



THE CENTRE OF EXCELLENCE FOR GST

(A division of World Premiere UPACA Gurukul
Under the mentorship of CA. Uttam Prakash Agarwal)

Returns & Matching Concept WIRC of ICAI, BKC 02.07.2017

Presented by CA. Akhilesh Rathi

© The Centre of Excellence for GST

AGENDA

Introduction
of GST Return

GST Act
Section 37 to
Section 48

Who needs to
file returns

Process to be
followed

GST Returns
– Important
Aspects

ITC Matching,
Reversal &
Re-credit

GST Rules
(1 to 25)

Forms &
Format of
Returns

Other
Important
Provisions

SUMMARY OF PROVISIONS – CHAPTER IX - RETURNS

Applicable Section	Particulars
Section 37	Furnishing details of outward supplies
Section 38	Details of inward supplies
Section 39	Monthly Return
Section 40	First Return
Section 41	Claim of Input tax Credit & provisional acceptance
Section 42	Matching, reversal and reclaim of input tax credit.
Section 43	Matching, reversal and reclaim of reduction in output tax liability.
Section 44	Annual return
Section 45	Final return
Section 46	Notice to return defaulters
Section 47	Levy of late fee
Section 48	Goods and services tax practitioners



RETURN SEC 2(97) OF CGST ACT

“return” means any return prescribed or otherwise required to be furnished by or under this Act or the rules made thereunder

A return is a statement of specified particulars relating to business activity undertaken by the taxable person during a prescribed period.



VALID RETURN SEC 2(117) OF CGST ACT

“valid return” means a return furnished under sub-section (1) of section 39 on which self-assessed tax has been paid in full

RETURNS WHICH ARE REQUIRED TO BE FILED UNDER THE GST LAW

Return Form	What to file?	By Whom?	By When?
GSTR-1	Details of outward supplies of taxable goods and/or services effected	Registered Taxable Supplier	10th of the next month
GSTR-2	Details of inward supplies of taxable goods and/or services effected claiming input tax credit.	Registered Taxable Recipient	15th of the next month
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.	Registered Taxable Person	20th of the next month
GSTR-4	Quarterly return for compounding taxable person.	Composition Supplier	18th of the month succeeding quarter
GSTR-5	Return for Non-Resident foreign taxable person	Non-Resident Taxable Person	20th of the next month

RETURNS WHICH ARE REQUIRED TO BE FILED UNDER THE GST LAW

Return Form	What to file?	By Whom?	By When?
GSTR-6	Return for Input Service Distributor	Input Service Distributor	13th of the next month
GSTR-7	Return for authorities deducting tax at source.	Tax Deductor	10th of the next month
GSTR-8	Details of supplies effected through e-commerce operator and the amount of tax collected	E-commerce Operator/Tax Collector	10th of the next month
GSTR-9	Annual Return	Registered Taxable Person	31st December of next financial year
GSTR-10	Final Return	Taxable person whose registration has been surrendered or cancelled.	Within three 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	Person having UIN and claiming refund	28th of the month following the month for which statement is filed

RETURNS WHICH ARE REQUIRED TO BE FILED UNDER THE GST LAW

GSTR Forms	Description
GSTR 1A	Auto Drafted Details of outward supplies as added, corrected or deleted by the recipient
GSTR 2A	Auto Drafted Details of inward supplies made available to the recipient on the basis of FORM GSTR-1 furnished by the supplier
GSTR 3A	Notice to a registered taxable person who fails to furnish return under section 27 and section 31
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
GSTR 6A	Details of inward supplies made available to the ISD recipient on the basis of FORM GSTR-1 furnished by the supplier
GSTR 7A	TDS Certificate
GSTR 9A	Simplified Annual return by Compounding taxable persons registered under section 8

GST RETURNS – IMPORTANT ASPECTS

- Every registered taxable person needs to furnish returns
- Submission of returns – through online electronically or through a Facilitation Centre as notified by Commissioner, in such form and manner as may be prescribed
- Return to be filed even if there is no business activity during the return period
- Error or omission may be rectified – no specific provision for revision prescribed, subject to payment of interest under this Act
- Every transactions to be reported along with all the required details – GSTIN, Invoice No & date, Description, Rate of tax, Taxable value and value of tax.
- HSN Codes – Goods and accounting codes – Services
- Common e-return for CGST, IGST, SGST, UGST
- Return filed without payment of taxes will become invalid return
- Not allowed to furnish return for tax period if not furnished for the previous tax periods

STATE SPECIFIC GST LAW

State wise GST
Registration

State Tax Code

Output/ITC/RCM
GL

Unique Invoice
Series

GST Returns

Tax Payments

Audits

Trial Balances

Assessments

PROCESS TO BE FOLLOWED

Upload GSTR 1
Furnishing details of
Outward Supply

Auto Generate
GSTR 2 basis
GSTR1 filed by
other supplies

verify, validate,
modify or delete

Add missing Purchase
Invoices

Exercise to be
close by 17th

Inward/Outward
Supplies, ITC
availed, Tax
payable, tax paid
cover under GSTR3

FURNISHING DETAILS OF OUTWARD SUPPLY SEC 37 OF CGST ACT

- RTP, other than an ISD, NRTP and a person paying tax under the provisions of section 10 (Composition levy) or section 51 (Tax deduction at source) or section 52 (Collection of tax at source)
- shall furnish return electronically by the tenth day of the next month
- details of the outward supplies furnished by the supplier shall be made available to the concerned recipient of the said supplies in part A of Form GSTR 2A after the 10th of the next month.
- RTP shall not be allowed to furnish the details of outward supplies during the period from the 11th to 15th of the month succeeding the tax period
- RTP who has been communicated the details u/s 38 (3) or the details pertaining to inward supplies of ISD Distributor u/s 38 (4)
- Either accept or reject the details, up to 17th day but not before 15th day, of the month succeeding the tax period the details furnished shall stand amended accordingly

FURNISHING DETAILS OF OUTWARD SUPPLY SEC 37 OF CGST ACT

- Details of outward supplies of goods and/ or services during a tax period – Directly on-line or through a Facilitation Centre
- Filed by the 10th of the following month.
- Details filed in GSTR-1 will reflect details auto populated to recipient in GSTR – 2A
- Outward supplies include:
 - Zero rated
 - Inter-state
 - Return of goods
 - Dr./ Cr. Notes
 - Exports
 - Supplementary invoice

FURNISHING DETAILS OF OUTWARD SUPPLY OF CGST ACT

SEC 37 CONT...

- RTP, who has furnished the details u/s (1) which have remained unmatched u/s 42 or 43, shall, upon discovery of any error or omission therein,
- rectify such error or omission in such manner as may be prescribed
- Pay tax and interest
- Such error or omission allowed to be rectified before annual return filing date or return u/s 39 filing date for September of succeeding year to the relevant tax period
- “details of outward supplies” shall include details of invoices, debit notes, credit notes and revised invoices issued in relation to outward supplies made during any tax period
- Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier

FURNISHING DETAILS OF OUTWARD SUPPLY OF CGST ACT

SEC 37 CONT...

Summary

- Details relating to place of supply as per Place of Supply rules
- Supplies attracting reverse charge
- Advances received against future supplies
- Taxes paid on advances for which tax invoices issued in current period
- Supplies exported (including deemed exports) with/ without payment of IGST
- Revisions in relation to outward supply invoices pertaining to previous tax periods (Debit/ Credit note)
- Separate table for effecting modifications/correcting errors in the returns submitted earlier
- Separate table for submitting details in relation to NIL rated, Exempted and Non-GST outward supplies to registered tax payers and consumers

RULE 1- FORM AND MANNER OF FURNISHING DETAILS OF OUTWARD SUPPLIES

<p>RTP required to furnish the details of outward supplies of goods or services or both</p>	<p>FORM GSTR-1</p>	<p><u>B2B Supplies</u> (a) invoice wise details of all - (i) inter-State and intra-State supplies made to registered persons;</p> <p><u>B2C Supplies</u> (ii) inter-State supplies with invoice value more than 2,50,000 made to unregistered persons;</p>
		<p>(b) consolidated details of all – (i) intra-State supplies made to unregistered persons for each rate of tax; and</p> <p>(ii) State wise inter-State supplies with invoice value less than 2,50,000 made to unregistered persons for each rate of tax;</p>
		<p>(c) debit and credit notes, if any issued during the month for invoices issued previously</p>

RULE 1- FORM AND MANNER OF FURNISHING DETAILS OF OUTWARD SUPPLIES

<p>details of outward supplies furnished by the supplier shall be made available after the due date of filing of FORM GSTR-1</p>	<p>Part A of FORM GSTR-2A, in FORM GSTR-4A and in FORM GSTR-6A</p>	<p>concerned registered persons (recipients)</p>
<p>details of inward supplies added, corrected or deleted by the recipient in his FORM GSTR-2 under section 38 or FORM GSTR-4 under section 39</p>	<p>available to the supplier electronically in FORM GSTR-1A</p>	<p>supplier may either accept or reject the modifications made by the recipient and FORM GSTR-1 furnished earlier by the supplier shall stand amended to the extent of modifications accepted by him</p>

FURNISHING DETAILS OF INWARD SUPPLY

SEC 38 OF CGST ACT

- RTP other than an ISD, NRTP, person liable to pay u/s 10 or 51 or 52, shall verify, validate, modify or delete, if required, the details communicated u/s 37 (1)
- Outward supply becomes inward supply for recipient, who shall prepare details of his inward supplies and CN/DN and
- May include details of inward supplies not declared by the supplier u/s 37 (1).
- RTP the details of inward supplies of taxable goods or services or both, including inward supplies of goods or services or both on which the tax is payable on reverse charge basis under this Act and inward supplies of goods or services or both taxable under the IGST or on which IGST is payable under section 3 of the Customs Tariff Act, 1975, and credit or debit notes received in respect of such supplies during a tax period after the tenth day but on or before the fifteenth day of the month succeeding the tax period in such form and manner as may be prescribed

FURNISHING DETAILS OF INWARD SUPPLY SEC 38 OF CGST ACT CONT...

- Details of supplies modified, deleted or included by the recipient and furnished under sub-section (2) shall be communicated to the supplier concerned in such manner and within such time as may be prescribed
- Details of supplies modified, deleted or included by the recipient in the return furnished under sub-section (2) or u/s 39 (4) shall be communicated to the supplier concerned in such manner as may be prescribed
- RTP, who has furnished the details u/s (2) for any tax period and which have remained unmatched u/s 42/43,
 - shall, upon discovery of any error or omission therein, rectify such error or omission in the tax period
 - Pay the tax and interest
 - Such error or omission allowed to be rectified before
Annual return filling date or Return u/s 39, filling date for Sept of succeeding year to be relevant tax period

FURNISHING DETAILS OF OUTWARD SUPPLY

SEC 38 OF CGST ACT

CONT...



Summary

- Separate table for:

Import of goods, capital goods and services

ITC on invoices partial credit of which availed earlier

Dr./ Cr. Notes

Modification/ correction errors of earlier periods

Nil rated, exempt and non GST inward supplies

ISD credit

TDS credit

FURNISHING OF RETURNS SEC 39 OF

CGST ACT



GSTR-3 is a combination of FORM GSTR-1 and FORM GSTR-2, which is computer generated and gives the summary of total output tax liability, input tax credit and the difference is the tax liability for the month.

Every registered person, other than an ISD or a NRTP or a person paying tax under the provisions of u/s 10 or 51 or 52 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/ paid and other prescribed details, on or before the 20th day of the month succeeding such calendar month or part thereof



FURNISHING OF RETURN SEC 39 OF **CGST ACT**

- Commissioner may extend this period by notification for notified class of persons.
- Any extension granted under SGST/UTGST by commissioner, CGST will also have same effect.
- Return to be filed u/s 39 (1),(2),(3) & (5) shall be filed only after the payment of tax due as per the return
- Those registered person who are covered u/s 39 (1) & (2) are required to file return irrespective of the fact that there are no supplies of goods/services or both of have been made during that tax period.
- If after filling of above returns then the registered person discovers any error or omission other than result of scrutiny etc by the tax dept., he shall rectify such error omission in the return for the period in which such error/omission is noticed along with payment of interest.



FURNISHING OF RETURN SEC 39 OF **CGST ACT**

- This mistake shall be allowed to be rectified before annual return filing date or return u/s 39, filing date of September or 2nd quarter of succeeding year to the relevant tax period
- No return filing shall be allowed for a period if the return for any previous year to the relevant tax period

COMPOSITION LEVY & TAX DEDUCTION AT SOURCE

u/s
10

Composition levy u/s 10 shall file return electronically for **each quarter** or part thereof of turnover in the state or UT, inward supply of goods or services or both tax payable/paid

Within 18 days after the end of such quarter

u/s
51

Tax deduction at source u/s 51, a person liable to deduct tax u/s 51 shall furnish a return electronically

Within 10 days of after the end of such month

INPUT SERVICE DISTRIBUTOR & NON RESIDENT TAXABLE PERSON

ISD

Every Input Service Distributor shall furnish a return electronically for every month or part there of

Within 13 days after the end of such month

NRTP

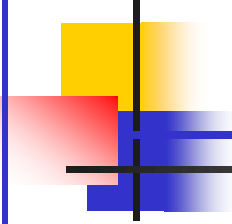
Every registered non resident taxable person shall furnish a return electronically every month or part there of

Within 20 days of after the end of such month or within 7 days after the last day of registration period, whichever is earlier

EXTENDED TIME LIMIT FOR FILLING OF RETURNS FOR THE 1ST TWO MONTHS

Name of the Person	Actual Date	Extended Date for the 1st two months
Outward Supplier (for the month of July)	10th August	5th September
Outward Supplier (for the month of August)	10th September	20th September
Inward Supplier (for the month of July)	15th August	10th September
Inward Supplier (for the month of August)	15th September	25th September

Note: 17th Council Meeting Dt. 18.06.17 Form GSTR 3-B Summary form (Manually) Self declaration to be filed by 20th August for the Month of July 17 & by 20th September for the Month of August 17. GSTR 3-B to be reconcile with GSTR 3 if any difference then assessee has to pay tax



POSTPONEMENT OF PROVISION RELATING TO TDS (SECTION 51) AND TCS (SECTION 52) OF THE CGST / SGST ACT 2017

With the objective of ensuring smooth rollout of GST and taking into account the feedback received from the trade and industry regarding the provisions of deduction of tax at Source under Section 51 of the CGST / SGST Act 2017 and collection of tax at source under Section 52 of the CGST / SGST Act 2017, the following has been decided:-

1. The provisions of Tax Deduction at Source (Section 51 of the CGST / SGST Act 2017) and Tax Collection at Source (Section 52 of the CGST/SGST Act, 2017) will be brought into force from a date which will be communicated later.
2. Persons who will be liable to deduct or collect tax at source will be required to take registration, but the liability to deduct or collect tax will arise from the date the respective sections are brought in force.

POSTPONEMENT OF PROVISION RELATING TO TDS (SECTION 51) AND TCS (SECTION 52) OF THE CGST / SGST ACT 2017

3. The persons who were liable to be registered under clause (ix) of Section 24 of the CGST / SGST Act, 2017 (as they were supplying goods or services through electronic commerce operator who is required to collect tax at source under Section 52) will not be liable to register till the provision of Tax Collection at Source is brought under force. In other words, persons supplying goods or services through electronic commerce operator liable to collect tax at source would not be required to obtain registration immediately, unless they are so liable under Section 22 or any other category specified under Section 24 of the CGST / SGST Act, 2017.

This step has been taken to provide more time for persons liable to deduct tax at source / E-Commerce Companies and their suppliers to prepare for the historic tax reform



FIRST RETURN SEC 40 OF CGST ACT

- Every registered person who has made outward supplies in the period between the date on which he became liable to registration till the date on which registration has been granted shall declare the same in the first return furnished by him after grant of registration.

CLAIM OF INPUT TAX CREDIT AND PROVISIONAL ACCEPTANCE SEC 41 OF CGST ACT

- Every registered person shall, subject to such conditions and restrictions as may be prescribed, be entitled to take the credit of eligible input tax, as self-assessed, in his return and such amount shall be credited on a provisional basis to his electronic credit ledger.
- The credit referred to in sub-section (1) shall be utilised only for payment of self assessed output tax as per the return referred to in the said sub-section.

GST RETURNS – INPUT TAX CREDIT

Every registered taxable person – Entitled to take credit

Self assessment ITC shall be credited on a provisional basis to his electronic credit ledger.

Utilised only for payment of self assessed output tax

MATCHING, REVERSAL AND RECLAIM OF INPUT TAX CREDIT

SEC 42 OF CGST ACT

- Following details to be matched :-
 - (a) GSTIN of the supplier
 - (b) GSTIN of the recipient
 - (c) Invoice/Debit Note date
 - (d) Invoice/Debit Note number
 - (e) Taxable value
 - (f) Tax amount

MATCHING OF CLAIM PROCESS



MATCHING, REVERSAL AND RECLAIM OF INPUT TAX CREDIT SEC 42 OF CGST ACT CONT...

GSTIN of the Supplier

GSTIN of the recipient

Invoice/ Dr. note no.

Invoice/ Dr. note date

Tax amount

MATCHING, REVERSAL AND RECLAIM OF INPUT TAX CREDIT SEC 42 OF CGST ACT

CONT...

Inward - Outward return matching

Matched

Un-matched

Communicated to both

Excess credit claimed -
Communicated to both

Duplicate credit-
Communicated to recipient only

Supplier does not rectify-
Liability of recipient

Supplier rectifies -
Recipient granted credit

Added to liability of recipient immediately

MATCHING, REVERSAL AND RECLAIM OF INPUT TAX CREDIT SEC 42 OF CGST ACT CONT...

Credit note matching

Match

Not match with ITC reversal by recipient

Communicated to both

Mismatched credit note
Communicated to both

Duplicate credit note
Communicated to supplier only

Recipient does not rectify -
Liability of supplier

Recipient rectifies -
Reduced from suppliers liability

Added to liability of supplier immediately



ANNUAL RETURN SEC 44 OF CGST ACT

(1) Every registered person, other than 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 electronically in such form and manner as may be prescribed on or before the thirty-first day of December following the end of such financial year.

(2) Every registered person who is required to get his accounts audited in accordance with the provisions of sub-section (5) of section 35 shall furnish, electronically, the annual return under sub-section (1) along with a copy of the audited annual accounts and a reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year with the audited annual financial statement, and such other particulars as may be prescribed.

NOTICE TO RETURN DEFAULTERS SEC 46 OF CGST ACT

- Where a registered person fails to furnish a return under section 39 or section 44 or section 45, a notice shall be issued requiring him to furnish such return within fifteen days in such form and manner as may be prescribed



LEVY OF LATE FEE SEC 47 OF CGST ACT

(1) Any registered person who fails to furnish the details of outward or inward supplies required under section 37 or section 38 or returns required under section 39 or section 45 by the due date shall pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum amount of five thousand rupees.

(2) Any registered person who fails to furnish the return required under section 44 by the due date shall be liable to pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum of an amount calculated at a quarter per cent. of his turnover in the State or Union territory

RULE 2 - FORM AND MANNER OF FURNISHING DETAILS OF INWARD SUPPLIES

RTP required to furnish the details of inward supplies of goods or services or both received during a tax period under sub-section (2) of section 38 shall, on the basis of details contained in Part A, Part B, Part C and Part D of FORM GSTR-2A, prepare such details as specified in sub-section (1) of the said section and furnish the same in FORM GSTR-2

RTP shall furnish the details if any discovery of any error or omission therein, rectify such error or omission in the tax period during which such error or omission is noticed in such manner as may be prescribed in Form GSTR2

RTP shall specify the inward supplies in respect of which he is not eligible, either fully or partially, for input tax credit in FORM GSTR-2 where such eligibility can be determined at the invoice level.

RTP shall declare the quantum of ineligible input tax credit on inward supplies which is relatable to non-taxable supplies or for purposes other than business and cannot be determined at the invoice level in FORM GSTR-2

RULE 2 - FORM AND MANNER OF FURNISHING DETAILS OF INWARD SUPPLIES

Details of invoices furnished by an Input Service Distributor in his return in FORM GSTR-6 under rule 7 shall be made available to the recipient of credit in Part B of FORM GSTR -2A electronically through the Common Portal and the said recipient may include the same in FORM GSTR-2

details of tax deducted at source furnished by the deductor under sub-section (3) of section 39 in FORM GSTR-7 shall be made available to the deductee in Part C of FORM GSTR-2A electronically through the Common Portal and the said deductee may include the same in FORM GSTR-2

details of tax collected at source furnished by an e-commerce operator under section 52 in FORM GSTR-8 shall be made available to the concerned person in Part D of FORM GSTR - 2A electronically through the Common Portal and such taxable person may include the same in FORM GSTR-2.

details of inward supplies of goods or services or both furnished in Form GSTR-2 include -

- (a) invoice wise details of all inter-State and intra-State supplies received from registered persons or unregistered persons;
- (b) import of goods and services made; and
- (c) debit and credit notes, if any, received from supplier



RULE 3 - FORM AND MANNER OF SUBMISSION OF MONTHLY RETURN

RTP shall furnish a return specified under sub-section (1) of section 39 in FORM GSTR-3

Part A of the return under sub-rule (1) shall be electronically generated on the basis of information furnished through returns in FORM GSTR-1, FORM GSTR-2 and based on other liabilities of preceding tax periods

RTP shall discharge his liability towards tax, interest, penalty, fees or any other amount payable under the Act or these rules by debiting the electronic cash ledger or electronic credit ledger and include the details in Part B of the return in FORM GSTR-3

RTP claiming refund of any balance in the electronic cash ledger in may claim such refund in Part B of the return in FORM GSTR-3

Where the time limit for furnishing of details in FORM GSTR-1 under section 37 and in FORM GSTR-2 under section 38 has been extended, return in FORM GSTR-3B, in lieu of FORM GSTR-3

RULE 4 - FORM AND MANNER OF SUBMISSION OF QUARTERLY RETURN BY THE COMPOSITION SUPPLIER

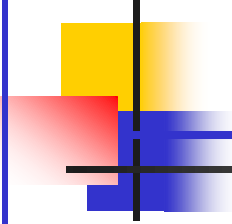
RTP paying tax under section 10 shall, after adding, correcting or deleting the details in FORM GSTR-4A, furnish a quarterly return in FORM GSTR-4

RTP shall discharge his liability towards tax, interest, penalty, fees or any other amount payable

Return shall include :

- (a) invoice wise inter-State and intra-State inward supplies received from RTP and U-RTP;
- (b) import of goods and services made;
- (c) consolidated details of outward supplies made; and
- (d) debit and credit notes issued and received, if any

RULE 5 - FORM AND MANNER OF SUBMISSION OF RETURN BY NON- RESIDENT TAXABLE PERSON



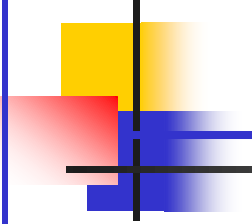
Registered non-resident taxable person shall furnish a return in FORM GSTR-5 details of outward supplies and inward supplies and shall pay the tax, interest, penalty, fees or any other amount payable

within twenty days after the end of a tax period or within seven days after the last day of the validity period of registration, whichever is earlier

RULE 6 - FORM AND MANNER OF SUBMISSION OF RETURN BY AN INPUT SERVICE DISTRIBUTOR



ISD shall, after adding, correcting or deleting the details contained in FORM GSTR-6A, furnish electronically a return in FORM GSTR-6, containing the details of tax invoices on which credit has been received and those issued under section 20,



RULE 7 - FORM AND MANNER OF SUBMISSION OF RETURN BY A PERSON REQUIRED TO DEDUCT TAX AT SOURCE

RTP required to deduct tax at source under section 51 shall furnish a return in FORM GSTR-7

details furnished by the deductor shall be made available to each of the suppliers in Part C of FORM GSTR-2A after the due date of filing of FORM GSTR-7.

deductor shall furnish to the deductee a certificate mentioning therein the contract value, rate of deduction, amount deducted, amount paid to the Government shall be made available electronically to the deductee in FORM GSTR-7A on the basis of the return furnished.



RULE 8 - FORM AND MANNER OF SUBMISSION OF STATEMENT OF SUPPLIES BY AN E-COMMERCE OPERATOR

Every electronic commerce operator required to collect tax at source under section 52 shall furnish a statement in FORM GSTR-8, containing details of supplies effected through such operator and the amount of tax collected

details furnished by the operator shall be made available to each of the suppliers in Part D of FORM GSTR-2A on the Common Portal after the due date of filing of FORM GSTR-8

RULE 11 - NOTICE TO NON-FILERS OF RETURNS



A notice in FORM GSTR-3A shall be issued, electronically, to a registered person who fails to furnish return under section 39 and section 45.



RULE 10 - FINAL ACCEPTANCE OF INPUT TAX CREDIT AND COMMUNICATION THEREOF

The final acceptance of claim of input tax credit in respect of any tax period, specified, shall be made available electronically to the registered person making such claim in FORM GST MIS -1

details furnished by the operator shall be made available to each of the suppliers in Part D of FORM GSTR-2A on the Common Portal after the due date of filing of FORM GSTR-8



LATE FEE

- Rs. 100 per day of delay subject to maximum of Rs. 5000
- Annual return – late fee of Rs. 100 per day subject to a maximum of amount calculated at quarter percent of his turnover in the State



CHALLENGES IN IMPLEMENTATION

- Increase in Compliance cost for business
- Multiplicity of taxes/ Seamless credit
- GSTN Network (87 lakh assessee will upload billions transactions)
- No specific details relating to tax administration
- Various definitional/ Interpretational issues
- Classification issues – various rates and same item at various rates
- “Supply” despite being neutral requires distinction
- Lack of time and adoption of tax technology
- Manpower management (For Ex. Under service tax regime only two return for the year but under GST minimum 37 returns state-wise)
- Input service distributor - Centralised billing For Example : Audit services
- Composite vs Mixed supply – Interpretation
- HSN/SAC Classification For Example : construction activity for power plant is different compare to construction activity for Metro project.

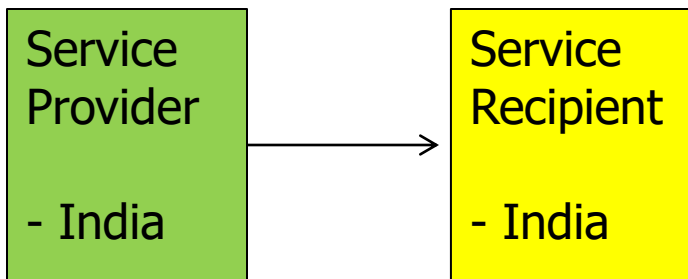


CHALLENGES IN IMPLEMENTATION

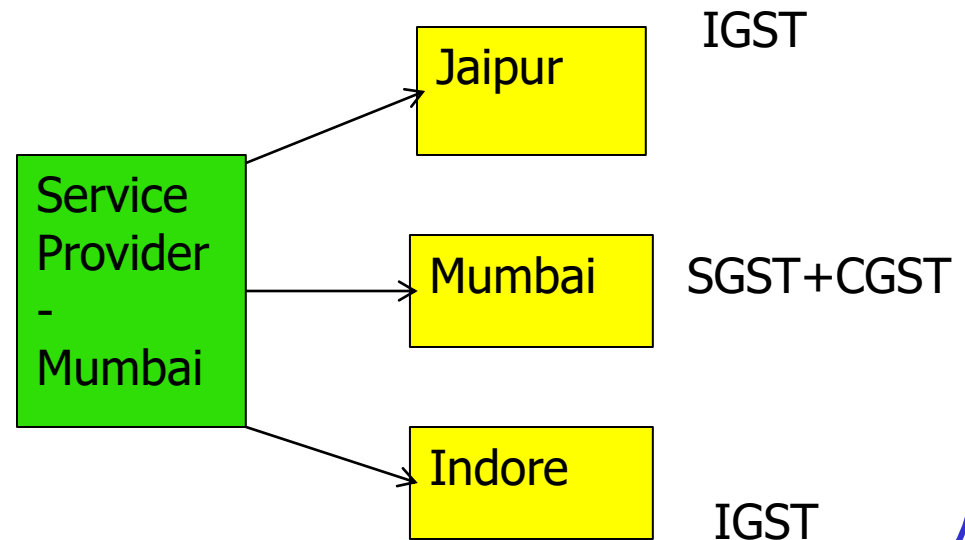
- Preparation of basic data as per GSTR 1.
- Matching of Input tax credit & follow up with vendors in case of any mismatch
- Local vs. Interstate supplies – Ship to address or Bill to address.
- Suppliers at Exhibition – Casual taxpayer registration required
- Branch transfer become taxable – promotional material/fixed assets.
- Valuation rules become important For Example - Open Market Value/Similar market value.
- Multi location service establishment - centralised billing under service tax vs State wise billing under GST - Place of supply & location of supply. For Example : Courier agency – decentralised/Split billing approach – Location wise billing
- Joint Service – Establishment most directly concerned with supply – For Example: software services, advertising agency – contract signed/engagement letter signed with branch.
- Working capital Management For example - GST payable on Advances
- Advances vs. Deposits ? -Tax liability on advance at what rate ? – IGST @ 18%

SINGLE LOCATION SERVICES

Pre GST Regime

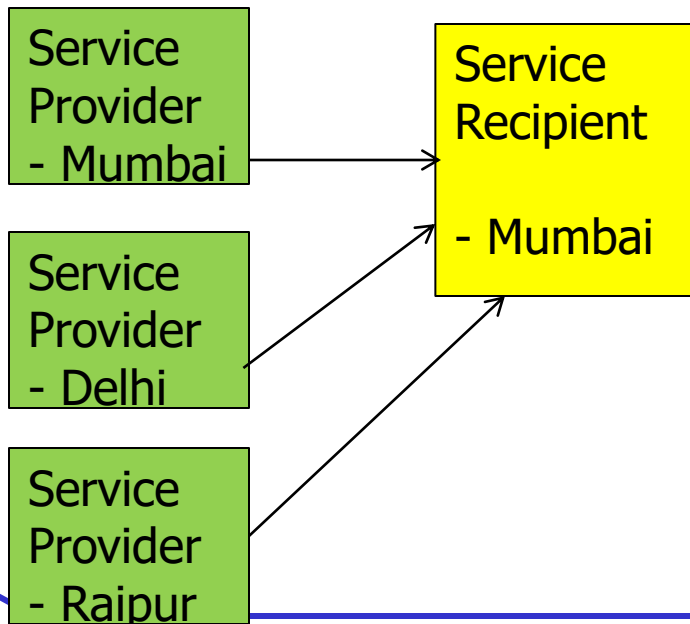


Post GST Regime

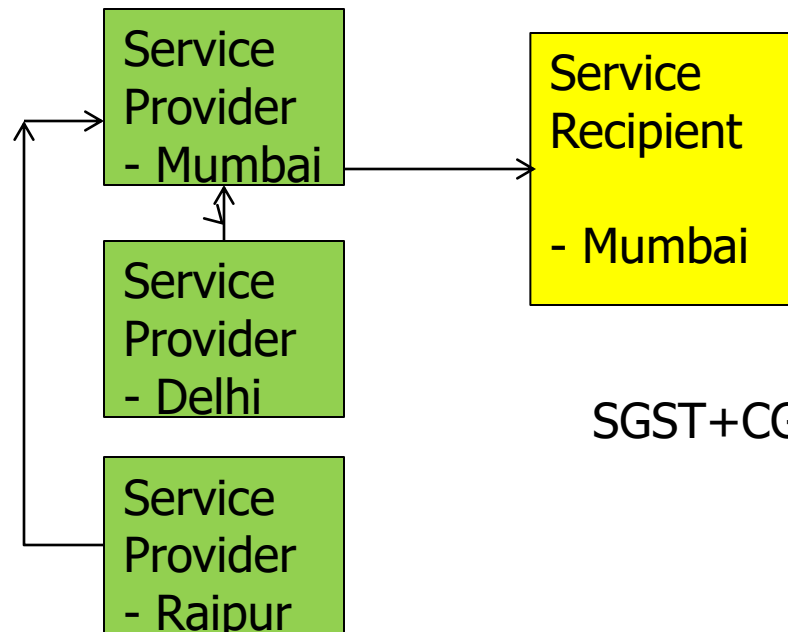


MULTIPLE LOCATION SERVICES

Decentralised Billing



Branch Transfer Billing



SGST+CGST

OPPORTUNITIES



- Increase in Tax payers
- Increase in Compliance needs
- Training/ Domain Knowledge
- Transition Advisory & Hand holding
- Re-designing business structure
- Advisory & Litigation/ Solutions approach
- Digitization support
- Procurements
- Supply Chain Management
- Procuring with a type of GST to avoid accumulation of credit
- Revision in product costing

OPPORTUNITIES



- Restructuring of transactions and business decision For Example: Procurement of Laptop in existing regime excise credit/Octroi is not available now under GST regime CGST is creditable so benefits should pass on to the company.
- Transfer of goods/ capital goods in different State projects
- Various offers for increasing sales (Mixed supply)
- Policy regarding disposal of assets
- Purchases - single order/ multiple consignments
- Vendor selection (ITC)
- Re-drafting agreements
- Uniform pricing policy/ Anti profiteering

GSTR 1 – OUTWARD SUPPLIES

Taxable Outward Supplies to a Registered Person

Nil Rated, Exempt, and Non-GST Outward Supplies

Supplies Exported

Tax Liability of Amount Received in Advance

Taxable Outward Supplies to a Consumer

Details of Credit/Debit Notes/Supplementary Invoices

GSTR 2 – INWARD SUPPLIES

Inward Supplies of Goods & Services

Goods/Capital Goods received from Overseas (Import of Goods)

Services received from a Supplier Located Outside India (Import of Services)

ISD/TDS/TCS Credit Received

Tax Liability under Reverse Charge

ITC Reversal



DISCLAIMER

The information in this presentation was compiled from various sources believed to be reliable for informational purposes only.

While every efforts have been made to keep the information cited in this presentation error free, the Institute or any office do not take the responsibility for any typographical or clerical error which may have crept in while compiling the information provided in this presentation. Further, the information provided in this presentation are subject to the provisions contained under different acts and members are advised to refer to those relevant provision also.

THANK YOU !!!

CA. Akhilesh Rathi

The Centre of Excellence for GST
(A division of UPACA Gurukul)

Corporate Office: UPACA Gurukul, 409/410, Gundecha Industrial Complex, Akurli Road, Kandivali (E), Mumbai -400 101
T +91 22 2887 8000 M +91 9324581057

Research Centre Address: Smt. Radhadevi Jagdishprasad Agarwal Knowledge Center IP 4-5, RIICO Growth Center Phase-II, Abu Road, Rajasthan 307 026 T +91 29 7422 1610

Email: centreofexcellence_gst@upaca.edu.in
caakhileshrathi@rediffmail.com

