

GST Update

Weekly Update
27.06.2020

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 13.06.2020. No updates were released on 20.06.2020. It supplements the earlier GST Updates.
- This presentation is based on CGST Act/Rules/ Notifications, except the provisions related solely to SGST provisions. Similar parallel provisions in State Laws may be referred to as required

Measures in view of COVID-19

Notifications No.51 to 54/2020- Central Tax all dated 24.06.2020;
Notifications No. 55 & 56 both dated 27.6.2020; Circular
No.141/11/2020-GST dated 24th June 2020
(Earlier notifications No.31 to 35/2020- Central Tax, dated
03.04.2020 and Circular No. 136/06/2020-GST, dated
03.04.2020)

Due Date extension in respect of all compliances

- **Notification No. 55/2020- Central Tax, dated 27.06.2020 (Amends Notification No. 35/2020- Central Tax, dated 03.04.2020)**
- Notification under section 168A of CGST Act for extending all (Except for few provisions covered in exclusion clause) due dates of compliance which falls during the period from the 20th March 2020 to the 30th August 2020.
- The taxpayers who are required to deduct tax at source under section 51, Input Service Distributors and Non-resident Taxable persons- have been allowed to furnish the respective returns specified in sub-sections (3), (4) and (5) of section 39 of the said Act, for the months of March 2020 to May 2020 on or before the 31st August 2020.

Due Date extension in respect of all compliances (Contd)

- **Inclusions in the general extension of compliance time limits:**
- time limit for completion or compliance of any action, by any authority or by any person, including for the purposes of—
 - completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by whatever name called, by any authority, commission or tribunal, by whatever name called, under the provisions of the Acts stated above; or
 - filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record, by whatever name called, under the provisions of the Acts stated above
- shall be extended up to the 31st August 2020

Due Date extension in respect of all compliances (Contd)

- **Exclusions in the general extension of compliance time limits:**
(Separate notifications to be issued for their extensions)
- Chapter IV;
- sub-section (3) of section 10, sections 25, 27, 31, 37, 47, 50, 69, 90, 122, 129;
- section 39, except sub-section (3), (4) and (5);
- section 68, in so far as e-way bill is concerned; and
- rules made under the provisions specified for above

Taxpayers having aggregate turnover above Rs. 5 Cr.

- **Rate of Interest for delayed filing of GSTR-3B (Feb, March and April 2020)**
 - NIL interest for first 15 days after the due date of filing return in FORM GSTR-3B;
 - 9% interest thereafter till 24.06.2020
 - After 24.06.2020, normal rate of interest i.e. 18% per annum shall be charged for any further period of delay in furnishing of the returns
- **Late Fees for delayed filing of GSTR-3B (Feb, March and April 2020)**
 - No late fees if filed before 24.06.2020

Taxpayers having aggregate turnover above Rs. 5 Cr. (Contd)

- **Illustration for calculating Interest for delayed filing of GSTR-3B; March 2020 Returns(Due date of filing being 20.04.2020)**

Date of filing GSTR-3B	No. of days of delay	Interest
02.05.2020	12	NIL
20.05.2020	30	Zero interest for 15 days, thereafter interest rate @9% p.a. for 15 days
20.06.2020	61	Zero interest for 15 days, thereafter interest rate @9% p.a. for 46 days
24.06.2020	65	Zero interest for 15 days, thereafter interest rate @9% p.a. for 50 days
30.06.2020	71	Zero interest for 15 days, thereafter interest rate @9% p.a. for 50 days and interest rate @18% p.a. for 6 days

Taxpayers having aggregate turnover below Rs. 5 Cr.

- **Staggered Due Dates for different class of taxpayers to continue**
- **Late fees and Rate of Interest for delayed filing of GSTR-3B**
 - Nil Late Fees and Nil interest if filed by due date as mentioned for respective months in Notn 52/ 2020 – Central Tax
 - 9% interest rate thereafter up to 30.09.2020
 - From 01.10.2020, normal rate of interest i.e. 18% per annum shall be charged for any further period of delay in furnishing of the returns

Group A and B States for staggering of due dates

- **Group A States:** Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep,
- **Group B States:** Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi

Taxpayers having aggregate turnover below Rs. 5 Cr. (GSTR-3B by Group A)



TAX PERIOD	DUE DATE	NO LATE FEES AND INTEREST IF RETURN FILED BY	INTEREST RATE @ 9%	INTEREST RATE @ 18%
February 2020	22.03.2020	30.06.2020	01.07.2020-30.09.2020	From 01.10.2020 i.e. If Return filed after 30.09.2020
March 2020	22.04.2020	03.07.2020	04.07.2020-30.09.2020	
April 2020	22.05.2020	06.07.2020	07.07.2020-30.09.2020	
May 2020	12.07.2020	12.09.2020	13.09.2020-30.09.2020	
June 2020	22.07.2020	23.09.2020	24.09.2020-30.09.2020	
July 2020	22.07.2020	27.09.2020	28.09.2020-30.09.2020	
August 2020	01.07.2020			

Taxpayers having aggregate turnover below Rs. 5 Cr. (GSTR-3B by Group B)

TAX PERIOD	DUE DATE	NO LATE FEES AND INTEREST IF RETURN FILED BY	INTEREST RATE @ 9%	INTEREST RATE @ 18%
February 2020	24.03.2020	30.06.2020	01.07.2020-30.09.2020	From 01.10.2020 i.e. If Return filed after 30.09.2020
March 2020	24.04.2020	05.07.2020	06.07.2020-30.09.2020	
April 2020	24.05.2020	09.07.2020	10.07.2020-30.09.2020	
May 2020	14.07.2020	15.09.2020	16.09.2020-30.09.2020	
June 2020	24.07.2020	25.09.2020	26.09.2020-30.09.2020	
July 2020	24.07.2020	29.09.2020		
August 2020	03.07.2020			

Tax Period	Due Date	No Late fees if return filed by
Mar 2020	11.04.2020	10.07.2020
April 2020	11.05.2020	24.07.2020
May 2020	11.06.2020	28.07.2020
June 2020	11.07.2020	05.08.2020
Jan 2020-Mar 2020	30.04.2020	17.07.2020
April 2020- June 2020	31.07.2020	03.08.2020

Late Fees waiver for past returns (All taxpayers)

Tax Period	GSTR-3B	Condition
July 2017 – January 2020	Maximum Rs. 500.- per return	If the returns are filed between the period 01.07.2020 – 30.09.2020
July 2017 – January 2020	Nil, If Nil Return was filed	-----do-----

- Compliances for Composition taxpayers**

Form	Tax period	Extended Date
GST CMP-08	Jan to March 2020	07.07.2020
GSTR-4	FY 2019-20	15.07.2020

- Opt in for Composition in FY 2020-21:** Normal Taxpayers wanting to opt for Composition should not file GSTR3B and GSTR 1 for any tax period of FY 2020-21 from any of the GSTIN. on the associated

Form	Tax period (FY)	Extended Date
GST CMP-02	2020-21	30.06.2020
GST ITC-03	2019-20 (As on 31-3-2020)	31.07.2020

NRTP, ISD, TDS & TCS taxpayers

S/No.	Return form	To be filed by	Tax Period	Due Date	Extended Date
1	GSTR-5	Non Resident Taxpayers	March, April & May, 2020	20th of succeeding month	30th June, 2020
2	GSTR-6	Input Service Distributors	-do-	13th of succeeding month	30th June, 2020
3	GSTR-7	Tax Deductors at Source (TDS deductors)	-do-	10th of succeeding month	30th June, 2020
4	GSTR-8	Tax Collectors at Source (TCS collectors)	-do-	10th of succeeding month	30th June, 2020

Refund Order under Section 54(5) or (7)

- As per section 54(7), proper officer has to issued refund order with in 60 days from the date of receipt of application complete in all respects.
- Now, In cases where a notice has been issued for rejection of refund claim, in full or in part and where the time limit for issuance of order, if refund order date falls between 20th March to 30th August 2020, in that case refund order can be issued within 75 days (i.e. 60 + 15 Days) of receipt of reply of notice or 31st August 2020, whichever is later.

Notification No. 56/ 2020 dated 27th June 2020

Amnesty for revocation of cancellation of registration

- **Removal of Difficulties (ROD) Order No. 01/2020-Central Tax dated 25th June 2020**
- The period of thirty days for filing application for revocation of cancellation of registration under section 30(1) of the CGST Act for those registered persons who were served notice under clause (b) or clause (c) of sub-section (2) of section 29(2)(b) or (c) in the manner as provided in section 169(1)(c) or (d) and where cancellation order was passed up to 12th June, 2020, shall be calculated from the later of the following dates shall be considered:-
 - a) Date of service of the said cancellation order; or
 - b) 31st August 2020.

Amendment to CGST Act, 2017

Notification No. 49/2020 – Central Tax dated 24th June 2020;
Finance Act 2020

Amendments coming into effect w.e.f 30th June 2020

Amendments to CGST Act



- Section 118 - Definition of union territory u/s 2(14) of CGST Act
 - amended due to merger of Dadra and Nagar Heveli and Daman and Diu and constitution of new U.T Ladakh.
- Section 125 - The Central Government empowered u/s 109 of the CGST Act, to notify bench of Appellate Tribunal in the U.T of Jammu & Kashmir.

- Section 129 - Sec. 168 amended to provide that Commissioner of Central Tax (Regular/ Admin) shall be empowered to
 - determiner and pay, expenses and audit fee of the auditor in case of special audit, and
 - extend the period of bringing back the goods from a job worker. Earlier these functions were entrusted to Commissioner or Joint secretary posted in the board.
- Section 130 and 134 - Central Government's power to remove difficulties u/s 172 of CGST Act and u/s 25 of IGST Act, is now extended up to 30th June 2022.

Rate for Composition scheme

- **Notification No. 50/2020 – Central Tax dated 24th June 2020**
- Rate of Composition fee for registered person who opt under Section 10(2A) of CGST Act (Commonly known as Service Provider under Composition Scheme), is also specified through rule 7 of CGST Rules.



Legal Updates

Supreme Court stays the decision of Delhi HC directing Revenue to re-open Tran 1 portal

- **UOI Vs Brand Equity Retreats reported in 2020-TIOL-115-SC-GST LB**

- **Facts**

- The Delhi HC in the case before it had read down the provision viz. Rule 117 of CGST Rules, 2017 as being directory in nature insofar as it prescribes the time-limit for transitioning the credit and held that the same would not result in the forfeiture of the rights in case the credit is not availed within the period prescribed;

- That the assesseees who have filed or attempted to file form TRAN-1 within the aforesaid period of three years as prescribed by the Limitation Act shall be entitled to avail the Input Tax Credit accruing to them; that they are permitted to file relevant TRAN-1 form on or before 30.06.2020

Supreme Court stays the decision of Delhi HC directing Revenue to re-open Tran 1 portal

•Facts

- Accordingly, the High Court had directed the respondents Revenue to either open the online portal so as to enable the petitioners to file the declaration TRAN-1 electronically or accept the same manually;
- That other taxpayers who are similarly situated should also be entitled to avail the benefit of this judgment; The HC also held that it would be an erroneous approach to attach undue importance to the concept of “technical glitch” only to that which occurs on the GST Common portal, as a pre-condition, for an assessee/tax payer to be granted the benefit of Sub-Rule (1A) of Rule 117; that the time limit prescribed for availing the input tax credit with respect to the purchase of goods and services made in the pre-GST regime, cannot be discriminatory and unreasonable; that there has to be a rationale forthcoming and, in absence thereof, it would be violative of Article 14 of the Constitution.

Supreme Court stays the decision of Delhi HC directing Revenue to re-open Tran 1 portal

- Decision of the Hon'ble Supreme Court

Issue notice.

To be heard along with SLP(C) No. 26626 of 2019 and SLP (C) D. No. 38404 of 2019.

In the meantime, the operation of the impugned order shall remain stayed.

Supreme Court declines to entertain Revenue SLP in Tran 1 matter

- Case of Union of India & Ors Vs Chogori India Retail Ltd reported in 2020-RIOL-114-SC-GST-LB

- **Facts**

- The Petitioner assessee had approached High Court for a direction to the Respondent Revenue to allow the Petitioner to file form GST TRAN-1 online or accept the form manually to enable the Petitioner to avail of the transitional credit (TC) of Rs.1,74,71,030.67.

- It was the case of the Petitioner had averred that it tried to file the TRAN-1 Form prior to the above deadline of 27th December, 2017 numerous times but the system displayed an error and it was unable to upload the Form.

Supreme Court declines to entertain Revenue SLP in Tran 1 matter

- High Court had issued a direction to the Respondent to either re-open the Portal to enable the Petitioner to file its TRAN-1 Form electronically failing which to permit it to file manually on or before 13th September, 2019.

- **Decision of the Hon'ble Supreme Court**

- Delay condoned.

- In the facts of the present case, we are not inclined to interfere in this Special Leave Petition. The Special Leave Petition is dismissed accordingly. However, question of law are kept open.

- Pending applications, if any, stand disposed of.



THANK YOU