



Registration, Returns, Payment of Tax, Invoices & Accounts, Audits, under Revised Model GST Law

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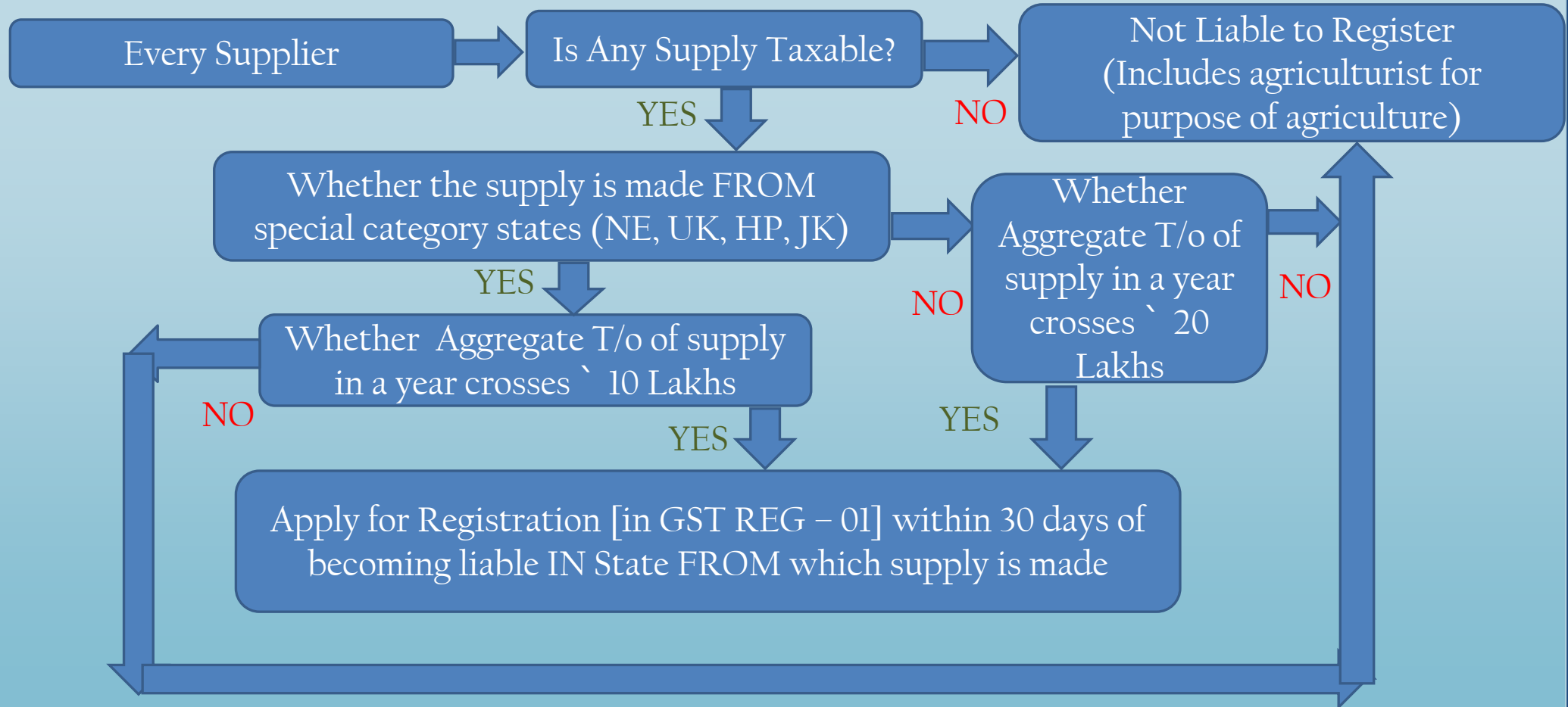
Agenda

- Registration
- Returns
- Payment of Taxes
- Invoices & Accounts
- Audits



Registration

General Cases – sec 23 r.w. Sch V



Aggregate Turnover – sec 2(6)

- MEANS aggregate value of
 - All Taxable Supplies
 - Exempt Supplies
 - Export of Goods and /or Services
 - Inter State Supplies
- Of a person having same PAN
- To be computed on all India basis
- Excludes
 - Taxes charged under C / S / IGST
 - Value of Inward Supplies
 - Value of Inward Supplies on which tax is payable on RCM

Liable for Registration w/o Threshold Limit

- TxP making Inter State Taxable Supply
- Casual Taxable Person
- Persons required to pay under Reverse Charge Mechanism (RCM)
- e-Commerce Operators
- Person required to pay tax u/s 8(4) & collect Tax u/s 56
- Other than specified services u/s 8(4) through e-Commerce

Liable for Registration w/o Threshold Limit

- Non Resident TxP
- Persons required to deduct TDS u/s 46
- Input Service Distributor
- Person supplying online info & database access or retrieval services from outside India to a non registered TxP in India
- Person who supplies goods and/or services on behalf of other TxP as agent or otherwise
- Notified Class of Persons

Other Cases for Registration – Sch V

- Business carried on by registered TxP → transferred as going concern to a successor on succession → Successor Liable to be registered
- In scheme of amalgamation, demerger → Transferee Liable → w.e.f date on which ROC issue COI giving effect to court order
- Every person who is registered under old law → on immediately preceding date to appointed date → Liable to be registered w.e.f APPOINTED DATE

Registration – Law at Glance

- Place of Supply utmost important to determine the state in which the TxP has to register.
- Single Registration no for CGST / SGST / IGST qua state
- Multiple Business Verticals in a state → May have separate registrations at option of TxP → Subject to Conditions prescribed
- Not liable under Sch V → Voluntary Registration allowed
- PAN issued under Income Tax Act is mandatory
- TAN issued under Income Tax Act is mandatory for Tax Deduction u/s 46

Registration – Law at Glance

- UIN for UNO, notified UN Bodies, Consulates, Embassies
- UIN for other persons or class of persons
- Exemption from registration to notified specified categories of persons
- Rejection of Registration / UIN under C/SGST shall be deemed as rejection under S/CGST
- Registration / UIN shall be deemed granted if not rejected under C/SGST within prescribed time limit
- If person liable to register → Fails to obtain registration → PO may suo moto register such person

Casual TxP & Non-Resident TxP

Casual TxP

- occasionally undertakes transactions
 - +
- involves supply of goods / services
 - +
 - furtherance of business
 - +
- In Taxable territory where such TxP has no FIXED place of business

Non Resident TxP

- occasionally undertakes transactions
 - +
- involves supply of goods / services
 - +
- where such TxP has no FIXED place of business in INDIA

Casual TxP & Non-Resident TxP

- Application at least 5 days prior to commencement of business
- Certificate of Registration is VALID for Earlier of
 - period specified in it; or
 - 90 days
- PO may extend the said period NOT more than 90 days
- Estimate tax liability [Input Credit to be considered]
- Make advance deposit of Estimated Tax Liability

Structure of Registration Number

1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th
State Code		PAN of Legal Entity / Assesse										Entity Code	Blank	Check Digit
2	7	A	A	A	C	A	1	2	3	4	A	1	Z	X

- Initial 2 digits – State Code
- Next 10 digits – PAN of Legal Entity
- 13th Digit – Entity Code → Alpha / Numeric (1-9 & then A-Z)
- 14th Digit – Proposed to be Blank (Although practically allotted)
- 15th Digit – Check Digit

Amendments to Registration - Rule 9 r.w. sec 25

- Inform any changes in info at time of registration to PO within 15 days in Form GST REG -11 electronically
- PO to issue show cause and provide ROBH to TxP for incorrect or incomplete documents within 7 days of receipt of application in Form GST REG-03
- TxP to Reply to show cause within 7 days in Form GST REG-04
- If PO fails to take action within 15 days of application or 7 days of reply to show cause, the certificate of registration shall stand amended and be made available on Common Portal
- Any Rejection or Approval under C / SGST Act shall be deemed to be rejection or approval under S / CGST Act

Cancellation of Registration sec 26

- PO to cancel in Form GST REG – 16
 - on own motion after issuing show cause in Form GST REG -15 or
 - application filed by TxP in Form GST REG – 14
- Reasons for cancellation
 - Business Discontinued
 - Transferred Fully due to death / amalgamation / demerger
 - Change in constitution
 - TxP no longer liable to be registered

Cancellation of Registration sec 26

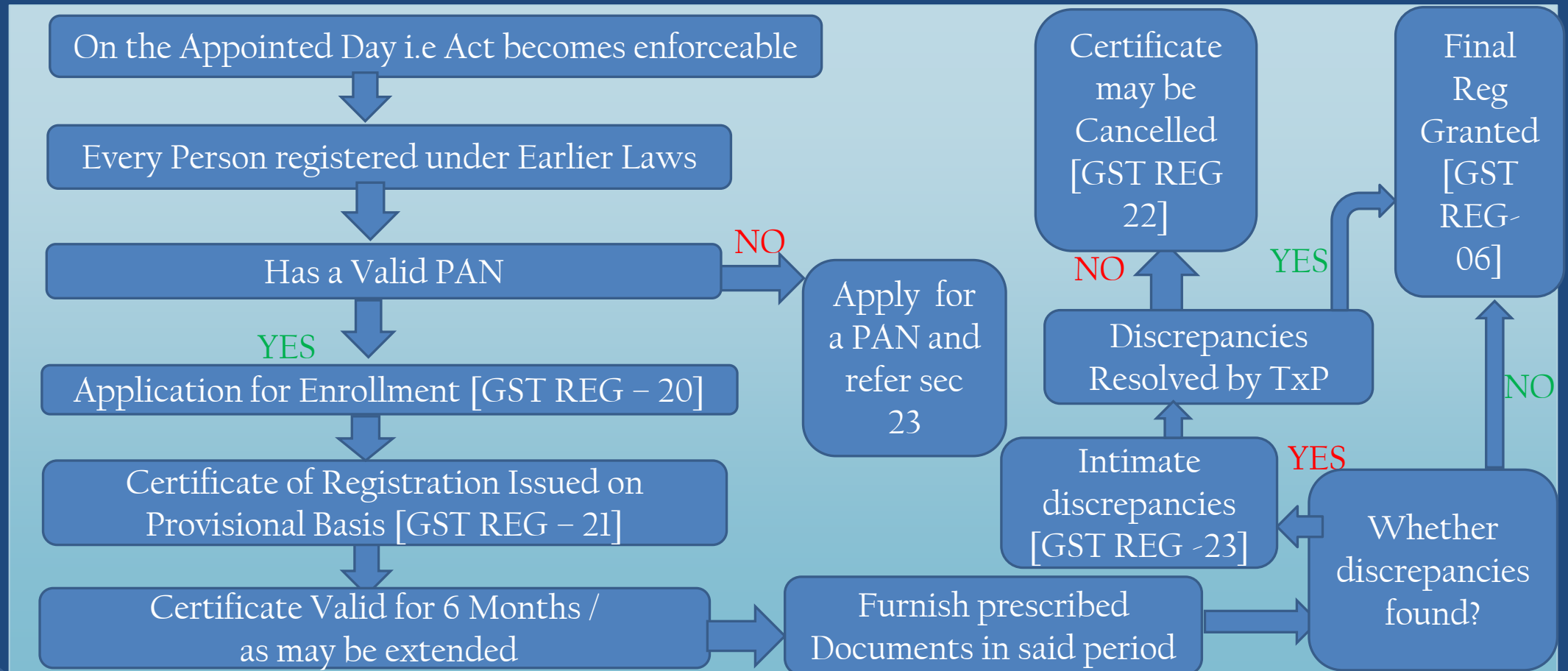
- Reasons for cancellation
 - Registered TxP has contravened provisions of Act & Rules
 - Has not filed returns for a continuous period of six months / 3 periods for composition TxP
 - Has obtained voluntary registration but not commenced business within 6 months
 - Registration obtained by FWS
- No effect of cancellation on the liability / other dues of TxP
- Cancellation under C / SGST shall be deemed cancellation under S / CGST
- Reg TxP to pay an amount in Electronic Cash Ledger equivalent to Input availed of Stock in Hand and Input Credit on Capital Goods reduced by prescribed % points

Revocation of cancellation – sec 27

- Any TxP whose registration is cancelled by PO on own motion can apply for revocation in Form GST REG – 17 within 30 days of service of order of cancellation in Form GST REG – 16
- PO to give show cause & ROBH in form GST REG – 19
- PO can either revoke the cancellation of registration in Form GST REG – 18 or reject the application for good and sufficient reasons
- Revocation of Cancellation of Registration under C / SGST shall be deemed revocation of cancellation of registration under S / CGST

Transitional Provision – sec 166

Migration of existing taxpayers to GST



Migration Requisites & Tips

- Provisional ID to be technically Valid for 6 months as proposed in Draft law
- Draft Rule 14, GST Registration Rules
- Refer Form GST REG 20 and keep the details ready prior to registration
- Refer FAQs published by CBEC, available on GST website “www.gst.gov.in”
- E-mail & Mobile no Mandatory for purpose of OTP
- GST Helpdesk → Email: helpdesk@gst.gov.in ; Call: 0124 – 4688999
- DSC or Aadhar Number for e-Signature
- Registration details under different Indirect Taxes Laws to be subsumed in GST Law

Migration Requisites & Tips

- Harmonised System of Nomenclature (HSN) Code for goods
 - In case of excise assessee, available on registration
 - Refer DGFT site for detailed list
- Services Accounting Codes (SAC) for services
 - Refer ST-2 of the assessee
 - 8 digit code, first 4 digits Major Code “0044” followed by Minor Code “XXXX” used while paying service tax of principal service
- Sector, Circle, Ward, Jurisdiction Details
 - For Maharashtra → Refer Trade Circular 20T of 2015 dated 30/12/2015 for restructuring of VAT Officer

Recommendatory Enrolment Drive for Migration

States	Start Date	End Date
Puducherry, Sikkim	08/11/2016	23/11/2016
Maharashtra, Goa, Daman and Diu, Dadra and Nagar Haveli, Chhattisgarh	14/11/2016	30/11/2016
Gujarat	15/11/2016	30/11/2016
Odisha, Jharkhand, Bihar, West Bengal, Madhya Pradesh, Assam, Tripura, Meghalaya, Nagaland, Arunachal Pradesh, Manipur, Mizoram	30/11/2016	15/12/2016
Uttar Pradesh, Jammu and Kashmir, Delhi, Chandigarh, Haryana, Punjab, Uttarakhand, Himachal Pradesh, Rajasthan	16/12/2016	31/12/2016
Kerala, Tamil Nadu, Karnataka, Telangana, Andhra Pradesh	01/01/2017	15/01/2017
Enrolment of Taxpayers who are registered under Central Excise Act/ Service Tax Act but not registered under State VAT	01/01/2017	31/01/2017
Delta All Registrants (All Groups)	01/02/2017	20/03/2017

Although some states have extended the periods for registration

GST REGISTRATION FORMS

Particulars	FORM TYPE
Application for Registration	GST REG-01
Acknowledgement	GST REG-02
Notice seeking additional information/ clarification. Documents relating to application for Registration, Amendment, Cancellation	GST REG-03
Application for filing additional information/ clarification. Documents relating to application for Registration, Amendment, Cancellation	GST REG-04
Order for Rejection of Application for Registration/ Amendment/ Cancellation/ Revocation of Cancellation	GST REG-05
Registration Certificate U/s 23(9)	GST REG-06
Application for Tax Deductor or Collector at Source	GST REG-07
Order for Cancellation of Application for Registration Tax Deductor or Collector at Source	GST REG-08
Application for Allotment of Unique ID to UN Bodies/ Embassies/ Any Other Person	GST REG-09

GST REGISTRATION FORMS

Particulars	FORM TYPE
Application for Registration for Non Resident Taxable Person.	GST REG-10
Application for Amendment in Particulars Subsequent to Registration	GST REG-11
Order for Amendment in Particulars to Existing Registration	GST REG-12
Order of Allotment of Temporary registration- Suo Moto Registration	GST REG-13
Application for Cancellation of Registration	GST REG-14
Show Cause Notice for Cancellation of Registration	GST REG-15
Order for Cancellation of Registration	GST REG-16
Application for Revocation of Cancellation of Registration	GST REG-17
Order for approval of application for Revocation of Cancelled of Registration	GST REG-18

GST REGISTRATION FORMS

Particulars	FORM TYPE
Notice for seeking clarification/ Documents relating to application for revocation of cancelled Registration	GST REG-19
Application for Enrollment of existing Taxpayers	GST REG-20
Provisional Registration Certificate for Existing Taxpayers	GST REG-21
Order for Cancellation of Provisional Certificate	GST REG-22
Intimation of discrepancies in application for enrolment of existing taxpayers	GST REG-23
Application for Cancellation of Registration for Migrated Taxpayers not liable under GST Act	GST REG-24
Application for extension of registration period by Casual/ Non-resident Taxable Person	GST REG-25
Form for Field Visit Report	GST REG-26

Quiz Time

- How much time will the Provisional GST ID be valid ?
- The turnover of a TxP in State of Maharashtra is Rs. 7 lakhs, Delhi is Rs. 5 lakhs & Uttarakhand is Rs. 2 lakhs, Is he liable for registration ?
- How many business verticals can be registered in one state ?



Returns

Introduction - Returns

- GST is a self-assessed destination based taxation system. The submission and processing of return is an important link between the taxpayer and tax administration as it is an important tool for:
 - Providing seamless flow of tax credits, avoid cascading effects
 - Finalization of the tax liabilities of the taxpayer within stipulated period of limitation
 - Compliance verification program & compliance ratings of TxP
 - Providing necessary inputs for taking policy decision
 - Management of audit and anti-evasion programs of tax administration

Requirement to file the return

- Every registered person
- A return needs to be filed even if there is no business activity
- UN agencies, embassies will have unique GST ID to claim refund

Who is exempted to file the return ?

- Government entities / PSUs , etc.. not dealing in GST supplies
- Persons exclusively dealing in exempted / Nil rated / non – GST goods or services

Types of Returns

Form GSTR-1	Details of outward supplies of taxable goods and/or services effected	File by 10 th of next month
Form GSTR-1A	Details of outward supplies as added, corrected or deleted by the recipient	Reconcile latest by 17 th of next month prior to filing GSTR 3
Form GSTR-2	Details of inward supplies of taxable goods and/or services claiming input tax credit	File by 15 th of next month
Form GSTR-2A	Details of inward supplies made available to the recipient on the basis of FORM GSTR-1 furnished by the supplier	Reconcile prior to filing GSTR 2
Form GSTR-3	Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax	File by 20 th of next month
Form GSTR-3A	Notice to a registered taxable person who fails to furnish return under section 34 and section 31	

Types of Returns

Form GSTR-4	Quarterly Return for compounding Taxable persons	File by 18 th of the month succeeding the quarter
Form GSTR-4A	Details of inward supplies made available to the recipient registered under composition scheme on the basis of FORM GSTR-1 furnished by the supplier	Reconcile prior to filing GSTR 4
Form GSTR-5	Return for Non-Resident foreign taxable person	File with 7 days of validity period or 20 days of end of tax period
Form GSTR-6	ISD return	File by 13 th of next month
Form GSTR-6A	Details of inward supplies made available to the ISD recipient on the basis of FORM GSTR-1 furnished by the supplier	Reconcile prior to filing GSTR-6

Types of Returns

Form GSTR-7	Return for authorities deducting tax at source	File by 10 th of next month
Form GSTR-7A	TDS Certificate	Made available on Common Portal after GSTR-7 is filed by deductor
Form GST-ITC-1	Communication of acceptance, discrepancy or duplication of input tax credit claim	After 15 th of next month
Form GSTR-8	Details of supplies effected through e-commerce operator and the amount of tax collected as required under sub-section (1) of section 43C	

Types of Returns

Form GSTR-9	Annual return	By 31 st December of next FY
Form GSTR-9A	Simplified Annual return by Compounding taxable persons registered under section 9	
Form GSTR-9B	Audited Annual accounts & Reconciliation Statement whose Aggregate T/o > ` 1 crore	
Form GSTR-10	Final return	Within 3 months of LATER of date of application of cancellation; or date of cancellation order
Form GSTR-11	Details of inward supplies to be furnished by a person having UIN	

Returns - Law at Glance

- Monthly Returns Compulsory
- Quarterly Returns only for Dealers opting for Composition Levy u/s 9
- Returns to be filed even if no supplies have been effected in the said period
- Self assessment of tax liability by the tax payer
- Tax Due is to be paid till the last day of furnishing the return

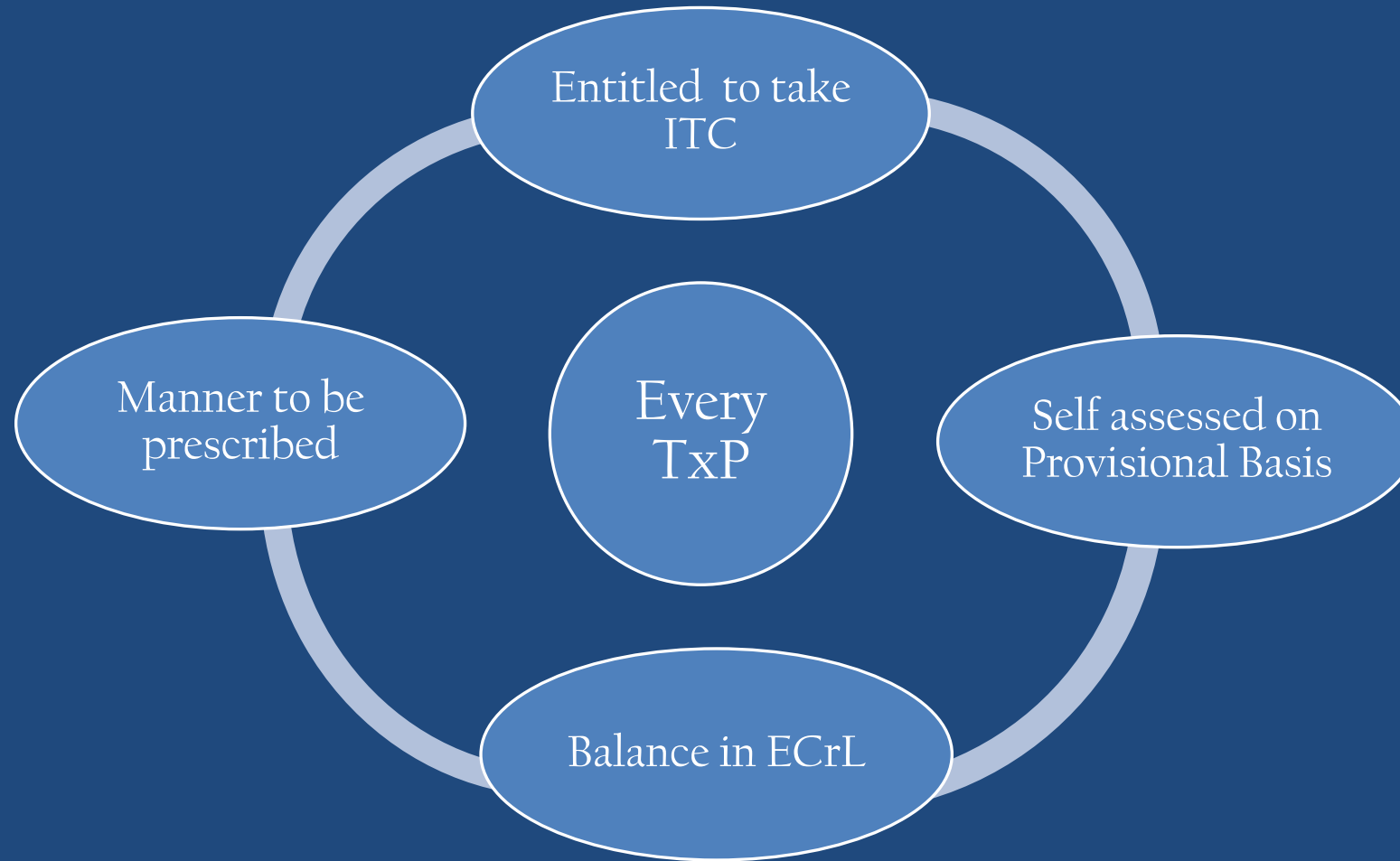
Returns - Law at Glance

- Revision of Returns NOT ALLOWED
- Omissions / Discovery of incorrect particulars by the dealer, other than those found by departmental enquires, to be RECTIFIED IN RETURN for the PERIOD in which mistake is discovered.
- Rectifications NOT ALLOWED AFTER due date for filing return for period ending September immediate next year or actual date of filing annual return whichever is earlier.

Returns - Law at Glance

- B2B transactions proposed on Invoice wise → GSTIN, Invoice No, Date, description, rate of tax, value of taxable supply & value of tax
- B2C invoice wise only for Inter State Supply above Rs. 100/-
- Separate Data Input fields for Debit / Credit Notes / TDS / ISD
- Common e-Return for CGST, SGST & IGST with different fields

Returns – Input Tax Credit Claim sec 36



Input Tax Credit Claim shall be matched with outward supplies filed by corresponding tax payer

Matching, Reversal, Reclaim of ITC sec 37 / Output Tax Liability sec 38

Matching

Match in GSTR2A as filed by corresponding supplier

Claim only those which are matched, as prescribed

Reversal

GSTN shall intimate both supplier and recipient about unmatched supplies / duplication of invoices

Details unmatched, communicated but not rectified / duplicate claim shall be added back in Output Tax Liability

Reclaim

Reduce the Output tax liability if supplier rectifies in his VALID returns within the time period 34(9)

Proviso to sub sec (9) of sec 37 & 38 – Restricts interest to be refunded to recipient to the extent of amount of interest paid by counter party on reclaim / reduction of liability

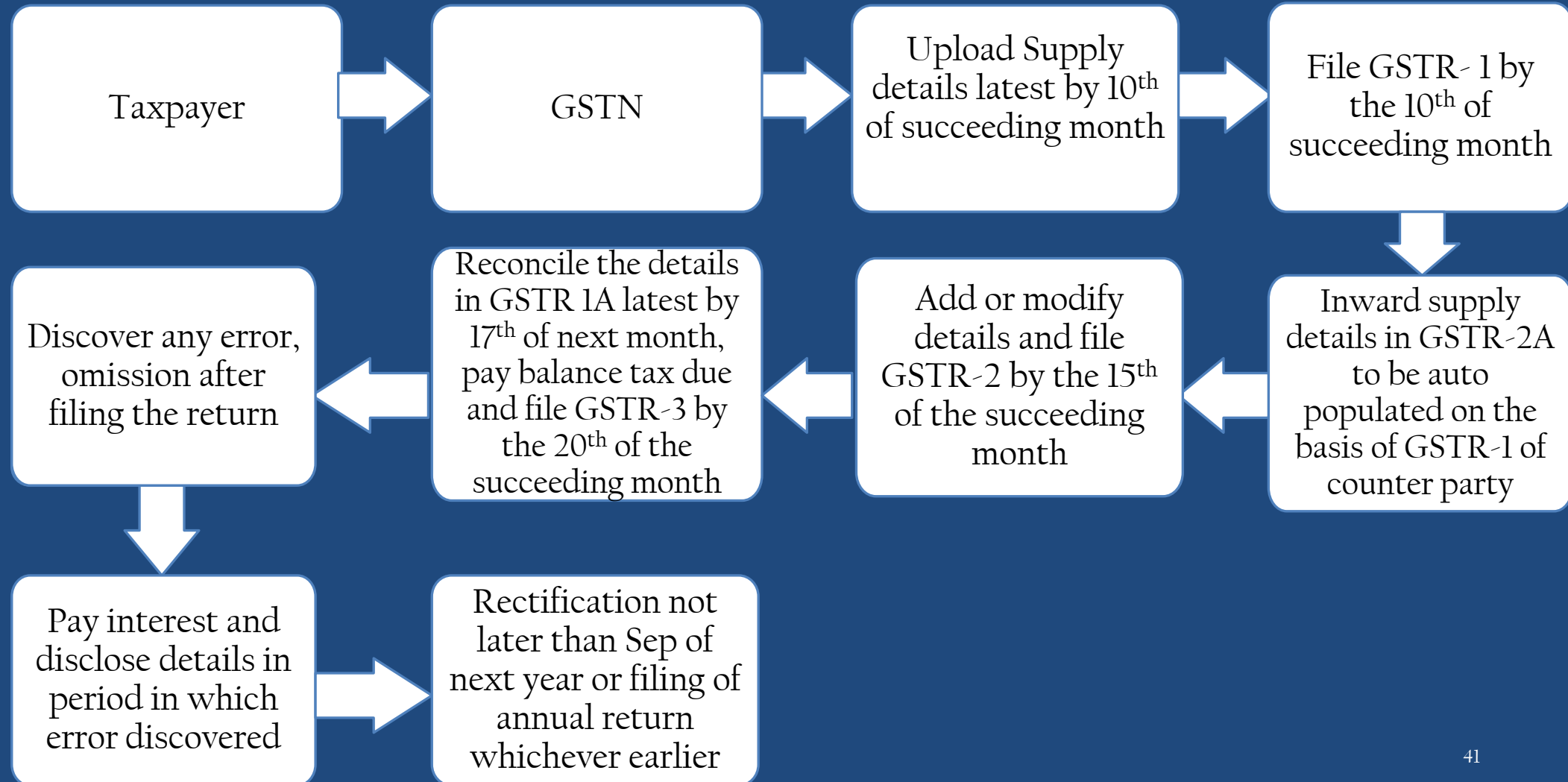
Returns - Law at Glance

- First return u/s 35- To disclose details of outward supplies in period between date on which TxP become liable for registration till the date on which registration is granted
- Final Return u/s 40
- Notice to Defaulters u/s 41 to furnish return within 15 days
- Tax Return Preparers u/s 43

Returns - Law at Glance

- Annual Return u/s 39
 - Reconciliation Statement to be filed
 - Audit required for crossing prescribed turnover of ` 1 crore
- Levy of Late Fee
 - Annual Return – ` 100/- per day, Max 0.25% of turnover of the state
 - Other than Annual Return – ` 100/- per day, Max ` 5000/-

Activity flow chart in filing generic returns



Quiz Time

- What is Due date of payment of GST?
- Maximum late fee for annual return ?
- What is a VALID Return?



Payment of
Taxes

Introduction – Payments of Taxes

- Every deposit of payment of Tax / Interest / Penalty / Other Amount shall be made by
 - Internet Banking;
 - Debit Card
 - Credit Card of Taxable Person Registered with GSTN;
 - NEFT
 - RTGS
 - OTC upto Rs. 10,000/- in Cash, DD, Cheque of same bank or Local cheque of any bank
 - Any other mode as prescribed.

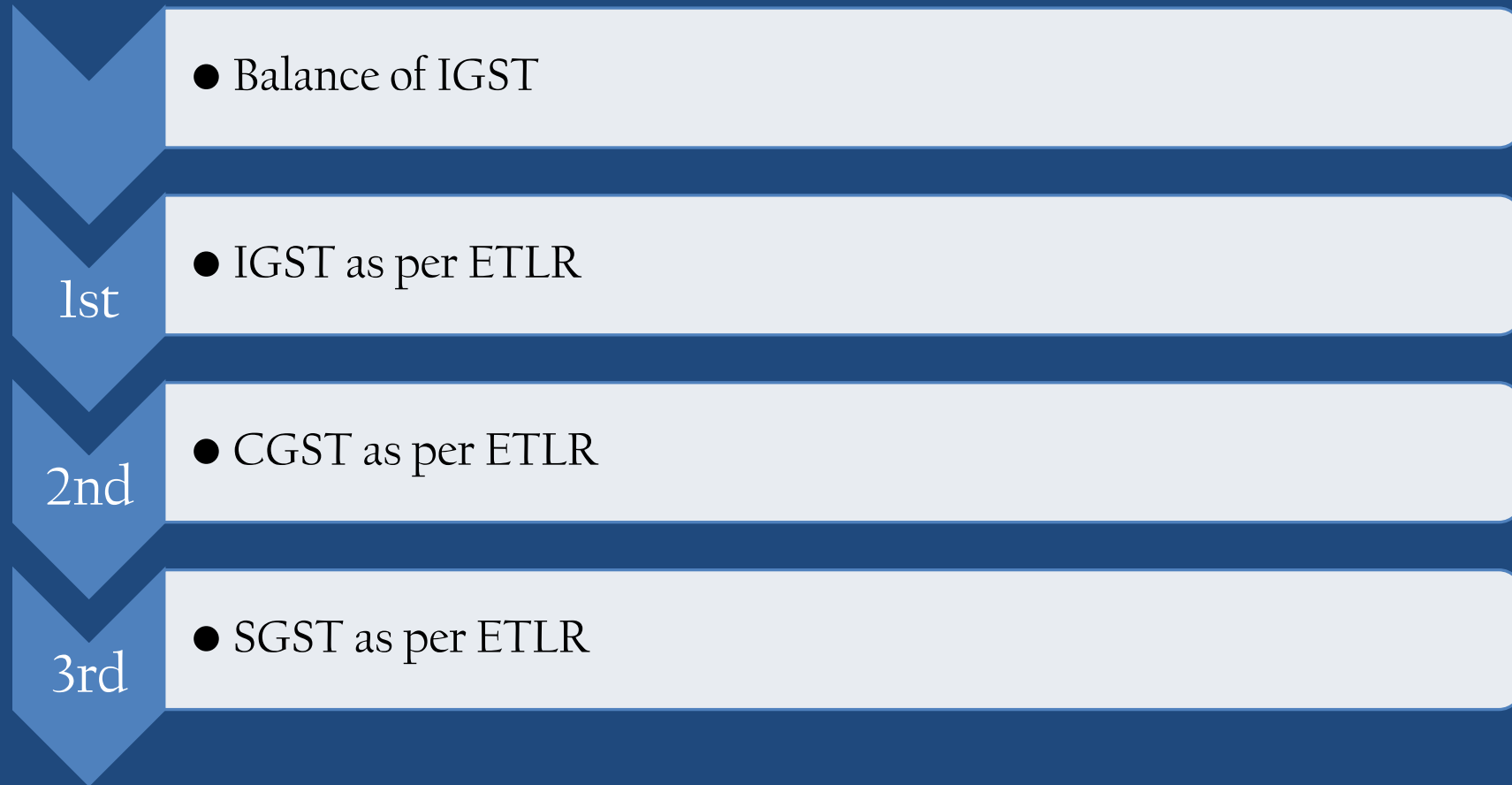
Payments

- Amount paid under above methods shall be credited to ECL (GST PMT – 3) of tax payer
- Payment to be made by generating GST PMT 4, valid for 15 days
- Copy of challan shall be available on GSTN for downloading / printing
- Bank Charges, viz commission, payment gateway, etc. to be borne by tax payer
- Input Tax Credit as self assessed shall be credited in ECrL (GST PMT – 2)

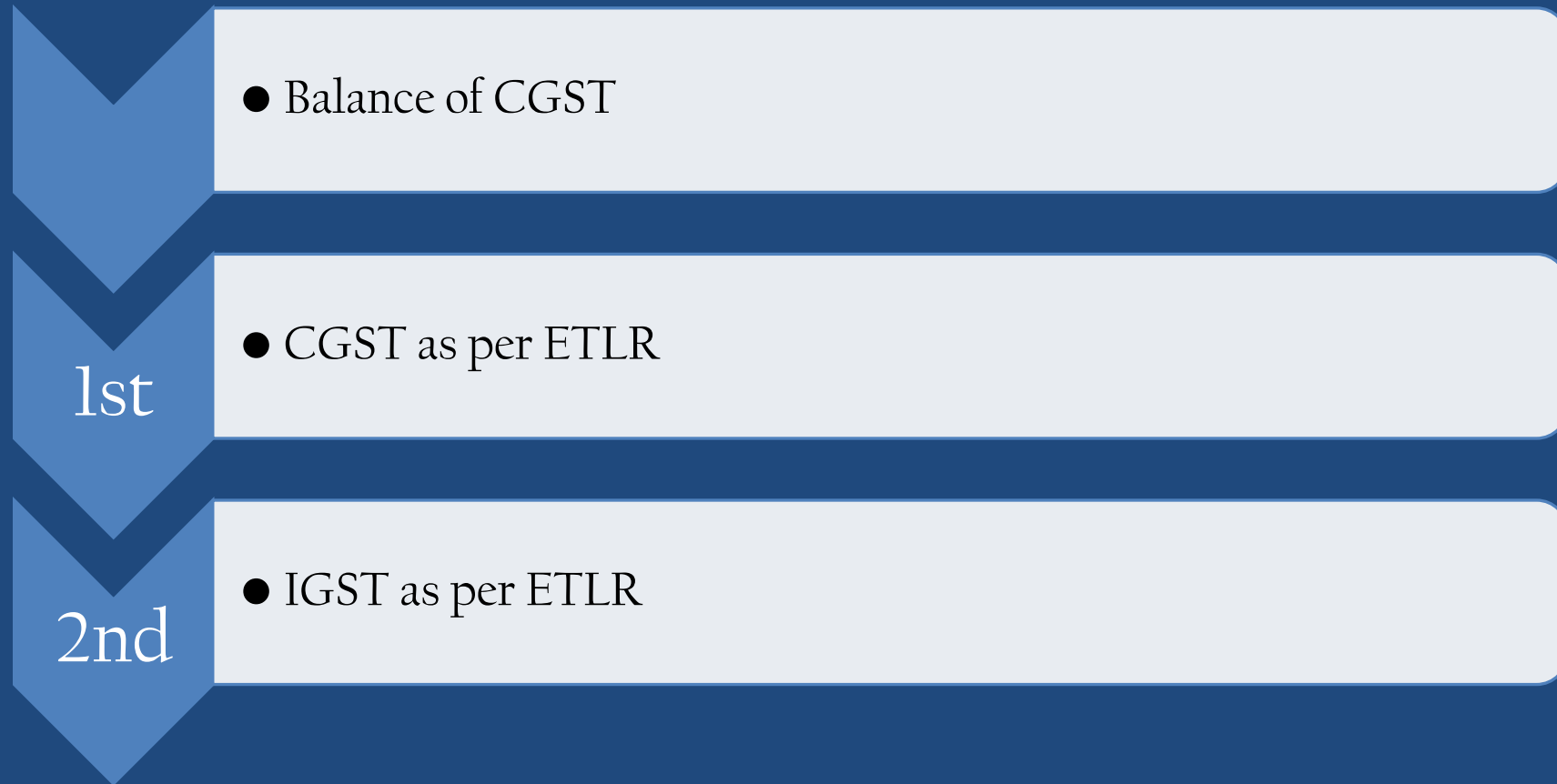
Payments

- Unique Identification Number (UIN) shall be generated on GSTN Common Portal for each credit / debit to ECL
- This UIN is indicated at time of discharging liability in Electronic Tax Liability Ledger (ETLR) (GSTN PMT – 1)
- Debits in ETLR shall be towards tax liability, interest or mismatch under sec 37, 38 & 56
- Payment of liability shall be made by Crediting ETLR through balances in Electronic Cash / Credit ledgers.

Utilisation of Balance in IGST in ECrL



Utilisation of Balance in CGST in ECrL



Utilisation of Balance of SGST in ECrL



Payment Forms

Form No	Purpose
GST PMT 1	Electronic Tax Liability Register of Taxpayer (ETLR) (Part-I: Return related liabilities)
	Electronic Tax Liability Register of Taxpayer (ETLR) (Part-II: Other than return related liabilities)
GST PMT - 2	Electronic Credit Ledger (ECrL)
GST PMT - 2A	Order for re-credit of the amount to cash or credit ledger
GST PMT - 3	Electronic Cash Ledger (ECL)
GST PMT - 4	Challan for deposit of Goods and Service Tax
GST PMT - 5	Payment register of temporary ID's / Unregistered Taxpayers
GST PMT - 6	Application for credit of missing payment (CIN not generated)

Quiz Time

- Any credit card be used for payment of tax by TxP?
 - a) Yes
 - b) No
- Balance of CGST can be utilized to discharge liability of SGST?
 - a) True
 - b) False
- What is Form No for payment of GST?



*Invoices &
Accounts*

Tax Invoice / Bill of Supply

- Every TxP SHALL issue a TAX invoice for supply of
 - taxable goods
 - taxable services
- Revised Tax Invoice for taxable supply against original invoice for period starting effective date of reg to issuance of reg certificate
- Registered TxP supplying NON Taxable Supply / Paying tax under composition shall issue “BILL OF SUPPLY” rather than a tax invoice for supply > Rs. 100

Tax Invoice / Bill of Supply

- Document issued by ISD u/s 21 shall be deemed to be tax invoice
- Supplementary Tax Invoice for any changes effected
- Receipt Voucher or any other prescribed document to be issued in case of advance receipt against supply of goods /services

Contents of Tax Invoice

- name, address and GSTIN of the supplier
- a CONSECUTIVE SERIAL NUMBER containing only alphabets and/or numerals, unique for a financial year
- date of its issue
- name, address and GSTIN/ Unique ID Number, if registered, of the recipient
- name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is unregistered and where the taxable value of supply is fifty thousand rupees or more

Contents of Tax Invoice

- HSN code of goods or Accounting Code of Services(SAC)
- description of goods or services
- quantity in case of goods and unit or Unique Quantity Code thereof
- total value of goods or services
- taxable value of goods or services taking into account discount or abatement, if any
- rate of tax (CGST, SGST or IGST)
- amount of tax charged in respect of taxable goods or services (CGST, SGST or IGST)

Contents of Tax Invoice

- place of supply along with the name of State, in case of a supply in the course of inter-State trade or commerce
- place of delivery where the same is different from the place of supply
- whether the tax is payable on reverse charge
- the word “Revised Invoice” or “Supplementary Invoice”, as the case may be, indicated prominently, where applicable along with the date and invoice number of the original invoice
- signature or digital signature of the supplier or his authorized representative

Manner of Issuing Tax Invoice

- For supply of taxable goods in TRIPLICATE
 - ORIGINAL for Recipient
 - DUPLICATE for Transporter
 - TRIPLICATE for Supplier
- DUPLICATE for transporter not required if supplier has obtained Invoice Reference No (which is valid for 30 days from date of uploading) by uploading supply details in Form GST INV – 1
- For supply of taxable services in DUPLICATE
 - ORIGINAL for Recipient
 - DUPLICATE for Supplier
- Serial No of all Invoices issued shall be furnished electronically on GSTN portal in FORM GSTR-1

Time limit of Issuing Tax Invoice

- Tax Invoice / Bill of Supply can be issued prior to or within 30 days from date of supply
- Revised Invoice to issued within 1 month of registration
- In case of continuous supply within 30 days from date of specified event of the contract
- Banking or NBFC within 45 days of date of supply

Credit Notes

Also for goods returned
or deficient services
provided TxP to
Recipient

Tax
Invoice
Already
Issue

Taxable Value /
Tax Charged in
Tax Invoice

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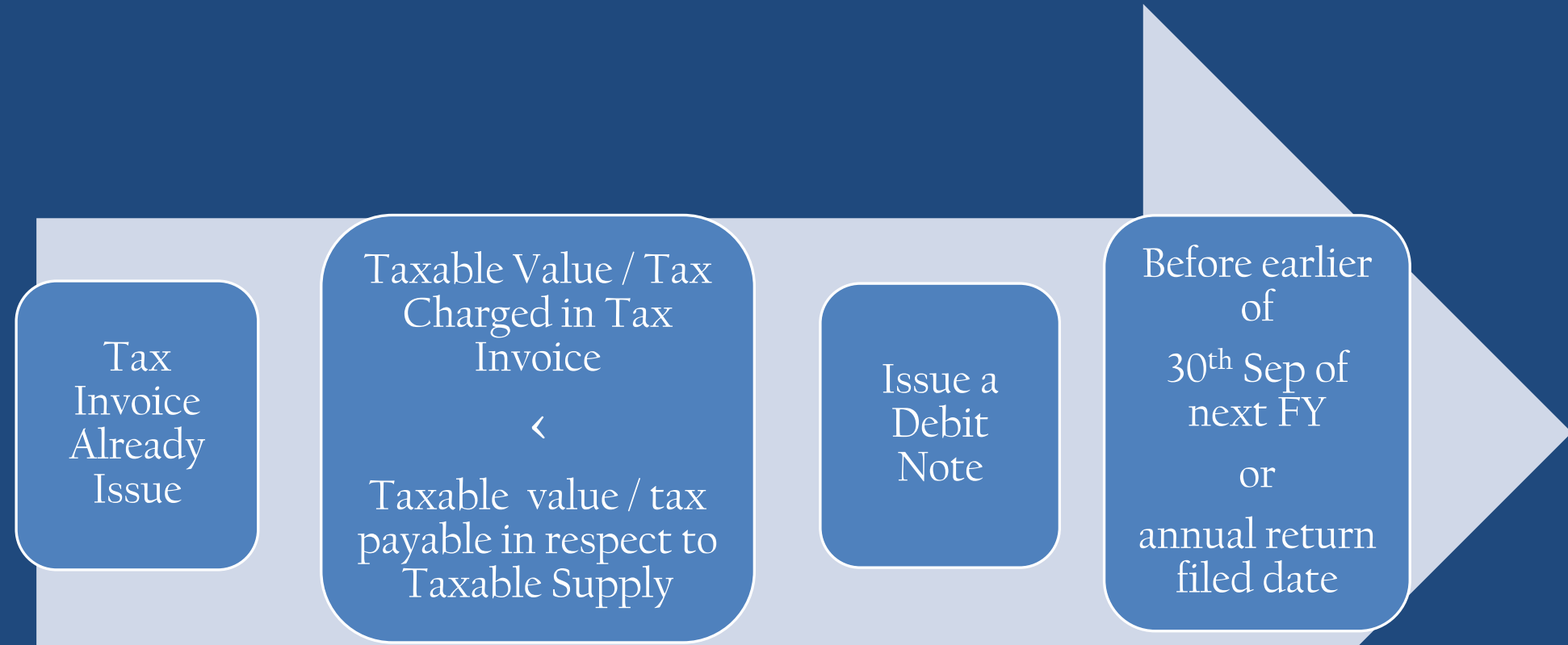
Taxable value /
tax payable in
respect of
Taxable Supply

Issue a
Credit
Note

Before earlier of
30th Sep of next
FY
or
annual return
filed date

No reduction in output
tax liability if Incidence
of tax is passes on to
other person

Debit Notes



Credit / Debit Notes

- Taxable person receives / issues Credit / Debit Note
- Disclose in the return of period in which it is Received / Issued
- Allowed to disclose in subsequent month also
- But not later than 30th Sep of Next FY or Filing of Annual Return, whichever earlier

Credit / Debit Notes

Reference of specific Invoice No is
MUST



Cannot be without reference
MERELY for Tax Adjustment



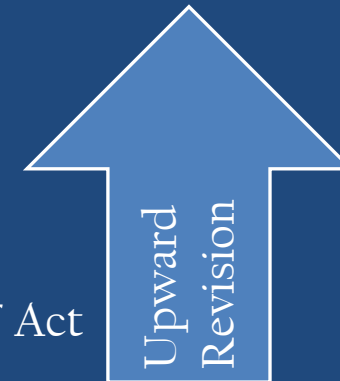
Mandatory to disclose in periodic
returns

Transitional Provision – sec 178

Issue of supplementary invoices, debit or credit notes where price is revised in pursuance of contract



- ⑩ Issue Supplementary Invoice / Credit Note
- ⑩ Within 30 days
- ⑩ Deemed in respect of outward supply in GST Act
- ⑩ TxP allowed to reduce tax liability provided recipient reduces his corresponding Input Tax Credit



- ⑩ Issue Supplementary Invoice / Debit Note
- ⑩ Within 30 days
- ⑩ Deemed in respect of outward supply under GST Act

Contract entered PRIOR TO APPOINTED date & change in effect of price after the appointed date IN PURSUANCE of such contract

Accounts & Records



Accounts & Records

- True & Correct Records to be maintained of
 - Production or Manufacture of Goods
 - Inward or Outward Supply of Goods / Services
 - Stock of Goods
 - Input Tax Credit Availed
 - Output Tax Payable / Paid
 - Other Particulars as may be prescribed
 - Additional particulars for notified class of persons, prescribed by Commissioner
 - If not possible to maintain as such, then other records as prescribed by Commissioner for such class of persons

Accounts & Records

- Every registered TxP whose turnover exceeds prescribed limit in a FY, i.e. 1 crore
 - has to get accounts audited by CA / CMA
 - Submit copy of audited accounts to PO
 - Submit Reconciliation statement u/s 39(2) to PO
 - Other documents in form and manner prescribed
- Every owner / operator of warehouse / godown / other place used for storage of goods irrespective whether registered TxP or not shall maintain
 - Records of Consignor / Consignee
 - Other relevant records as may be prescribed

Accounts & Records

- If TxP fails to account for goods/ services as prescribed
 - PO shall determine tax payable on unaccounted goods / services u/s 66 / 67 as if supplied by such TxP
- Accounts & Records to be maintained by TxP until 60 months from due date of filing of annual return
- If TxP is party to appeal / Revision / any proceeding before appellate authority / Tribunal / court shall retain accounts & records for said period under consideration, LATER of
 - upto 1 year from FINAL DISPOSAL of such appeal / Revision / any proceeding before appellate authority / Tribunal / court
 - 60 months from due date of filing of annual return

Quiz Time

- What should a Registered TxP supplying NON Taxable Supply / Paying tax under composition shall issue ?
 - a) Tax Invoice
 - b) Bill of Supply
- Time Limit for issuing Credit / Debit Note?
- TxP wants to issue a Credit Note for quantity discount as per prescribed terms of contract at the end of each half year. How can it be done?
- Time limit to maintain the accounts and records?
- Accounts to be maintained in which form?



Section 63 – Audit by Tax Authorities

Commissioner

- CGST / SGST

May undertake
Audit OF

- ⑩ Any TxP
- ⑩ Any such period
- ⑩ Such Frequency as prescribed

Tax authorities may
conduct Audit AT

- ⑩ Place of business of taxable person
- ⑩ And / Or
- ⑩ In their Office

Taxable Person

- ⑩ Shall be informed in Advance
- ⑩ Notice not less than 15 days

Audit Completion

- ⑩ within 3 months of
- ⑩ Documents made available by TxP
- ⑩ Actual Initiation of audit

Section 63 – Audit by Tax Authorities

Commsn may extend

- ⑩ If SATISFIED that Audit CANNOT be completed + Reasons recorded in writing
- ⑩ Extend for further 6 months
- ⑩ In their Office

During Course of Audit

- ⑩ Authorised Officer may require taxable person to afford
- ⑩ Necessary facility to verify BOA / Docs required + available at such place
- ⑩ Furnish info + Render Assistance for timely completion

Conclusion of Audit

- ⑩ PO shall inform TxP
- ⑩ Within 30 days
- ⑩ Findings with reasons + TxP's rights & obligations

Detection of liability

- ⑩ Tax Short Paid / Not Paid / Erroneously Refunded
- ⑩ Input Tax Wrongly Availled / Utilised
- ⑩ In their Office

PO to initiate action

- ⑩ u/s 66 other than FWS
- ⑩ u/s 67 due to FWS

Section 64 – Special Audits

Officer above Dy. /
Asst Commsn

- ⑩ At any stage of scrutiny / enquiry / investigation / other proceedings
- ⑩ Before such officer

Having Regard to

- ⑩ Nature and complexity of case
- ⑩ Value not been declared correctly
- ⑩ Credit availed is NOT within normal limits

Direct taxable person
to get BOA examined
/ audited

- ⑩ Prior Approval From Commissioner
- ⑩ Communication in writing
- ⑩ By CA /CMA nominated by Commissioner

CA / CMA

- ⑩ Submit report duly signed & certified
- ⑩ Within 90 days
- ⑩ to Dy / Asst Commsn

Section 64 – Special Audits

PO may extend

- ⑩ On application by TxP / CA / CMA
- ⑩ Material & Sufficient Reasons
- ⑩ Extend for further 90 days

Audit

- ⑩ Conducted even if TxP is audited in this Act or any other Act
- ⑩ OBH in respect of material gathered on basis of Special Audit

Expenses of Audit

- ⑩ Remuneration to CA / CMA + Incidental Expenses
- ⑩ Determined & PAID by Commissioner
- ⑩ Such amount shall be final

Detection of liability

- ⑩ Tax Short Paid / Not Paid / Erroneously Refunded
- ⑩ Input Tax Wrongly Availled / Utilised

PO to initiate action

- ⑩ u/s 66 other than FWS
- ⑩ u/s 67 due to FWS

Chapter XVI – Audits

- Section 65 – Power of CAG to call for information
 - PO to make available to CAG →
 - Info, records, Returns furnished in this Act →
 - Necessary for Conduct of Audit →
 - Under CAG Act.

Quiz Time

- Which of the following statement is Correct?
 - a) Audit u/s 63 is to be completed within 3 months of Documents made available by TxP
 - b) Audit u/s 63 is to be completed within 30 days of Actual Initiation of audit
- Who can conduct Special Audit u/s 64?

Abbreviations

- PO – Proper Officer
- ROBH – Reasonable Opportunity of Being Heard
- FWS – Fraud, Willful misstatement or Suppression of facts
- TxP – Taxable Person
- ETLR – Electronic Tax Liability Register
- ECrL – Electronic Credit Ledger
- ECL – Electronic Cash Ledger

Referral Sections

- 2(8) – Agriculturist
- 2(10) – Appointed Day
- 2(18) – Business Verticals
- 2(20) – Casual TxP
- 2(39) – Earlier Law
- 2(68) – Non Resident TxP
- 2(98) – Taxable Person
- 2(109) – Valid Returns
- 66 – Determination of Tax in case of FWS
- 67 – Determination of Tax in case other than FWS



संगच्छेवं
Thank You !!

CA. Gaurav Save