to make supplies in India.

A simplified monthly tax return has been prescribed in **Form GSTR-5** for a NRTP for every calendar month or part thereof. NRTP shall incorporate the details of **outward supplies and inward supplies in GSTR-5.**

Last date of filing return:

The details in GSTR-5 should be furnished

- within **13 ~~20~~ days** after end of the calendar month or
- within **7 days** after the last day of validity period of the registration,

whichever is earlier.



NRTP shall pay tax, interest, penalty, fees or any other amount payable under CGST Act or the provisions of the Returns Chapter under CGST Rules, 2017 till the last date of filing return.

Tax due as per return to be paid before due date of filing return [Section 39(7)]

Every registered person who is required to furnish a return u/s 39(1), other than the person required to furnish return quarterly, or 39(3) or 39(5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return:

“Provided that every registered person furnishing return under the proviso to sub-section (1) shall pay to the Government, in such form and manner, and within such time, as may be prescribed,—

(a) an amount equal to the tax due taking into account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other particulars during a month; or

(b) in lieu of the amount referred to in clause (a), an amount determined in such manner and subject to such conditions and restrictions as may be prescribed.”; [Proviso substituted vide Finance Act 2022]

Provided further that every registered person furnishing return u/s 39(2) [persons opted composition scheme] shall pay to the Government, the tax due taking into account turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, and such other particulars **during a quarter**, in such form and manner, and within such time, as may be prescribed.”

Nil Filing of GST returns u/s 39(1) and 39(2) [Section 39(8)]

Every registered person who is required to furnish a return under sub-section (1) or sub-section (2) shall furnish a return for every tax period whether or not any supplies of goods or services or both have been made during such tax period.

Rectification of error in GST Returns [Section 39(9)]

Where any registered person after furnishing a return under sub-section (1) or sub-section (2) or sub-section (3) or subsection (4) or sub-section (5) discovers any omission or incorrect particulars therein, other than as a result of scrutiny, audit, inspection or enforcement activity by the tax authorities, he shall rectify such omission or incorrect particulars in the return to be furnished for the month or quarter during which such omission or incorrect particulars in such form and manner as may be prescribed, subject to payment of interest under this Act:

Provided that no such rectification of any omission or incorrect particulars shall be allowed after the **30th November** following the end of the financial year to which such details pertain, or the actual date of furnishing of relevant annual return, whichever is earlier.



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GST Returns of current tax period cannot be filed unless the returns of previous tax periods are filed [Section 39(10)]

A registered person shall not be allowed to furnish a return for a tax period if the return for any of the previous tax periods has not been furnished by him **or the details of outward supplies under sub-section (1) of section 37 for the said tax period has not been furnished by him**

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the return, even if he has not furnished the returns for one or more previous tax periods or has not furnished the details of outward supplies under sub-section (1) of section 37 for the said tax period

MAXIMUM TIME LIMIT TO FURNISH GSTR 3B,4,5,6,7 [Section 39(11)]

A registered person shall not be allowed to furnish a return for a tax period **after the expiry of a period of three years from the due date of furnishing the said return:**

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, **allow a registered person or a class of registered persons to furnish the return for a tax period, even after the expiry of the said period of three years from the due date of furnishing the said return.**

Quarterly return filing & monthly payment of taxes (QRMP scheme)

1. Who can opt for the scheme?

Following registered person (hereinafter "RP") can file quarterly returns and pay tax on monthly basis w.e.f. 01.01.2021

- a) An RP who is required to file Form GSTR 3B with Aggregate Turnover up to ₹ 5 crs. in the previous financial year is eligible. If Aggregate turnover crosses ₹ 5 crs. in a quarter will become in-eligible for the Scheme from next quarter.
- b) Any person obtaining a new registration or opting out of Composition Scheme can also opt for this Scheme.
- c) The option to avail this Scheme can be availed GSTIN wise. Therefore, few GSTINs for that PAN can opt for the Scheme and remaining GSTINs can remain out of the Scheme.

2. Changes on the GST Portal: For quarter Jan., 2021 to March, 2021, all RPs whose aggregate turnover for the FY 2019-20 is up to ₹ 5 Cr. and have furnished the return in Form GSTR-3B for October, 2020 by 30th Nov 2020, will be migrated by default in the GST system as follows:



S.I. No	Class of RPs with Aggregate Turnover of	Default return option
1	Up to ₹ 1.5 Cr., who have furnished Form GSTR-1 on quarterly basis in current FY	Quarterly
2	Up to ₹ 1.5 Cr., who have furnished Form GSTR-1 on monthly basis in current FY	Monthly
3	More than ₹ 1.5 Cr. and up to ₹ 5 Cr. in preceding FY	Quarterly

3. When can a person opt for the scheme:

- (i) Facility can be availed throughout the year, in any quarter.
- (ii) Option for QRMP Scheme, once exercised, will continue till registered person revises the option or his aggregate turnover exceeds ₹ 5 Crs.
- (iii) Registered person migrated by default can choose to remain out of the scheme by exercising their option from 5th, 2020 till 31st Jan., 2021.

4. The Registered persons opting for the scheme can avail the facility of Invoice Furnishing Facility (IFF), so that the outward supplies to registered person is reflected in their Form GSTR 2A & 2B

5. Payment of tax under the scheme:

- (i) Registered persons need to pay tax due in each of first two months (by 25th of next month) in the Quarter, by selecting “Monthly payment for quarterly taxpayer” as reason for generating Challan.
- (ii) Registered persons can either use Fixed Sum Method (pre-filled challan) or Self-Assessment Method (actual tax due), for monthly payment of tax for first two months, after adjusting ITC.
- (iii) No deposit is required for the month, if there is nil tax liability.
- (iv) Tax deposited for first 2 months can be used for adjusting liability for the qtr. in Form GSTR-3B and can't be used for any other purpose till the filing of return for the quarter.

CBIC Circular on Quarterly Return Monthly Payment Scheme [Circular No. 143/13/2020- GST dated 10th November 2020]

Registered person having aggregate turnover up to ₹ 5 crores may be allowed to furnish return on quarterly basis along with monthly payment of tax, with effect from 01.01.2021

Eligibility for the Scheme

- (i) A registered person who is required to furnish a return in FORM GSTR-3B, and who has an aggregate turnover of up to ₹ 5 crores in the preceding financial year, is eligible for the QRMP Scheme.
- (ii) 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.



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- (iii) In case the aggregate turnover exceeds ₹ 5 crores during any quarter in the current financial year, the registered person shall not be eligible for the Scheme from the next quarter.

Exercising option for QRMP Scheme

- (i) Facility to avail the Scheme on the common portal would be available throughout the year
- (ii) In terms of 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**. In order to exercise this option, 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.

- (iii) Registered persons are not required to exercise the option every quarter. Where such option has been exercised once, they shall continue to furnish the return as per the selected option for future tax periods, unless they revise the said option.

Migration in First Quarter of the Scheme

For the first quarter of the Scheme i.e. for the quarter January, 2021 to March, 2021, in order to facilitate the taxpayers, it has been decided that all the registered persons, whose aggregate turnover for the FY 2019-20 is up to ₹ 5 crores 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 as below.

Therefore, taxpayers are advised to furnish the return of October, 2020 in time so as to be eligible for default migration.

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

S.L. No	Class of RPs with Aggregate Turnover of	Default return option
1	Up to ₹ 1.5 Cr., who have furnished Form GSTR-1 on quarterly basis in current FY	Quarterly
2	Up to ₹ 1.5 Cr., who have furnished Form GSTR-1 on monthly basis in current FY	Monthly
3	More than ₹ 1.5 Cr. and up to ₹ 5 Cr. in preceding FY	Quarterly

Opt out of the Scheme:

Above default option has been provided for the convenience of registered persons based on their anticipated behaviour. However, such registered persons are free to change the option as above, if they so desire, from 5th of December, 2020 to 31st of January, 2021. It is re-iterated that any taxpayer whose aggregate turnover has exceeded ₹ 5 crore in the financial year 2020-21, shall opt out of the Scheme.



Similarly, the facility for opting out of the Scheme for a quarter will be available from first day of second month of preceding quarter to the last day of the first month of the quarter.

All persons who have obtained registration during any quarter or the registered persons opting out from paying tax u/s 10 of the CGST Act during any quarter shall be able to opt for the Scheme for the quarter for which the opting facility is available on the date of exercising option.

Opt out from the scheme if the aggregate turnover crosses ₹ 5 crores?

It is also clarified that such registered person, whose aggregate turnover crosses ₹ 5 crore during a quarter in current financial year, shall opt for furnishing of return on a monthly basis, electronically, on the common portal, from the succeeding quarter. In other words, in case the aggregate turnover exceeds ₹ 5 crore during any quarter in the current financial year, the registered person shall not be eligible for the Scheme from the next quarter.

Uniform adoption of the scheme is not required for all GSTINs in the same PAN

It is further clarified that 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**

Furnishing of details of outward supplies under section 37 of the CGST Act

- (i) The registered persons opting for the Scheme would be required to furnish the details of outward supply in FORM GSTR-1 quarterly as per the rule 59 of the CGST Rules, 2017
- (ii) For each of the first and second months of a quarter, such a registered person will have the facility (Invoice Furnishing Facility- IFF) to furnish the details of such outward supplies to a registered person, as he may consider necessary, between the 1st day of the succeeding month till the 13th day of the succeeding month.
- (iii) The said details of outward supplies shall, however, not exceed the value of ₹ 50 lakhs in each month. It may be noted that after 13th of the month, this facility for furnishing IFF for previous month would not be available.
- (iv) As a facilitation measure, continuous upload of invoices would also be provided for the registered persons wherein they can save the invoices in IFF from the 1st day of the month till 13th day of the succeeding month. The facility of furnishing details of invoices in IFF has been provided so as to allow details of such supplies to be duly reflected in the FORM GSTR-2A and FORM GSTR-2B of the concerned recipient.

Example: A registered person who has availed the Scheme wants to declare 2 invoices out of the total 10 invoices issued in the first month of quarter since the recipient of supplies covered by those 2 invoices desires to avail ITC in that month itself. Details of these 2 invoices may be furnished using IFF. The details of the remaining 8 invoices shall be furnished in FORM GSTR-1 of the said quarter. The 2 invoices furnished in IFF shall be reflected in FORM GSTR-2B of the concerned recipient of the first month of the quarter and remaining 8 invoices furnished in FORM GSTR-1 shall be reflected in FORM GSTR-2B of the concerned



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recipient of the last month of the quarter. The said facility would however be available, say for the month of July, from 1st August till 13th August. Similarly, for the month of August, the said facility will be available from 1st September till 13th September.

It is re-iterated that said facility is not mandatory and is only an optional facility made available to the registered persons under the QRMP Scheme.

The details of invoices furnished using the said facility in the **first two months** are not required to be furnished again in **FORM GSTR-1**. Accordingly, the details of outward supplies made by such a registered person during a quarter shall consist of details of invoices furnished using IFF for each of the **first two months** and the details of invoices furnished in FORM GSTR-1 for the quarter.

At his option, a registered person may choose to furnish the details of outward supplies made during a **quarter in FORM GSTR-1 only, without using the IFF.**

Monthly Payment of Tax

The registered person under the QRMP Scheme would be required 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 day of the month succeeding such month. While generating the challan, taxpayers should select “Monthly payment for quarterly taxpayer” as reason for generating the challan. The said person can use any of the **following two options** provided below for monthly payment of tax during the first two months –

(a) **Fixed Sum Method:** A facility is being made available on the portal for generating a pre-filled challan in FORM GST PMT-06 for 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. For easy understanding, the same is explained by way of illustration in table below:

(i) **Illustration: In case the last return filed was on quarterly basis for Quarter ending March, 2021**

Tax paid in Cash in Quarter (January - March, 2021)		Tax required to be paid in each of the months – April and May, 2021	
CGST	100	CGST	35
SGST	100	SGST	35
IGST	500	IGST	175
Cess	50	Cess	17.5

(ii) **Illustration: In case the last return filed was monthly for tax period March, 2021:**

Tax paid in Cash in March, 2021		Tax required to be paid in each of the months – April and May, 2021	
CGST	50	CGST	50
SGST	50	SGST	50
IGST	80	IGST	80
Cess	-	Cess	-



Monthly tax payment through this method would not be available to those registered persons who have not furnished the return for a complete tax period preceding such month. A complete tax period means a tax period in which the person is registered from the first day of the tax period till the last day of the tax period.

- (b) **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.

The said registered person is **free to avail** either of the two tax payment method above in any of the two months of the quarter

It is clarified that in case the balance in the electronic cash ledger and/or electronic credit ledger is adequate for the tax due for the first month of the quarter or where there is nil tax liability, the registered person may not deposit any amount for the said month. Similarly, for the second month of the quarter, in case the balance in the electronic cash ledger and/or electronic credit ledger is adequate for the cumulative tax due for the first and the second month of the quarter or where there is nil tax liability, the registered person may not deposit any amount.

Any claim of refund in respect of the amount deposited for the first two months of a quarter for payment of tax shall be permitted only after the return in FORM GSTR-3B for the said quarter has been furnished. Further, this deposit cannot be used by the taxpayer for any other purpose till the filing of return for the quarter.

Quarterly filing of FORM GSTR-3B

- a) Such registered persons would be required to furnish FORM GSTR-3B, for each quarter, on or before 22nd or 24th day of the month succeeding such quarter. In FORM GSTR-3B, they shall declare the supplies made during the quarter, ITC availed during the quarter and all other details required to be furnished therein.
- b) 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.
- c) 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.

Applicability of Interest

(A) For registered person making payment of tax by opting Fixed Sum Method

- (i) 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 the due date. In other words, if while furnishing return in FORM GSTR-3B, it is found that in any or both of the first two months of the quarter, the tax liability net of available credit on the supplies made /received was higher than the amount paid in



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challan, then, no interest would be charged provided they deposit system calculated amount for each of the first two months and discharge their entire liability for the quarter in the FORM GSTR-3B of the quarter by the due date.

- (ii) 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.
- (iii) 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.

Illustration 1

A registered person, who has opted for the Scheme, had paid a total amount of Rs. 100/- in cash as tax liability in the previous quarter of October to December. He opts to pay tax under fixed sum method. He therefore pays Rs. 35/- each on 25th February and 25th March for discharging tax liability for the first two months of quarter viz. January and February. In his return for the quarter, it is found that liability, based on the outward and inward supplies, for January was Rs. 40/- and for February it was Rs. 42/-. No interest would be payable for the lesser amount of tax (i.e. Rs. 5 and Rs. 7 respectively) discharged in these two months provided that he discharges his entire liability for the quarter in the FORM GSTR-3B of the quarter by the due date.

Illustration 2 –

A registered person, who has opted for the Scheme, had paid a total amount of Rs. 100/- in cash as tax liability in the previous quarter of October to December. He opts to pay tax under fixed sum method. He therefore pays Rs. 35/- each on 25th February and 25th March for discharging tax liability for the first two months of quarter viz. January and February. In his return for the quarter, it is found that total liability for the quarter net of available credit was Rs. 125 but he files the return on 30th April. Interest would be payable at applicable rate on Rs. 55 [Rs. 125 – Rs. 70 (deposit made in cash ledger in M1 and M2)] for the period between due date of quarterly GSTR 3B and 30th April.

(B) For registered person making payment of tax by opting Self-Assessment Method

Interest amount would be payable as per the provision of Section 50 of the CGST Act for tax or any part thereof (net of ITC) which remains unpaid / paid beyond the due date for the first two months of the quarter.

Interest payable, if any, shall be paid through **FORM GSTR-3B**.

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 u/s 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.



Filing of Statement of Supplies effected through an E-commerce operator (TCS Statement) [Section 52 r/w Rule 60(7) and 67]

- a) When a supplier supplies some goods or services to the consumer through the portal of an electronic commerce operator (ECO), the consideration for the product/ service is collected by the ECO from the consumer and passed on to the actual supplier after the deduction of its commission.
- b) The ECO is liable to collect the tax @ 1% from the supplier u/s 52 on “**the net value of the goods/services supplied**” through the portal of ECO.
- c) ECO shall furnish a **monthly** return in **Form GSTR-8** electronically through the common portal on/before **10th of the month** succeeding the **calendar month** in which tax has been **collected at source**.
- d) Details of TCS furnished by the ECO in Form GSTR-8 shall be made available electronically to each of the suppliers in **Part C of Form GSTR- 2A** on the common portal after the due date of filing of Form GSTR-8.
- e) The operator shall not be allowed to furnish a statement u/s 52(4) (i.e. GSTR 8) **after the expiry of a period of three years from the due date of furnishing the said statement:**

Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, **allow an operator or a class of operators to furnish a statement under sub-section (4), even after the expiry of the said period of three years from the due date of furnishing the said statement.**

ANNUAL RETURN [SECTION 44]

Who are required to furnish Annual Return?

Every registered person, other than

- (i) an Input Service Distributor,
- (ii) a person paying tax under section 51 or section 52,
- (iii) a casual taxable person and
- (iv) a non-resident taxable person

Prescribed Form

shall furnish an annual return in Form GSTR-9 which may include a self-certified reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year, with the audited annual financial statement for every financial year electronically, within 31st December of the next FY.



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Exempted from requirement of filing Annual Return

Provided that the Commissioner may, on the recommendations of the Council, by notification, exempt any class of registered persons from filing annual return under this section:

Provided further that nothing contained in this section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.

MAXIMUM TIME LIMIT TO FURNISH GSTR 9 [Section 44(2)]

A registered person shall not be allowed to furnish an annual return under sub-section (1) for a financial year **after the expiry of a period of three years from the due date of furnishing the said annual return:**

Provided that the Government may, on the recommendations of the Council, by notification, and subject to such conditions and restrictions as may be specified therein, **allow a registered person or a class of registered persons to furnish an annual return for a financial year under sub-section (1), even after the expiry of the said period of three years from the due date of furnishing the said annual return.**

Relevant Rule 80

(1) Every registered person, other than those referred to in the second proviso to section 44, an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return for every financial year as specified under section 44 electronically in **FORM GSTR-9** on or before the **31st December following the end of such financial year** through the common portal either directly or through a Facilitation Centre notified by the Commissioner:

Provided that a person paying tax under section 10 shall furnish the annual return in **FORM GSTR-9A**.

(2) Every electronic commerce operator required to collect tax at source under section 52 shall furnish annual statement referred to in sub-section (5) of the said section in **FORM GSTR-9B**.

(3) Every registered person, other than those referred to in the second proviso to section 44, an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, **whose aggregate turnover during a financial year exceeds ₹ 5 crores**, shall also furnish a self-certified reconciliation statement as specified under section 44 in **FORM GSTR-9C** along with the annual return referred to in sub-rule (1), on or before the **31st December following the end of such financial year**, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner.

Requirement of filing of Annual return for FY 2019-20 is optional

Filing of annual return u/s 44 (1) for FY 2019-20 is **optional** for small taxpayers whose aggregate turnover is less than ₹ 2 crores and who have not filed the said return before the due date.

[N/N 77 /2020–CT dated 15/10/2020]

**Requirement for GST Audit is exempted for taxpayer having aggregate turnover upto ₹ 5 Crores to FY 2019-20 as well**

Provided that for the **FY 2018-2019** and **2019-2020**, every registered person whose aggregate turnover **exceeds ₹ 5 crore** shall get his accounts audited as specified u/s 35(5) and he shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in FORM GSTR-9C for the said financial year. **[N/N 79 /2020 – CT dated 15/10/2020]**

Exemption from furnishing of Annual Return for FY 2020-21

The Commissioner, on the recommendations of the Council, hereby exempts the registered person whose **aggregate turnover in the financial year 2020-21 is upto ₹ 2 crore**, from filing annual return for the said financial year. **[N/N 31/2021 – CT dated 30th July 2021]**

FINAL RETURN [SECTION 45]**Who are required to furnish Final Return?**

Every registered person who is required to furnish return u/s 39(1) and whose registration has been **surrendered or cancelled** shall file a **Final Return** in **Form GSTR-10**.

Time limit to furnish Final Return

Final Return has to be filed **within 3 months** of the:

- (i) date of cancellation; or
- (ii) date of order of cancellation

whichever is later.

FIRST RETURN [SECTION 40]

Every registered person who has made outward supplies in the period between (i) the date on which he became liable to registration till (ii) the date on which registration has been granted shall declare the same in the **FIRST RETURN** furnished by him after grant of registration.

DETAILS OF INWARD SUPPLIES OF PERSONS HAVING UIN [Rule 82]

UIN is issued for claiming refund of taxes paid on inward supplies of a person. Such person shall furnish details of inward supplies on which refund of taxes has been claimed **in Form GSTR-11, along with application for such refund claim.**



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RETURN FOR PERSONS PROVIDING OIDAR SERVICES

Every registered person **either providing:**

- (i) **online money gaming from a place outside India to a person in India ; or**
- (ii) providing online information and data base access or retrieval services from a place outside India
 - (a) to a **non-taxable online recipient referred to in section 14 of the IGST Act 2017 or**
 - (b) **to a registered person other than a non-taxable online recipient**

shall file return in **FORM GSTR-5A** on or before the 20th day of the month succeeding the calendar month or part thereof.

DEFAULT IN FURNISHING RETURN [SECTIONS 46 & 47]

A. LATE FEES LEVIED FOR DELAY IN FILING RETURN

In what cases, late fees would be levied:

Any registered person who fails to furnish following by the due date:

- (i) Statement of **Outward Supplies** [Section 37]
- (ii) **Returns** [Section 39]
- (iii) **Final Return** [Section 45],
- (iv) **TCS Return** [Section 52]

Quantum of Late Fees under CGST Act, 2017:

- a) ₹ 100 for every day during which such failure continues
- b) ₹ 5,000*

whichever is lower

**Maximum quantum will increase for delay in filing Annual Return - 0.25% of turnover of registered person in the State/UT*

Maximum late fees payable under section 47 for delayed filing of Forms GSTR-1, GSTR-3B, GSTR-4 and GSTR-7, rationalized

Section 47 of the CGST Act stipulates a specified amount of late fee for delay in filing any of the following by their respective due dates:

- (A) Statement of Outward Supplies [Section 37]
- (B) Returns (including returns under QRMP Scheme) Returns [Section 39]
- (C) Final Return [Section 45]



An equal amount of late fee is payable by such person under the respective SGST/UTGST Act as well. Penalty leviable under IGST Act shall be the sum total of the penalties leviable under the CGST Act and the SGST/UTGST Act.

The late fee can be waived off partially or fully by the Central Government. Consequently, since the inception of GST law, late fee is being regularly waived off by the Central Government either partially or fully.

From the tax period June, 2021 onwards or quarter ending June, 2021 or FY 2021-22 onwards, as the case may be, late fee for delayed filing of Forms GSTR-1, GSTR-3B and GSTR-4, has been rationalized as follows:

For delayed filing of GSTR-1 and/or GSTR-3B:-

Total amount of late fee payable under section 47 of the CGST Act from June, 2021 / quarter ending June, 2021 onwards, by the registered person who fail to furnish Form GSTR-1 and/or Form GSTR-3B by the due date, shall be as follows:

Particulars	Late Fees	
(1) Registered Persons who have Nil Outward supplies in the tax period/whose total amount of tax payable in the GSTR- 3B is Nil,	₹ 500 (₹ 250 each under CGST & SGST or ₹ 500 under IGST)	
	Aggregate turnover of ≤ ₹ 1.5 crores in the preceding FY	Aggregate turnover of > ₹ 1.5 crores upto 5 crores, in the preceding FY
(2) Registered persons other than those covered in (1) above	₹ 2,000 (₹ 1,000 each under CGST & SGST or ₹ 2,000 under IGST)	₹ 5,000 (₹ 2,500 each under CGST & SGST or ₹ 5,000 under IGST)
(3) Registered persons other than (1) and (2)	Late fee as specified under section 47	

For delayed filing of GSTR-4:-

Total amount of late fee payable under section 47 of the CGST Act **from FY 2021-22 onwards**, by the registered person (composition taxpayer) who fail to furnish Form GSTR-4 by the due date, shall be as follows:

Particulars	Late Fees
(1) Total tax payable in GSTR-4 is Nil	₹ 500 (₹ 250 each under CGST & SGST or ₹ 500 under IGST)
(2) Registered persons other than those covered in (1) above	₹ 2,000 (₹ 1,000 each under CGST & SGST or ₹ 2,000 under IGST)



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For delayed filing of GSTR-7:-

Total amount of late fee payable under section 47 of the CGST Act by any registered person, required to deduct tax at source under the provisions of section 51 of the CGST Act for delayed filing of GSTR-7, **from the month of June 2021 onwards**, shall be as follows:

₹ 25 for every day during which such failure continues or ₹ 1,000 whichever is lower.

Rationalization of late fee for GSTR-9 and Amnesty to GSTR-9 non-filers [N/N 07/2023 CT dated 31/03/2023]

The Central Government, on the recommendations of the Council, **hereby waives the amount of late fee** referred to in section 47 of the said Act in respect of the return to be furnished u/s 44 of the said Act for **the financial year 2022-23 onwards**, which is in excess of amount as specified below

Class of registered persons	Amount (₹)
Registered persons having an aggregate turnover of up to ₹ 5 crores in the relevant financial year.	₹ 25 per day , subject to a maximum of an amount calculated at 0.02% of turnover in the State or Union territory.
Registered persons having an aggregate turnover of more than ₹ 5 crores and up to ₹ 20 crores in the relevant financial year.	₹ 50 per day , subject to a maximum of an amount calculated at 0.02 % of turnover in the State or Union territory.

B. NOTICE TO RETURN DEFAULTERS

A notice in prescribed form shall be issued to a registered person who fails to furnish return:

- u/s 39 [**Normal Return**] or
- u/s 44 [**Annual Return**] or
- u/s 45 [**Final Return**] or
- u/s 52 [**TCS Statement**]

Such notice shall require such registered person him to furnish such return within 15 days.



GST PRACTITIONERS [SECTION 48]

Difference between taxpayer and GST practitioner

A taxpayer is a person registered under GST law for the purpose of filing returns, payment of tax, availing input tax credit and other compliances. Such a person is defined as a 'taxable person' under GST law.

On the contrary, a GST practitioner is a person registered as a GST professional under GST Law. A taxpayer may authorise a GST practitioner to furnish monthly/quarterly/ annual returns and information, on his behalf, to the government.

The manner of approval of GST practitioners, the manner of removal, eligibility and qualification, roles and responsibilities and other conditions relevant for the functioning of a GST Practitioner. A taxable person can add a GST Practitioner to his GST Portal, to allow such a person to make compliance under GST on his behalf.

An application in **FORM GST PCT-01** is made electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner for enrolment as GST practitioner.

A. ELIGIBILITY CRITERIA FOR GSTP

A person who

- (i) is an Indian Citizen
- (ii) Person of sound mind
- (iii) Not adjudicated as insolvent
- (iv) Not been convicted by competent court

AND

satisfies ANY ONE of the conditions

- (a) Acquired any of the **prescribed qualifications** (mentioned below);
- (b) Enrolled as **Sales Tax Practitioner** or **Tax Return Preparer** under earlier indirect tax law for minimum period of **5 years**;
- (c) Retired officer of Commercial Tax Department of any State Govt. / CBEC who, during service under Government had worked in a post not lower than the rank of a Group-B gazetted officer for ≥ 2 years.

B. PRESCRIBED QUALIFICATIONS

- (i) Has passed **final** examination of ICAI/ ICSI/ Institute of Cost Accountants of India.
- (ii) Graduate or postgraduate degree or its equivalent examination having a degree in Commerce, Law, Banking including Higher Auditing, or Business Administration or Business Management from any Indian University established by any law for time being in force
- (iii) Degree examination of any Foreign University recognised by any Indian University as equivalent to the degree examination mentioned in sub-clause (ii)
- (iv) Any other examination notified by the Government, on recommendation of the Council;



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- (v) Any degree examination of an Indian University / Foreign University recognized by any Indian University as equivalent of the degree examination;

C. ACTIVITIES WHICH CAN BE UNDERTAKEN BY A GSTP?

- (i) Furnish details of outward supplies
- (ii) Furnish monthly, quarterly, annual or final return
- (iii) Make deposit for credit into the electronic cash ledger
- (iv) Allowed to appear as authorised representative before any officer of Department, Appellate Authority or Appellate Tribunal, on behalf of such a registered person provided he is enrolled as GSTP
- (v) File a claim for refund
- (vi) File an application for registration amendment/ cancellation
- (vii) Furnish information for generation of e-way bill
- (viii) Furnish details of challan in Form GST ITC-04
- (ix) File application for amendment or cancellation of enrolment u/r 58
- (x) File an intimation to pay tax under the composition scheme or withdraw from the scheme.

Confirmation from registered persons shall be sought for points (v), (vi) and (x)

D. FURNISHING RETURNS THROUGH GSTP

Registered person should give his consent in prescribed form to any GSTP to prepare and furnish his return.

The responsibility for correctness of any particulars furnished in the return or other details filed by the GST practitioners shall continue to rest with the registered person.

The registered person before confirming, should ensure that the facts mentioned in the return are true and correct before signature.

E. PROCEDURE FOR ENROLMENT AS GSTP?

A. Application in prescribed form may be made electronically for enrolment as GSTP
B. Application shall be scrutinised and GST practitioner certificate shall be granted in the prescribed form
C. In case, the application is rejected, proper reasons shall have to be given
D. The enrolment once done remains valid till it is cancelled.
E. No person enrolled as a GSTP shall be eligible to remain enrolled unless he passes notified examinations



Any person who has been enrolled as GSTP by virtue of him being enrolled as a Sales Tax Practitioner or Tax Return Preparer under earlier Indirect Tax law shall remain enrolled only for 30 months from appointed date unless he passes said examination within 30 months.

Disqualifications and cancellation of GST Practitioner's certificate:

If a GST Practitioner is found guilty of misconduct in connection with any proceedings under the GST Act, he is disqualified to act as GST Practitioner. The process of disqualification from practicing as a GST Practitioner is as follows:

- (i) A Show cause notice is served upon the GST Practitioner by the authorized officer in **FORM GST PCT- 03** to call for an explanation for carrying out the misconduct.
- (ii) Reasonable opportunity of being heard is provided to GST practitioner to seek justifications from his/her side.
- (iii) After hearing the GST Practitioner, if he is found guilty of misconduct, the authorized officer passes order in **FORM GST PCT-04** directing that the GST practitioner cannot function as GST practitioner under the GST Act, 2017 and is disqualified.
- (iv) However, the person (i.e. the GST practitioner) can make an appeal against the order in **FORM GST PCT -04** to the commissioner within 30 days

Forms prescribed in connection with the GST Practitioner

Forms	Deals with
GST PCT 01	Application for enrolment as GST Practitioner
GST PCT 02	Enrolment Certificate of GST Practitioner
GST PCT 03	Show cause notice for disqualification
GST PCT 04	Order of rejection of enrolment as GST Practitioner
GST PCT 05	Withdrawal for authorisation for GST Practitioner
GST PCT 06	Application for cancellation of enrolment as GST Practitioner
GST PCT 07	Order of cancellation of enrolment as GST Practitioner

**AVAILMENT OF INPUT TAX CREDIT [SECTION 41]**

(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed, be entitled to avail the credit of eligible input tax, as self-assessed, in his return and such amount shall be credited to his electronic credit ledger.

(2) The credit of input tax availed by a registered person under sub-section (1) in respect of such supplies of goods or services or both, the tax payable whereon has not been paid by the supplier, shall be reversed along with applicable interest, by the said person in **such manner as may be prescribed:**

Provided that where the said supplier makes payment of the tax payable in respect of the aforesaid supplies, the said registered person may re-avail the amount of credit reversed by him in such manner as may be prescribed.”

Reversal of input tax credit in the case of non-payment of tax by the supplier and re-availment thereof [Rule 37A inserted vide N/N 26/2022 dtd. 26/12/2022]

Where input tax credit has been availed by a registered person in the return in FORM GSTR-3B for a tax period in respect of such invoice or debit note, the details of which have been furnished by the supplier in the statement of outward supplies in FORM GSTR-1 or using the invoice furnishing facility, but the return in FORM GSTR-3B for the tax period corresponding to the said statement of outward supplies has not been furnished by such supplier till the 30th day of September following the end of financial year in which the input tax credit in respect of such invoice or debit note has been availed, the said amount of input tax credit shall be reversed by the said registered person, while furnishing a return in FORM GSTR-3B on or before the 30th day of November following the end of such financial year:

Provided that where the said amount of input tax credit is not reversed by the registered person in a return in FORM GSTR-3B on or before the 30th day of November following the end of such financial year during which such input tax credit has been availed, such amount shall be payable by the said person along with interest thereon u/s 50.

Provided further that where the said supplier subsequently furnishes the return in FORM GSTR-3B for the said tax period, the said registered person may re-avail the amount of such credit in the return in FORM GSTR-3B for a tax period thereafter.”