

Treatment Input Tax Credit (ITC) in Annual return

[All instances covered in one PDF]

	<i>Issue</i>	<i>Treatment in 3b</i>	<i>Treatment In GSTR 9</i>
1.	ITC was availed excess but adjusted in base period.		
1a.	ITC was availed but reversed in next month/s	Reduced via table 4	Table 6: Total ITC Table 7: Reversal
2.	ITC was availed and utilized but adjusted in base period		
2a.	Lesser ITC was taken in next period/s	Reduced ITC in table 4	Consolidated balance of table 6 will be correct.
2b.	It was added to the output tax liability	Added in table 3	It becomes my valid claim now. No need for reversal. It can be a part of table 4 only the tax part only. We can even skip it in table 4 and show only in 9. The tax amount will be added in payable in table 9.
3.	ITC was availed and adjusted in allowed extended period		
3a.	Lesser ITC was taken in coming months to adjust the excess	Lesser ITC in table 4A(5) of base period and extended period.	Consolidate figure in table 6 will include the reduction made till march 2018 return. Table 8C: Reversal in next year. Table 12: Reversal in next year.
3b.	It was added to output tax liability in next year	Outward supply/tax liability was increased	Excess amount will be there in payment. It will be a part of table 10 also. When I paid for the excess ITC I own it and it's my eligible ITC now.
3c.	Paid via DRC 03 during extended period.	No entry	Shall be added to tax paid in table 14
4.	Excess ITC was availed and never reversed.		
4a.	Excess ITC was availed but there is balance in ITC ledger	No entry	Pay it via DRC 03 using ITC. Table 6: Show actual break up and excess in others. Table 7: Reverse the excess. Table 14: show the payment.
4b.	Excess ITC availed and there is no balance in ITC ledger	No entry	Pay it via DRC 03 using cash ledger. Table 6: take full ITC. Table 7: No reversal. Table 14: show the payment.
5.	ITC of C+S was taken as IGST		
5a.	Corrected via GSTR 3b in base period	IGST reduced and C+S taken	Correct figure will be there in table 6.
5b.	Corrected via GSTR 3b in extended period	IGST reduced & C+S taken	Wrong figure will be in 6. Report in table 8C. Table 12: C+S taken Table 13: IGST
5c.	Not corrected	No entry	Pay via DRC 3.

			Can't claim correct ITC?
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Disclaimer: These views are strictly personal and may change with more developments. Pls send your suggestions or issues at following ids.

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