



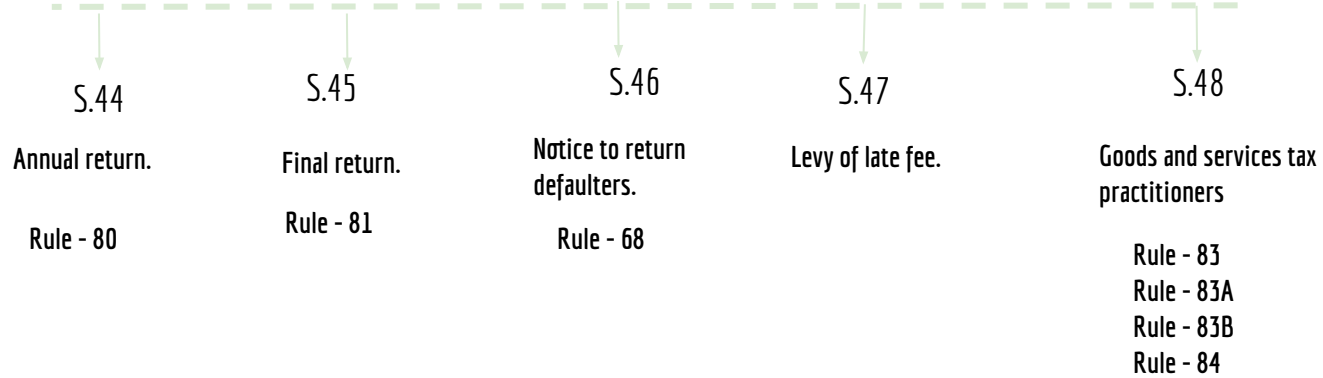
Cgst Act - Chapter 9

S.37	S.38	S.39	S.40	S.41	S.42	S.43
Furnishing details of outward supplies.	Furnishing details of inward supplies.	Furnishing of returns.	First return	Claim of input tax credit and provisional acceptance thereof.	Matching, reversal and reclaim of input tax credit.	Matching, reversal and reclaim of reduction in output tax liability
Rule- 59 Rue - 78	Rule- 60	Rule- 61 Rule- 62 Rule- 63 Rule- 64 Rule- 65 Rule- 66 Rule- 67 Rule- 68			Rule- 69 Rule- 70 Rule- 71 Rule- 72 Rule- 77	Rule- 73 Rule- 74 Rule- 75 Rule - 76



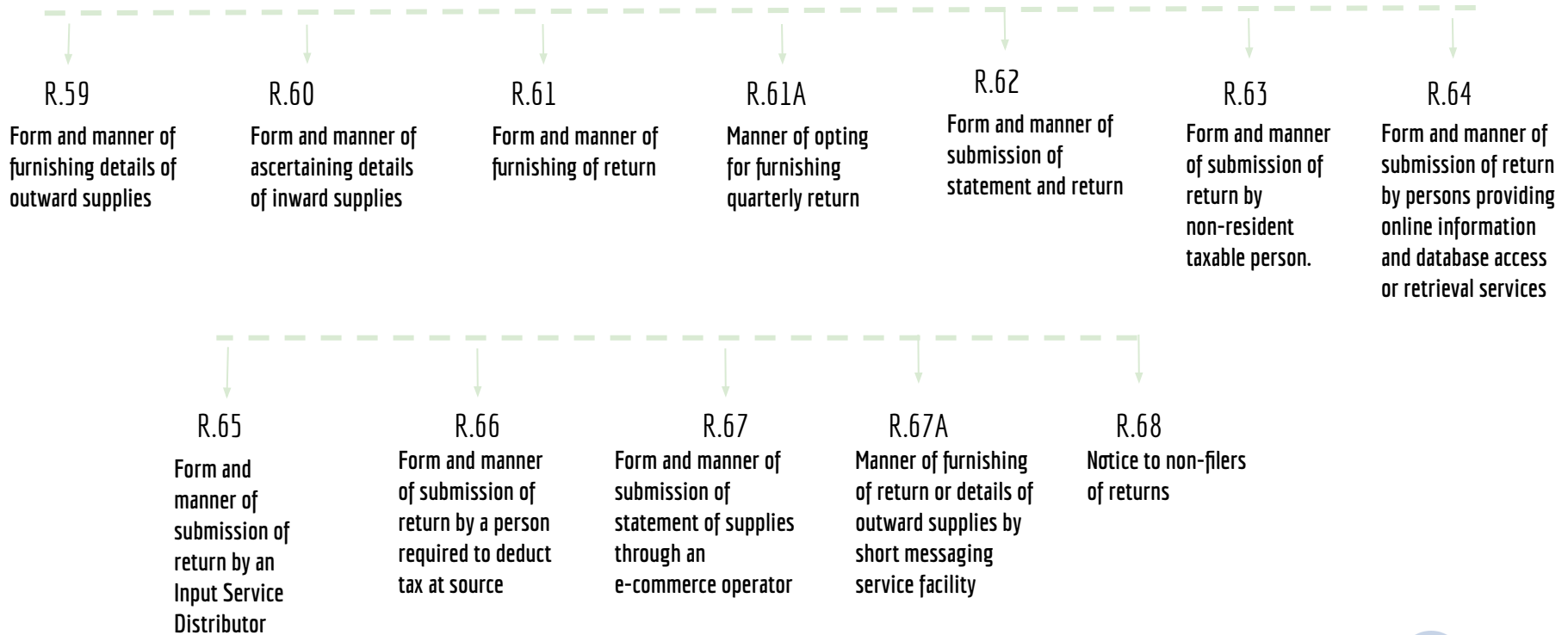


Cgst Act - Chapter 9



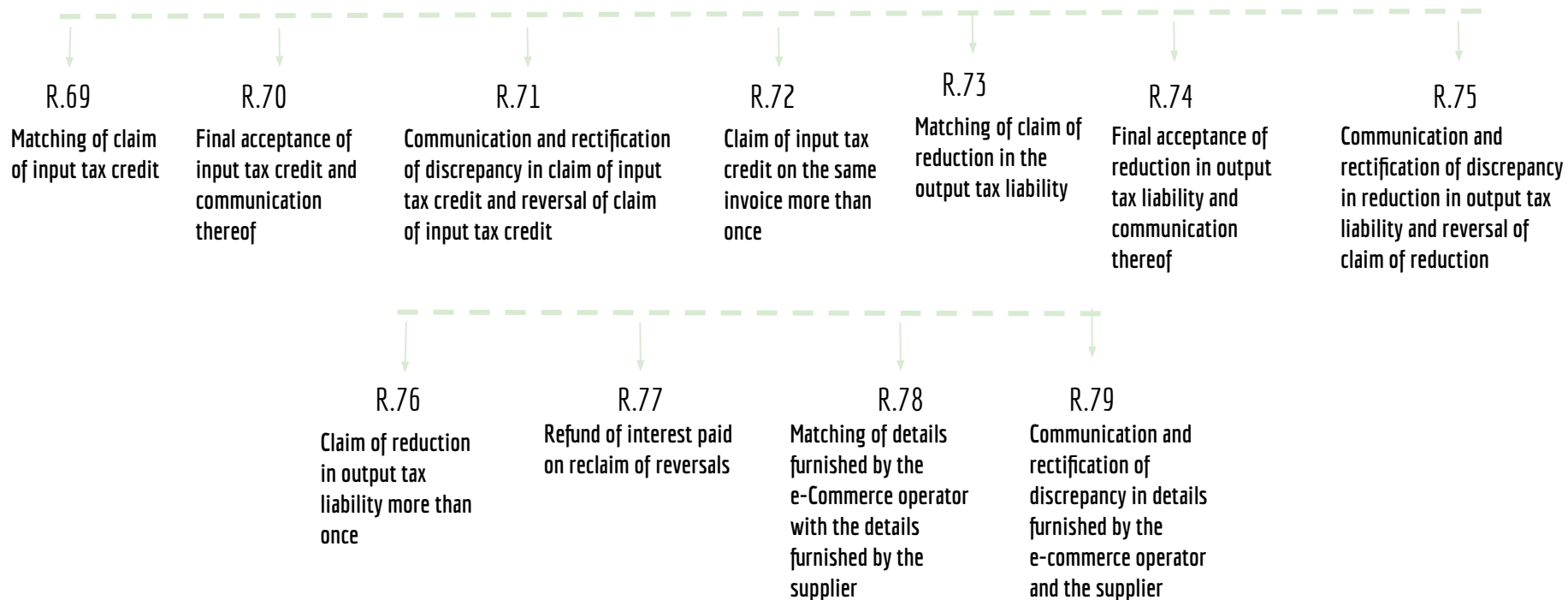


Chapter VIII - Returns





CGST Rules - Chapter VIII - Returns





Section 37 of CGST Act

S.37(1)

Statement of O/S

Every RTP except-
-ISD
-NRTP
-Composition
-TDS
-TCS

First Proviso -No filing from 11th to 15th
Second Proviso- Right to extend time limit
Third Proviso Deemed notified

S.37(2)

Accept/reject

Details shall be either
accepted or rejected after
15th but before 17th

S.37(3)

Rectification of error/ omission

The tax short paid shall be
paid with interest

1st proviso

Time barred correction

Upto the filing of return of sec
39 for Sept month or filing of
annual return whichever is
earlier.

2nd Proviso

Rod for 17-18

For 17-18 the date to
make amendments is upto
March 2019

Expl-1

O/w supply to include DN/CN

O/w supply will include
the Dn/CN and
supplementary invoice



Section - 37

(1) Every registered person, other than an Input Service Distributor, a non-resident taxable person and a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected during a tax period on or before the tenth day of the month succeeding the said tax period and such details shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed:

Provided that the registered person shall not be allowed to furnish the details of outward supplies during the period from the eleventh day to the fifteenth day of the month succeeding the tax period:



Provided further that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:

Provided also that any extension of time limit notified by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.

(2) Every registered person who has been communicated the details under sub-section (3) of section 38 or the details pertaining to inward supplies of Input Service Distributor under sub-section (4) of section 38, shall either accept or reject the details so communicated, on or before the seventeenth day, but not before the fifteenth day, of the month succeeding the tax period and the details furnished by him under sub-section (1) shall stand amended accordingly.



(3) Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such 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.

“Provided further that the 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, 2018 till the due date for furnishing the details under subsection (1) for the month of March, 2019 or for the quarter January, 2019 to March, 2019.”.

{inserted via: Removal of difficulty Order No. 02/2018-Central Tax}.



Explanation.--For the purposes of this Chapter, the expression “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.





Section 38 of CGST Act

S.38(1)

Details of inward supplies

RP O/T- ISD, NRTP, 10,51,52 Prepare the details of inward supplies by
- verify, validate, modify or delete
-Add the details of invoices /CN/DN not entered by supplier but received by him

S.38(2)

Furnish details of purchase including RCM

RP O/T- ISD, NRTP, 10,51,52
Shall furnish the details of inward supplies including the RCM after 10 th but before 15th.
First Proviso - Right to extend time limit
Second Proviso- Extension by state =ext by centre

S.38(3)

Communication of data u/s 38(2)

The data submitted by the recipient shall be communicated to the supplier

S.38(4)

Communication of data u/s 39

Data shall be communicated to the supplier

S.38(5)

Rectification of error or omission

The data entered in statement u/s 38 can be rectified and tax payable, if any, shall be paid

First Proviso- No data shall be rectified after filing of return of Spt month or filing of annual return



Section - 38

(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52, shall verify, validate, modify or delete, if required, the details relating to outward supplies and credit or debit notes communicated under sub-section (1) of section 37 to prepare the details of his inward supplies and credit or debit notes and may include therein, the details of inward supplies and credit or debit notes received by him in respect of such supplies that have not been declared by the supplier under sub-section (1) of section 37.



(2) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, 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 Integrated Goods and Services Tax Act or on which integrated goods and services tax 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:

Provided that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.



(3) The 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.

(4) The details of supplies modified, deleted or included by the recipient in the return furnished under sub-section (2) or sub-section (4) of section 39 shall be communicated to the supplier concerned in such manner and within such time as may be prescribed.

(5) Any registered person, who has furnished the details under sub-section (2) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon 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, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period:



Provided that no rectification of error or omission in respect of the details furnished under sub-section (2) 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.





Section 39 of CGST Act

S.39(1)	S.39(2)	S.39(3)	S.39(4)	S.39(5)	S.39(6)	S.39(7)
Basic return/GSTR 3/3b RP O/T- ISD, NRTP, 10,51,52 Shall file a return before twentieth of next month 1st proviso- Right to notify	Composition return Sec. 10 taxpayer shall file a return , when prescribed	Return by section 51 deductor Every month when deduction is made, by 10th of next month	Return by ISD Within 13 days from the end of month	Return buy NRTP Within 20 days of the month or 7 days from the end of tenure, whichever is earlier	Ext. to due date By Commissioner	Payment of dues By the date of filing of return 1st Proviso- Right to prescribe for normal taxpayer 2nd Proviso- right to prescribe for composition taxpayer





Section 39 of CGST Act



S.39(8)

NIL return

File return even if there is no supply

S.39(9)

Rectification of errors and omission

Rectify errors or omissions other than covered by Scrutiny, audit, inspection or enforcement activity

1st Proviso

Upto last date of furnishing Sept return or actual filing of Annual return, whichever is earlier

S.39(10)

Sequential filing of returns

Return of a period can be filed only when all returns till that date are filed.



Section - 39

~~(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52 shall, for every calendar month or part thereof, furnish, in such form and manner and within such time as may be prescribed, 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 as may be prescribed, on or before the twentieth day of the month succeeding such calendar month or part thereof.~~

~~“Provided that the Government may, on the recommendations of the Council, notify certain classes of registered persons who shall furnish return for every quarter or part thereof, subject to such conditions and safeguards as may be specified therein.”~~



(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52 shall, for every calendar month or part thereof, furnish, in such form and manner and within such time as may be prescribed, 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 as may be prescribed, on or before the twentieth day of the month succeeding such calendar month or part thereof.

“Provided that the Government may, on the recommendations of the Council, notify certain classes of registered persons who shall furnish return for every quarter or part thereof, subject to such conditions and safeguards as may be specified therein.”



~~(2) A registered person paying tax under the provisions of section 10 shall, for each quarter or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, of turnover in the State or Union territory, inward supplies of goods or services or both, tax payable and tax paid within eighteen days after the end of such quarter.~~

(2) A registered person paying tax under the provisions of section 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.

(3) Every registered person required to deduct tax at source under the provisions of section 51 shall furnish, in such form and manner as may be prescribed, a return, electronically, for the month in which such deductions have been made within ten days after the end of such month.

[Substituted vide FINANCE (NO. 2) ACT, 2019 w.e.f. 10-11-2020]



(4) Every taxable person registered as an Input Service Distributor shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, within thirteen days after the end of such month.

(5) Every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, within twenty days after the end of a calendar month or within seven days after the last day of the period of registration specified under sub-section (1) of section 27, whichever is earlier.

(6) The Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing the returns under this section for such class of registered persons as may be specified therein:

Provided that any extension of time limit notified by the Commissioner of State tax or Union territory tax shall be deemed to be notified by the Commissioner.



~~(7) Every registered person, who is required to furnish a return under sub-section (1) or sub-section (2) or sub-section (3) or sub-section (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 the Government may, on the recommendations of the Council, notify certain classes of registered persons who shall pay to the Government the tax due or part thereof as per the return on or before the last date on which he is required to furnish such return, subject to such conditions and safeguards as may be specified therein.” [Inserted vide Central Goods and Services Tax (Amendment) Act, 2018]~~

“(7) Every registered person who is required to furnish a return under sub-section (1), other than the person referred to in the proviso thereto, or sub-section (3) or sub-section (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, 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, in such form and manner, and within such time, as may be prescribed:

Provided further that every registered person furnishing return under sub-section (2) 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.”

(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.

[Substituted vide FINANCE (NO. 2) ACT, 2019 w.e.f. 10-11-2020] .



(9) Subject to the provisions of sections 37 and 38, if any registered person after furnishing a return under sub-section (1) or sub-section (2) or sub-section (3) or sub-section (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 are noticed~~ **in such form and manner as may be prescribed**, subject to payment of interest under this Act:

Substituted vide Central Goods and Services Tax (Amendment) Act, 2018



Provided that no such rectification of any omission or incorrect particulars shall be allowed after the due date for furnishing of return for the month of September or second quarter following ~~the end of the financial year,~~ **the end of the financial year to which such details pertain,** or the actual date of furnishing of relevant annual return, whichever is earlier.

(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.

Substituted vide Central Goods and Services Tax (Amendment) Act, 2018





Section 40 of CGST Act



First Return

Supply from the date for liability of registration till the date of registration to be covered in first return



Section-40

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.





Section 41 of CGST Act

S.41(1)

Self Assessed ITC - ITC ledger

- credit of eligible input tax, as self assessed, in his return
- such amount shall be credited on a provisional basis to his electronic credit ledger

S.41(2)

ITC can be used only for payment of self assessed tax

ITC utilised only for payment of self- assessed output tax as



Section-41

(1) 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.

(2) 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.





Section 42 of CGST Act

S.42(1)

Matching of inward supply

- corresponding O/W supply details of suppliers
- Import details
- Duplication of ITC

S.42(2)

Acceptance

Acceptance shall be given and communicated in prescribed manner

S.42(3)

Communication of difference

Any difference in ITC taken and O/W supply shall be communicated

S.42(4)

Duplicate ITC claims

Duplicate ITC claims shall also be communicated to recipient

S.42(5)

Adding the difference in OTL

If any difference is communicated but not corrected by recipient. The amount shall be added to his tax liability in next month

S.42(6)

Adding duplicate ITC

Any amount of duplicate ITC shall also be added to the OTL of the month of communication





Section 42 of CGST Act

S.42(7)	S.42(8)	S.42(9)	S.42(10)
Reclaim of ITC	Interest	Refund of interest	Add back of wrong reduction
If added in return by supplier, ITC can be reclaimed. TL of sec 39(9) will apply	Interest on ITC availed	Interest shall be paid back in case the amount of OTL is reduced u/s 7 1st Proviso- The amount of interest refunded can't be more than the interest collected	Any amount reduced in contravention of sec 7 shall be added back with interest



Section - 42

(1) The details of every inward supply furnished by a registered person (hereafter in this section referred to as the “recipient”) for a tax period shall, in such manner and within such time as may be prescribed, be matched--

(a) with the corresponding details of outward supply furnished by the corresponding registered person (hereafter in this section referred to as the “supplier”) in his valid return for the same tax period or any preceding tax period;

(b) with the integrated goods and services tax paid under section 3 of the Customs Tariff Act, 1975 in respect of goods imported by him; and

(c) for duplication of claims of input tax credit.



(2) The claim of input tax credit in respect of invoices or debit notes relating to inward supply that match with the details of corresponding outward supply or with the integrated goods and services tax paid under section 3 of the Customs Tariff Act, 1975 in respect of goods imported by him shall be finally accepted and such acceptance shall be communicated, in such manner as may be prescribed, to the recipient.

(3) Where the input tax credit claimed by a recipient in respect of an inward supply is in excess of the tax declared by the supplier for the same supply or the outward supply is not declared by the supplier in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed.



(4) The duplication of claims of input tax credit shall be communicated to the recipient in such manner as may be prescribed.

(5) The amount in respect of which any discrepancy is communicated under sub-section (3) and which is not rectified by the supplier in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the recipient, in such manner as may be prescribed, in his return for the month succeeding the month in which the discrepancy is communicated.

(6) The amount claimed as input tax credit that is found to be in excess on account of duplication of claims shall be added to the output tax liability of the recipient in his return for the month in which the duplication is communicated.

(7) The recipient shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5), if the supplier declares the details of the invoice or debit note in his valid return within the time specified in sub-section (9) of section 39.



(8) A recipient in whose output tax liability any amount has been added under sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 on the amount so added from the date of availing of credit till the corresponding additions are made under the said sub-sections.

(9) Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section - (8) shall be refunded to the recipient by crediting the amount in the corresponding head of his electronic cash ledger in such manner as may be prescribed:

Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the supplier.

(10) The amount reduced from the output tax liability in contravention of the provisions of sub-section (7) shall be added to the output tax liability of the recipient in his return for the month in which such contravention takes place and such recipient shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of section 50.





Section 43 of CGST Act

S.43(1)

S.43(2)

S.43(3)

S.43(4)

S.43(5)

S.43(6)

Matching of CN

- corresponding CN by supplier for reduction in ITC
- Duplication of ITC

Acceptance

Acceptance shall be given and communicated in prescribed manner for CN entered by supplier

Communication of difference

CN₁ reduction in ITC or CN not declared
Shall be communicated

Duplicate reduction in OTL claims

Duplicate reduction in OTL be communicated to recipient

Adding the difference in OTL

Any excess reduction not rectified by recipient shall be added back to the liability of suppliers

Adding duplicate reduction in OTL

Any duplicate reduction in OTL shall be added back in the month of communication of the same





Section 43 of CGST Act



S.43(7)

Reclaim of Reduction in OTL

Reduction in OTL can be added back if recipient corrects his return

S.43(8)

Interest

Liability to pay interest on the amount reduced wrongly

S.43(9)

Refund of interest

If liability is accepted later on by recipient, the interest paid shall be refunded back.
1st Proviso-
Amount of interest refunded shall not be more than the amount paid by the supplier

S.43(10)

Add back of wrong reduction

Any amount reduced in contravention of sec 7 shall be added back with interest



Section - 43

(1) The details of every credit note relating to outward supply furnished by a registered person (hereafter in this section referred to as the “supplier”) for a tax period shall, in such manner and within such time as may be prescribed, be matched--

- (a) with the corresponding reduction in the claim for input tax credit by the corresponding registered person (hereafter in this section referred to as the “recipient” in his valid return for the same tax period or any subsequent tax period; and
- (b) for duplication of claims for reduction in output tax liability.

(2) The claim for reduction in output tax liability by the supplier that matches with the corresponding reduction in the claim for input tax credit by the recipient shall be finally accepted and communicated, in such manner as may be prescribed, to the supplier.



(3) Where the reduction of output tax liability in respect of outward supplies exceeds the corresponding reduction in the claim for input tax credit or the corresponding credit note is not declared by the recipient in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed.

(4) The duplication of claims for reduction in output tax liability shall be communicated to the supplier in such manner as may be prescribed.

(5) The amount in respect of which any discrepancy is communicated under sub-section (3) and which is not rectified by the recipient in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the supplier, in such manner as may be prescribed, in his return for the month succeeding the month in which the discrepancy is communicated.



(6) The amount in respect of any reduction in output tax liability that is found to be on account of duplication of claims shall be added to the output tax liability of the supplier in his return for the month in which such duplication is communicated.

(7) The supplier shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5) if the recipient declares the details of the credit note in his valid return within the time specified in sub-section (9) of section 39.

(8) A supplier in whose output tax liability any amount has been added under sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 in respect of the amount so added from the date of such claim for reduction in the output tax liability till the corresponding additions are made under the said sub-sections.



(9) Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section (8) shall be refunded to the supplier by crediting the amount in the corresponding head of his electronic cash ledger in such manner as may be prescribed:

Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the recipient.

(10) The amount reduced from output tax liability in contravention of the provisions of sub-section (7) shall be added to the output tax liability of the supplier in his return for the month in which such contravention takes place and such supplier shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of section 50.





Section 43A of CGST Act

S.43A(1)

Overrides sec 37,38. Match data in return of sec 39

verify, validate, modify or delete the details of supplies furnished by the suppliers

S.43A(2)

Overrides 41,42,43

procedure for availing of input tax credit by the recipient and verification thereof shall be such as may be prescribed

S.43A(3)

Right to prescribe the manner to furnish the O/WS

Prescribe the procedure for furnishing the details of outward supplies by the supplier on the common portal

S.43A(4)

Right to prescribe the ITC of O/WS not declared

Manner to avail ITC of O/WS not declared, not exceeding twenty per cent

S.43A(5)

Deemed Tax payable

O/WS declared u/ss(3) shall be deemed to be tax payable

S.43A(6)

Jointly and severally liable

The supplier and recipient shall be jointly and severally liable





Section 43A of CGST Act

S.43A(7)

Prescribe the procedure of recovery

procedure may provide for non-recovery of an amount of tax or input tax credit wrongly availed not exceeding one thousand rupees.

S.43A(8)

Prescribe the procedure , safeguard & Threshold

Right to prescribe the procedure, safeguard and Threshold for furnishing of supply u/ss 3



Section - 43A

(1) Notwithstanding anything contained in sub-section (2) of section 16, section 37 or section 38, every registered person shall in the returns furnished under sub-section (1) of section 39 verify, validate, modify or delete the details of supplies furnished by the suppliers.

(2) Notwithstanding anything contained in section 41, section 42 or section 43, the procedure for availing of input tax credit by the recipient and verification thereof shall be such as may be prescribed.

(3) The procedure for furnishing the details of outward supplies by the supplier on the common portal, for the purposes of availing input tax credit by the recipient shall be such as may be prescribed.



(4) The procedure for availing input tax credit in respect of outward supplies not furnished under sub-section (3) shall be such as may be prescribed and such procedure may include the maximum amount of the input tax credit which can be so availed, not exceeding twenty per cent. of the input tax credit available, on the basis of details furnished by the suppliers under the said sub-section.

5) The amount of tax specified in the outward supplies for which the details have been furnished by the supplier under sub-section (3) shall be deemed to be the tax payable by him under the provisions of the Act.

(6) The supplier and the recipient of a supply shall be jointly and severally liable to pay tax or to pay the input tax credit availed, as the case may be, in relation to outward supplies for which the details have been furnished under sub-section (3) or sub-section (4) but return thereof has not been furnished.



(7) For the purpose of sub-section (6), the recovery shall be made in such manner as may be prescribed and such procedure may provide for non-recovery of an amount of tax or input tax credit wrongly availed not exceeding one thousand rupees.

(8) The procedure, safeguards and threshold of the tax amount in relation to outward supplies, the details of which can be furnished under sub-section (3) by a registered person,—

(i) within six months of taking registration;

(ii) who has defaulted in payment of tax and where such default has continued for more than two months from the due date of payment of such defaulted amount, shall be such as may be prescribed.”.





Section 44 of CGST Act

S.44(1)

Filing Annual Return

1st Proviso- Right to extend the date
2nd Proviso-Extension by State or UT
commissioner will deem to be an
extension by Commissioner
Exp- 1- Inserted via Rod - date for FY
2017-18 is upto 31st March 2019.

S.44(2)

Filing of reconciliation statement and financials

Every person liable for audit u/s 35(5)
shall-
File audited Financials and reconciliation
statement



Section - 44

~~(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 2019.~~

~~Provided that the Commissioner may, on the recommendations of the Council and for reasons to be recorded in writing, by notification, extend the time limit for furnishing the annual return for such class of registered persons as may be specified therein:~~

~~Provided further that any extension of time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.~~



~~Explanation. For the purposes of this section, it is hereby declared that the annual return for the period from the 1st July, 2017 to the 31st March, 2018 shall be furnished on or before the 31st March, 2019.¹ 30th June, 2019.² 31st August, 2019.³ 30th November 2019.⁴~~

~~(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.~~

*¹ Inserted via [Order No. 1/2018-Central Tax](#),

*² Inserted via [Order No.03/2018-Central Tax](#)

*³ Inserted via [Order No. 6/2019-Central Tax](#)

*⁴ Inserted via [Order No. 7/2019-Central Tax](#)]





Section 44 of CGST Act

S.44(1)

Filing Annual Return

Annual return may include self-certified reconciliation statement

Proviso 1

*Commissioner may exempt any class
Of registered person to file annual return.*

Proviso 2

*This section is not applicable on departments of
CG, SG, local authority whose books of accounts
are to be audited by CAG*



44. 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 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 such time and in such form and in such manner as may be prescribed:

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.”.

[Substituted Vide Finance Act 2021]





Section 45 of CGST Act

Final Return

Within three months of the date of cancellation or date of order of cancellation, whichever is later



Section - 45

Every registered person who is required to furnish a return under sub-section (1) of section 39 and whose registration has been cancelled shall furnish a final return within three months of the date of cancellation or date of order of cancellation, whichever is later, in such form and manner as may be prescribed.





Section 46 of CGST Act

Notice to file return

Non filing of section 39 or section 44 or section 45,
- within fifteen days a notice to file the return





Section 47 of CGST Act

S.47(1)

*Late fees for Return u/s
37,38,39, 45*

Late fees of Rs. 100 per day upto
5000.
(reduced by notification)

S.47(2)

Late fees for Return u/s 44

Late fees of Rs. 100 per day upto
0.25% of Turnover in state or UT
(reduced by notification)



Section - 46

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.





Section 48 of CGST Act

S.48(1)

Right to prescribe about GSTP

eligibility conditions, duties and obligations, manner of removal and other conditions relevant for their functioning shall be such as may be prescribed

S.48(2)

Authorisation of GSTP

A registered person may authorise an approved goods and services tax practitioner , to furnish returns and do other functions

S.48(3)

Responsibility of correctness on Registered Taxpayer

The liability for correctness of data will lie with registered person and not with GSTP



Section - 47

(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.



Section - 48

- (1) The manner of approval of goods and services tax practitioners, their eligibility conditions, duties and obligations, manner of removal and other conditions relevant for their functioning shall be such as may be prescribed.
- (2) A registered person may authorise an approved goods and services tax practitioner to furnish the details of outward supplies under section 37, the details of inward supplies under section 38 and the return under section 39 or section 44 or section 45 **and to perform such other functions** in such manner as may be prescribed.
- (3) Notwithstanding anything contained in sub-section (2), the responsibility for correctness of any particulars furnished in the return or other details filed by the goods and services tax practitioners shall continue to rest with the registered person on whose behalf such return and details are furnished.



FAQs - QRMP Scheme under GST

What is the QRMP return scheme of GST?

The QRMP stands for quarterly return and monthly payment. This is the latest scheme of GST return filing. It is applicable from 1-1-2021.

Who can opt for the QRMP return scheme of GST?

Every registered taxpayer required to file the GSTR 3b and GSTR 1 can opt for it. A composition dealer shifting from composition levy to the normal levy can also opt for it. A person making the exports or SEZ supplies can also opt for this scheme.



Who is not eligible for the QRMP return scheme of GST?

Following taxpayers are not eligible for the QRMP Scheme-

- Composition dealer
- ISD
- NRTP
- OIDAR Service provider
- TDS deductor
- TCS deductor



What is the scheme of return filing under the QRMP return scheme of GST?

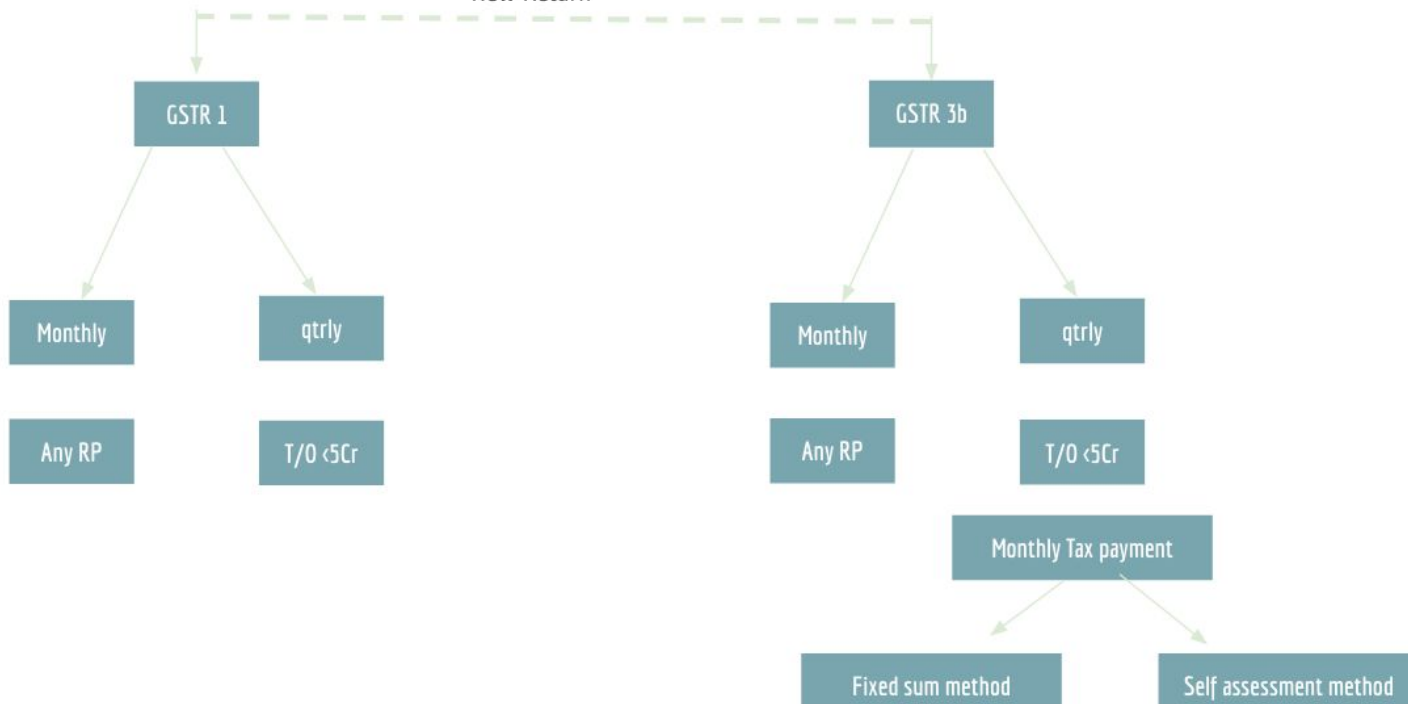
Some salient features of this scheme are-

- Both GSTR 1 and 3b can be filed on a quarterly basis
- A registered person with a turnover up to 5 crores in the previous financial year can opt for quarterly filing
- In spite of quarterly filing the registered person is eligible to upload invoices using the IFF facility. These invoices will also get auto reflected in GSTR 2A and 2B of the buyer.
- The payment of tax is monthly irrespective of the return filing frequency opted by the taxpayer.
- The tax can be paid by a quarterly filer by fixed sum method or by self-assessment method.





New Return



What is the fixed sum method?

It is a payment mechanism for the quarterly filers of GSTR 3b. The registered person in GST can file GSTR 3b quarterly in the new scheme. But the payment of tax is monthly. Now the taxpayers don't want to make all the calculations for the tax payment as he is required to file the return quarterly. Thus the CBIC introduced this fixed sum payment of tax method. He can pay 35% of the tax paid in the last quarter via cash ledger in the first month of the quarter. Then the same 35% in the second month of the quarter. In the last month of the quarter, he can pay the balance.

Let us understand it with an example.

The tax paid in the last quarter was.

Total Tax	Credit Ledger	Cash Ledger
5,00,000	3,00,000	2,00,000
2,00,000	1,00,000	1,00,000
4,00,000	3,00,000	1,00,000
11,00,000	7,00,000	4,00,000



The tax paid via cash ledger in the last quarter is Rs. 4,00,000.

Now the tax payable in first month= 35%of 4,00,000 = 1,40,000

In the next month of the quarter, the tax payment is = 1,40,000

Now in the last month let us assume the total tax liability was Rs. 5,00,000.

The taxpayer is required to pay Rs.2,20,000 more in the last month and file the return.

How can we apply for the QRMP return scheme of GST?

The taxpayer can opt for it online on the GST portal. The time limit to opt it is from the first day of the second month of the previous quarter to the last day of the first month of the next quarter. There are some conditions to be fulfilled to opt for this scheme.

- All GSTR 3b's required to be filed till the date should be filed by the taxpayer.
- GSTR 1 shall not have any unsaved data.
- The eligibility for this scheme will be lost if the turnover crosses the threshold in any month.



Can I avail the QRMP scheme at any point of time during a financial year?

You can opt in or opt out of the QRMP scheme as per the timelines mentioned in the table below:

S.No.	Quarter of a particular year	QRMP Scheme can be opted in or opted out during
1	Q1 (April - May - June)	1st February' to 30th April'
2	Q2 (July - August - September)	1st May' to 31st July'
3	Q3 (October - November - December)	1st August' to 31st October'
4	Q4 (January - February - March)	1st November' to 31st January of next year



What is the migration scheme into the QRMP return scheme of GST?

The migration into a new scheme is proposed by GSTN. Taxpayers will auto-shift into the new scheme. The quarterly filers will shift to the quarterly filing. The monthly filers will shift to the monthly filing. But out of these, the eligible taxpayers can change the scheme quarterly. An option to shift into a quarterly scheme is given at the GSTN portal. So you can wait for auto-shift and then can move to the desired scheme.

How the recipient of a quarterly filer will get the input tax credit?

The buyer of a quarterly filer can take the ITC based on auto reflection in GSTR 2A & 2B. The quarterly filer can upload data of invoices on a monthly basis. A special facility is provided for it. It is called the IFF facility.

The taxpayer can upload a B2B invoice up to Rs. 50 lac each month using this facility. Thus the ITC of quarterly files is also available to the recipient.



Advisory on Filing GSTR-1 for Jan-Mar 2021 Quarter under QRMP Scheme

The Central Board of Indirect Taxes and Customs (CBIC) has issued an Advisory on Filing GSTR-1 for Jan - Mar 2021 under QRMP Scheme.

The taxpayers under QRMP scheme have a facility to file Invoice Furnishing Facility (IFF) in first two months of the quarter and file Form GSTR-1 in third month of the quarter. As IFF is an optional facility it cannot be filed after the end date (13th of the month succeeding the IFF period). The document saved in IFF, where taxpayer has not filed by the end date, cannot be filed anymore. Hence taxpayers are requested to declare such document in the GSTR-1 for the quarter. Hence, before filing of GSTR-1 for Jan-Mar-2021 quarter, the taxpayer must ensure that:



- Any saved but not Filed/Submitted IFF records for the first two months of the quarter i.e. month of Jan-2021 or Feb-2021 must be deleted using RESET button before filing GSTR-1 for Jan-Mar-2021 quarter. The deleted records should be added in GSTR-1 for Jan-Mar-2021 quarter after deleting the saved records from IFF. In future this may not be required as invoices already saved in any of the months on the quarter may be either deleted/moved to quarterly GSTR-1 by a functionality to be introduced shortly.
- Any submitted but not filed IFF for the month of Jan-2021 or Feb-2021 must be filed before filing GSTR-1 for Jan-Mar-2021 quarter.



Important Case Laws & Advance rulings:

S.no	Description
1.	M/s Deepak prints vs union of india
2.	VADEHRA BUILDERS PVT. LTD. vs union of india & Anr.

