

From the Desk of B.S.S.Rao

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Article on Legality and Scope of Form GSTR-2B framed by GSTN as per recommendations of sub-committee of GST Council under GST Scenario.

Dear Colleagues, good morning to all of you. We are well know that GSTN enabled Form GSTR-2B through GSTN Common Portal on trail run basis under GST Scenario. I have referred form GSTR-2B , Manual and FAQ released by GSTN through GSTN Common Portal. After referred such manual and FAQ's,I thought that what is the legality and advantages and disadvantages of Form GSTR-2B from the point of Tax Consultants and taxpayers view. I am coming to the conclusion that I have to prepare article on that subject and share with all of you for better understanding about Form GSTR-2B. so, kindly refer and send your feedback and suggestions in this regard to my mail i.d. sitapathirao@yahoo.co.in or my what's app number 09848099490.

GSTN has framed and enabled Form GSTR-2B through their Common portal recently, after referred many doubts and confusion started in our mind as a tax practitioners. What is the necessity to generate and proposed to enabled through Common Portal by GSTN, because we have already follow many compliances under GST Law and upload the data and filed various returns through Common Portal. In my understanding GST Council thinking about revenue leakage by way FAKE ITC claims by some of FAKE tax payers all over India, so, they want to arrest such leakage, so,they have discussed internally and constitute sub-committee on return filling or discusses various issues including simplification of filling monthly returns by taxpayers including modifications in returns, related changes in LAW, RULES and Formats applicable and at the same time thinking about linking of Inward supply details upload by supplier through different forms like Form GSTR-1, Form GSTR-5 and Form GSTR-6 through GSTN Common Portal monthly or quarterly basis to know eligibility of ITC by recipient before filling GSTR-3B. Based on suggestions from Sub-Committee, GSTN has framed Form GSTR-2B on trial run basis from Aug'2020.

Here with I have discussed table wise details of Form GSTR-2B and compare with present Form GSTR-2A with Form GSTR-2B for clarity and difference between both forms under GST scenario. So, Form GSTR-2B is an auto-drafted Input Tax Credit statement which will be generated for every registered person on the basis of the information furnished by supplier through Form GSTR-1, Form GSTR-5 and Input Tax Credit received through Form GSTR-6. Form GSTR-2B statement will indicate availability of ITC to the registered person against each document filed by supplier and ISD dealer including information relating to import of goods from the ICEGATE system and also inward supply of goods from SEZ units/Developers.

Form GSTR-2B for a month contains all documents filed by suppliers between the due dates of furnishing of Form GSTR-1 for the previous month to the due date of furnishing of Form GSTR-1 for the current month. i.e. for the month of July,2020 documents filed by suppliers from 12th July,2020 to 11th August,2020. Instances where the return due date is later than the date of generation of GSTR-2B and it is advised to avail Input Tax Credit on self-assessment basis.

The documents would reflect in the next open Form GSTR-2B of the recipient irrespective of the date of the document. For Example Invoice no.1 dated 15.04.2020 uploaded in July,2020 return filed on 11th August,2020, it would be reflected in Form GSTR-2B of July,2020 generated on 12th Aug,2020 and not in Form GSTR2B of April,2020.

The following are the advantages of Form GSTR-2B, the taxpayers are refer before avail of Input Tax Credit in Form GSTR-2B as per GSTN Common Portal information:

1. Form GSTR-2B is a summary report for Input Tax Credit available and not available for the month helps the management to have an overview of Input Tax Credit for the month.
2. Table -4 of Form GSTR-2B provides details for Input Tax Credit not available to claim ITC by the recipient for the month.
3. Data of ICEGATE available relating to the import of goods from overseas and inward supplies from SEZ to ensure Input Tax Credit has not been missed out.
4. Repetitive download of the previous month data would not be required as in Form GSTR-2A.
5. Form GSTR-2B shown a clear picture of Input Tax Credit to be available for the tax period of Recipient.
6. As per Rule 36(4) of the CSGT Rules,2017, It clearly shown about reconciliation of In[put Tax Credit ledger and invoice details uploaded in Form GSTR-1 by the supplier under GST Scenario.
7. There is no requirement of reconciliation to be performed on year to date basis every month as the Form GSTR-2B report is static. Although, from October, 2019 to June,2020 Year to date reconciliation may be required (as per my opinion),

Comparison Form GSTR-2B with Form GSTR-2A:

Details	Form GSTR-2B	Form –GSTR-2A
Basic Future of the Forms	Form GSTR-2B is a static form i.e. details of supplies uploaded by the vendors after the cut-off date considered in the subsequent period.	Form GSTR-A is a dynamic i.e. details of supplies uploaded by vendors are updating to such a month without utilizing a cut-off date.
Data captured from the GST return forms	Data captured from Form GSTR-1, Form GSTR-5, Form GSTR-6, ICEGATE system only but not information relating to TDS and TCS deductions made by the recipients as per GST Law,2017.	Data captured from Form GSTR-1, Form GSTR-5, Form GSTR-6, Form GSTR-7, Form GSTR-8, ICEGATE system and Bill of Entry details recently uploaded by the relevant department.
Viability of Forms	Form GSTR-2B is very useful in Input Tax Credit reconciliations and to identify compliant/ non-compliant vendors (Particularly Rule 36(4) of GST Rules ,2017.	All GSTR-2A credits are considered as vendors may delay in filling of returns. So, it is very difficult to ensure information relating to creditors.

Features are available in the Forms	In Form GSTR-2B “Online portal has provide various features listed subsequently”. So, in my opinion it is trail run. so, GSTN is not mention about additional features in their portal.	In Form GSTR-2A , not available of all the features.
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Detailed discussions of each Table of GSTR-2B: Form GSTR-2B consists Part-A,Part-B information relating to availability of Input Tax Credit, Non-availability of Input Tax Credit and Reversal of Input Tax Credit between B2B Transactions.

Table-3 ,Part – A of Form GSTR-2B about Input Tax Credit available.

S.No.	Table of Form GSTR-2B	Particulars	Table of Form GSTR-3B	Remarks
1	Section-I	The details of invoices and debit notes including amendment filed by the supplier in Form GSTR-1 and Form GSTR-5	Table - 4(A)(5) of Form GSTR-3B	This table does not contain Reverse Charge Mechanism supplies and negative value due to amendment disclosed in Table 4(B)(2)
2	Section-II	The details of invoices including amendment filed in Form GSTR-6.	Table - 4(A)(4) of Form GSTR-3B.	If any negative value due to amendment to be disclosed in Table 4(B)(2).
3	Section-III	The details of invoices and debit notes pertaining to supplies on which tax is to be paid on RCM basis declared and filed by the supplier in Form GSTR-1	Table - 3.1(d) & Table- 4(A)(3)	This table does not contain credit on import of services and unregistered supplier.
4	Section - IV	This table contain payment of IGST on import of goods from the overseas and inward supply of goods from SEZ units/developers on the bill of entry including amendment.	Table- 4(A)(1) of Form GSTR-3B	a). This table updated on a near real time basis from the ICEGATE. b). ICEGATE reference date is the date from which input tax credit to be availed. However, the difference between the BOE date and ICEGATE reference date is not provided.

				<p>c). Information on certain imports such as courier imports may not be available.</p> <p>d). This form details will be available from Aug,2020 onwards. i.e. 12th September,2020 onwards only.</p>
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Table -3 , Part-B of Form GSTR-2B about Input Tax Credit reversal:

S.No	Table of GSTR-2B	Particulars	Table of Form GSTR-3B	Remarks
5	Section-1	This table contain the detail of credit notes received including amendment declared and filed in Form GSTR-1, Form GSTR-5 and Form GSTR-6.	Table - 4(B)(2) of Form GSTR-3B	Negative values-then credit may be reclaimed subject to reversal on an earlier instance.

Significant Features of Form GSTR-2B:

I. Total number of documents are more than 1000 count:

- (1) If the total number of documents across all tables is more than 1000 documents, than the download button will be disabled in view model a view of a specific document could be possible,if GSTIN number, Invoice Number, and invoice date is entered. You have to check at Return Dashboard> Select tax period> GSTR-2B view> Summary/all tables.
- (2) In such a case, taxpayers may download the excel/JSON from the GSTR-2B down load page by using the link given in the information message below the summary table,

II. Data available: Summary level data, vendor level data and invoice level data would be available for view on the portal and download in c=excel also.

III. Expand / Collapse:

- (1)** Expand/collapse all the sections available in the GSTR-2B summary in view mode,
- (2)** By default , all the sections in the Form GSTR-2B summary are in collapse mode,
- (3)** After expanding any section one can click on any subsection and if record available would reach to invoice level data.

- IV. **Display / Hide column in view mode**: A specific column can be hidden or displayed on the portal which could be helpful for further analysis.
- V. **Record per page** : User may fix the number of records per page which maximum 100.
- VI. **Filter option**: The filter option available at document wise view option can be used to filter based on the following and even date can be download after filtered.
- (1)** Invoice/ Note/ Input Service Distributor document date/ Bill of Entry date.
- (2)** Note Type i.e. Credit Note and Debit Note,
- (3)** Invoice Type/ Note supply type i.e. regular, Deemed Exports, SEZ supplies (With or without payment of Tax) and inter-State supplies attracting IGST.
- (4)** Input Tax Distributor Document type,
- (5)** Supply attract RCM – Yes/No,
- (6)** Form GSTR-1 and Form GSTR-5 filling date,
- (7)** Input Tax Credit availability – Yes/ No,
- (8)** Applicable percentage of tax rate- 65% / 100%,
- VII. **Search option**: Search functionality is applicable across the columns for the table being viewed. Characters allowed in the search functionality are numbers (0-9) characters (A-Z) and special characters (/ ' - .).
- VIII. **Reference of Table number of Form GSTR-3B**: In view mode on the common portal , a summary of each section has the reference of table number of Form GSTR-3B in which credit of specific invoice can be availed/not availed. The same is available in downloaded excel.
- IX. **View /Download**: Available online as well as in download form on click of a button rather than requesting and waiting 20minutes,
- X. **Date of filling by supplier**: Date of filling of Form GSTR-1 and Form GSTR-5 by the supplier is available in view mode as well as download in excel. This could be helpful to understand when such document is filed by the supplier.

Illustrations to understand Form GSTR-2B:

1.Comparison between Form GSTR-2B vs Form GSTR-2A.

S.No.	Invoice Date	Reported in Form GSTR-1 of	Date of filling of Form GSTR-1	Form GSTR-2A	Form GSTR-2B
1	13.08.2020	August'2020	11.09.2020	August'2020	August'2020
2	13.08.2020	Sept'2020	11.10.2020	Sept'2020	Sept'2020
3	15.08.2020	August'2020	11.10.2020	August'2020	Sept'2020

2.Input Tax Credit Not Available: Input Tax Credit restriction as per Sec.16(4) of CGST Act,2017.

S.No	Invoice date	Reported in Form GSTR-1 of	Date of filling of Form GSTR-1	Available in GSTR-2B	Input Tax Credit availability
1	13.08.2020	August'2020	11.09.2020	August'2020	ITC Available
2	13.08.2020	August'2020	11.10.2020	Sept'2020	ITC available
3	13.11.2019	Sept'2020	11.10.2020	Sept'2020	ITC available
4	14.11.2019	Sept'2020	20.10.2020	Oct'2020	ITC not available
5.	14.11.2019	Sept'2020	01.11.2020	Oct'2020	ITC not available.

3.Supplier GSTN registration and place of supply are in the same State while the recipient in another State.

S.No	Location of the Supplier	Place of Supply	GSTIN of Recipient	Tax Charged in Invoice	Input Tax Credit availability
1	Haryana	Haryana	Haryana	CGST &SGST	Input Tax Credit available
2	Haryana	Haryana	Telangana	CGST & SGST	Input Tax Credit not available
3	Haryana	Tamil Nadu	Haryana	IGST	Input Tax Credit Available
4	Haryana	Tamil Nadu	Tamil Nadu	IGST	Input Tax Credit available

Conclusion:

In my opinion, After referring to the provisional of Law, it is essential to note that the law does not provide any legal sanction to facilitate for Form GSTR-2B. But considering that the statement is appearing on the portal, for the time being an effort has been to discuss the same on the above notes. In case of law is not prescribed in the near future, whether the department will issue a notice for the difference in Input Tax Credit availed in Form GSTR-3B and entries appearing in Form GSTR-2B. The GST Council and CBIC has to give clarification by way of amendment to Law and Rules in GST Law in this regard.

THANK YOU