

Relaxations on GST Compliances due to COVID-19 outbreak

The spread of Novel Corona Virus (COVID-19) across many countries of the world, including India, has caused immense loss to the lives of people and resultantly impacted the trade and industry. In view of the emergent situation and challenges faced by taxpayers in meeting the compliance requirements under various provisions of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act"), Government has announced various relief measures relating to statutory and regulatory compliance matters across sectors. Government on 3rd April 2020 issued seven notifications providing relaxations in GST compnaines and Circular no. 136/06/2020 was also issued proving clarifications regarding the impact of these notifications on the registered tax payers. We present below gist of all the notifications issued on 3rd April 2020.

Notification No. 30/2020 – Central Tax dated 3rd April, 2020

Due dates for filing CMP-02 & ITC-03 Notified

Condition for availing ITC up to 110% of that reflected in GSTR-2A relaxed

Amendment in the CGST Rules so as to allow taxpayers opting for the Composition Scheme for the financial year 2020-21 to file their option in **FORM CMP-02** till 30th June, 2020 and to allow cumulative application of the condition in rule 36(4) for the months of February, 2020 to August, 2020 in the return for tax period of September, 2020.

As per rule 3(3) Any registered person who opts to pay tax under composition scheme shall FORM GST CMP-02, prior to the commencement of the financial year for which the option to pay tax under composition scheme is exercised and shall furnish the statement in FORM GST ITC-03 within a period of sixty days from the commencement of the relevant financial year. So w.e.f. 31.03.2020 for financial year 2020-21 a new proviso has been inserted, allowing to file CMP-02 by 20.06.2020 and ITC-03 by 31.07.2020

As per rule 36(4) ITC to be availed by a registered person shall be $\leq 110\%$ of eligible ITC in reflecting in GSTR-2A. So w.e.f. 03.04.2020 a new proviso has been inserted to the effect that this condition has been relaxed for Months of February, March, April, May, June, July and August, 2020. However cumulative adjustment for all these months is required to be made while furnishing return in **FORM GSTR-3B** for the tax period September, 2020.

Notification No. 31/2020 – Central Tax dated 3rd April, 2020

Notification No. 32/2020 – Central Tax dated 3rd April, 2020

GSTR-3B Interest Rates reduced and Late Fee waived w.e.f. 20.03.2020

A lower rate of interest of NIL for first 15 days after the due date of filing return in FORM GSTR-3B and @ 9% thereafter is notified for those registered persons having aggregate turnover above Rs. 5 Crore and NIL rate of interest is notified for those registered persons having aggregate turnover below Rs. 5 Crore in the preceding financial year, for the tax

periods of February, 2020 to April, 2020. This lower rate of interest shall be subject to condition that due tax is paid by filing return in FORM GSTR-3B by the date(s) as specified in the Notification.

Notification under section 128 of CGST Act for waiver of late fee for delay in furnishing returns in **FORM GSTR-3B** for the tax periods of February, 2020 to April, 2020 provided the return in FORM GSTR-3B by the date as specified in the Notification.

Month	Aggregate Turnover in Previous Financial Year	Condition : GSTR-3B furnished on / before:	Rate of Interest as per notification (31/3020)	Late Fees as per notification (32/3020)
February 2020	Turnover > 5 Cr	24.06.2020	Nil for first 15 days from the ACTUAL due date, and 9 per cent thereafter	NIL
February 2020	Turnover > 1.5Cr But <= 5Cr.	29.06.2020	NIL	NIL
February 2020	Turnover <= 1.5 Cr	30.06.2020	NIL	NIL
March 2020	Turnover > 5 Cr	24.06.2020	Nil for first 15 days from the ACTUAL due date, and 9 per cent thereafter	NIL
March 2020	Turnover > 1.5Cr But <= 5Cr.	29.06.2020	NIL	NIL
March 2020	Turnover <= 1.5 Cr	03.07.2020	NIL	NIL
April 2020	Turnover > 5 Cr	24.06.2020	Nil for first 15 days from the ACTUAL due date, and 9 per cent thereafter	NIL
April 2020	Turnover > 1.5Cr But <= 5Cr.	30.06.2020	NIL	NIL
April 2020	Turnover <= 1.5 Cr	06.07.2020	NIL	NIL

In case the return for the said months are not furnished on or before the date mentioned in the condition then interest at 18% per annum shall be charged from the ACTUAL due date of return, till the date on which the return is filed. In addition, regular late fee shall also be leviable for such delay along with liability for penalty.

Illustration:- Calculation of interest for delayed filing of return for the month of March, 2020 (due date of filing being 20.04.2020) may be illustrated as per the below Table:

S. No.	Date of filing GSTR-3B	No. of days of delay	Whether condition for reduced interest is fulfilled?	Interest
1	02.05.2020	11	Yes	Zero interest
2	20.05.2020	30	Yes	Zero interest for 15 days + interest rate @9% p.a. for 15 days
3	20.06.2020	61	Yes	Zero interest for 15 days + interest rate @9% p.a. for 46 days

4	24.06.2020	65	Yes	Zero interest for 15 days + interest rate @9% p.a. for 50 days
5	30.06.2020	71	NO	Interest rate @18% p.a. for 71 days (i.e. no benefit of reduced interest)

Notification No. 33/2020 – Central Tax dated 3rd April, 2020

GSTR-1 Late Fee waived:

Notification under section 128 of CGST Act for waiver of late fee for delay in furnishing the statement of outward supplies in **FORM GSTR-1** for taxpayers for the tax periods March, 2020 to May, 2020 and for quarter ending 31st March 2020 if the same are furnished on or before 30th day of June, 2020.

Month	Condition : GSTR-1 furnished on / before:	Late Fees as per notification (33/3020)
March 2020	30.06.2020	NIL
April 2020	30.06.2020	NIL
May 2020	30.06.2020	NIL
Qtr.4 2019-2020	30.06.2020	NIL

Notification No. 34/2020 – Central Tax dated 3rd April, 2020

Due dates for CMP-08 & GSTR-4 notified:

Extension of due date of furnishing statement, containing the details of payment of self-assessed tax in **FORM GST CMP- 08** for the quarter ending 31st March, 2020 till the 7th day of July, 2020 and filing **FORM GSTR-4** for the financial year ending 31st March, 2020 till the 15th day of July, 2020.

Form	Due Dates
GSTR-4 for 2019-2020	15.07.2020
CMPO-08 for Qtr.4 2019-2020	07.07.2020

Notification No. 35/2020 – Central Tax dated 3rd April, 2020

Relaxations / extensions provided in view of the spread of pandemic COVID-19 across many countries of the world including India, with effect from 20.03.2020

Notification under section 168A of CGST Act for extending due date of compliance which falls during the period from the 20th day of March, 2020 to the 29th day of June, to 30th day of June, 2020.

Extension up to 30.04.2020

Where an e-way bill has been generated and its period of validity expires during the period 20.03.2020 to 15.04.2020, the validity period of such e-way bill shall be deemed to have been extended till the 30.04.2020.

Extension up to 30.06.2020

- Section 39(5) for GSTR-5 where compliance date fall between 20.03.2020 to 29.06.2020
- Section 39(4) for GSTR-6 where compliance date fall between 20.03.2020 to 29.06.2020
- Section 39(3) for GSTR-7 where compliance date fall between 20.03.2020 to 29.06.2020
- Section 52 for GSTR 8 where compliance date fall between 20.03.2020 to 29.06.2020
- Section 44 for GSTR 9 / 9C where compliance date fall between 20.03.2020 to 29.06.2020
- Other Compliance or action required by authority or any person where such compliance date fall between 20.03.2020 to 29.06.2020

Compliance includes:

- 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;

However **No Extension** has been provided in this notification for following compliances:

Provision of GST Act	Remarks
Chapter IV	Time & Value of Supply (Time of supply can be deferred)
Section 10(3)	In case of person paying tax under composition scheme, if turnover exceeds beyond permissible limits then he can't continue under composition scheme, though intimation of such change can be deferred.
Section 25	Registration of General Tax payer can't be deferred
Section 27	Registration of Casual Tax payer / NR Taxable Person can't be deferred
Section 31	Date of issuing Tax Invoice can't be deferred
Section 37	Date of Filing GSTR-1 can't be deferred (though separate notification is issued for this)
Section 47	Late Fees can't be deferred (though separate notification is issued for this)
Section 50	Interest on delayed Payment can't be deferred (though separate notification is issued for this)
Section 69	Power to Arrest
Section 90	Liability of Partners of firm to pay tax
Section 122	Penalty for Certain offences
Section 129	Detention, seizure and release of goods and conveyances in transit.
Section 39(1)	Furnishing of GSTR-3B can't be deferred (though separate notification is issued for this)
Section 39 (2)	Furnishing of CMP-08 / GSTR-04 can't be deferred (though separate notification is issued for this)

Section 39 (7)	Pay Tax before furnishing GSTR-3B. (though separate notification is issued for this)
Section 68 for E-way Bills	E-way Bills to issued within time (special extension provided through separate notification)

Notification No. 36/2020 – Central Tax dated 3rd April, 2020**Due dates for GSTR-3B for May 2020 notified:**

12.07.2020 for registered person whose aggregate Turnover of PFY \leq 5Cr AND principal place of business is in the Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep.

14.07.2020 for registered person whose aggregate Turnover of PFY \leq 5Cr AND principal place of business is in the States of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.

27.06.2020 for others

Note:

The due dates for furnishing FORM GSTR-3B for the months of February, March and April, 2020 has not been extended through any of the notifications.