

From the Desk of B.S.S.Rao

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**Here with I am providing some of FAQ's on Form GSTR-2B for your reference:**

**Q.1. What is the validity of Form GSTR-2B as per GST Law,2017?**

**Ans:** In my observation Form GSTR-2B is enabled on the portal on a trial run basis for July,2020 by GSTN, which is not any legal sanction or the purpose for which it could be used. So, the law would need an amendment for effectively function otherwise , the failure of which would result in excessive use of power by the GST Council.

**Q.2. What is the use of Form GSTR-2B?**

**Ans:** It should be used by taxpayers to take the right input tax credit in respective sections of Form GSTR-3B.

**Q.3. When will Form GSTR-2B be generated?**

**Ans:** Form GSTR-2B will be generated for each month on the 12<sup>th</sup> day of the succeeding month.

**Q.4. Do I as a taxpayer have to file Form GSTR-2B?**

**Ans:** No, You don't have to file Form GSTR-2B. It is only a read-only static auto-drafted Input Tax Credit statement which indicates the availability of ITC to you against each document filed by your suppliers and ITC received through ISD.

**Q.5. What would be the purpose of Form GSTR-2B?**

**Ans:** (a) To claim of ITC as per Rule 36(4) of CGST Rules,2017: To follow rule 36(4)of CGST Rules,2017, as reconciliations need not be performed on year to date basis time and again. The rule provides for restriction on availment of Input Tax Credit up to invoices and debit notes uploaded by the supplier in Form GSTR-1 plus 10% of eligible credit of invoices and debit notes uploaded by the supplier in Form GSTR-1.

(b).Refund claims: Upload of Form GSTR-2A is required for claiming refund of unutilized Input Tax Credit for exports and supplies to SEZ without payment of tax and on account of accumulation due to inverted duty structure. However, after implementation ,the upload of Form GSTR-2B may be required for filling a refund application.

**Q.6. .By what details filed in Form GSTR-1 and Form GSTR-6 would reflect in Form GSTR-2B?**

**Ans:** In Form GSTR-2B, the details filed in Form GSTR-1 & Form GSTR-5 ( By supplier) & Form GSTR- 6 (ISD) would reflect in the next open Form GSTR-2B of the recipient irrespective of supplier's /ISD's date of filling .

**Q.7. Can I as a taxpayer make changes to or add document in my Form GSTR-2B, in case there are any errors or omission in the details uploaded by my supplier taxpayers?**

**Ans:** No, you cannot make any changes or add document to the Form GSTR-2B, as it is a read-only static Input Tax Credit statement.

**Q.8. When can Input Tax Credit on invoices / debit notes issued by quarterly return suppliers be availed?**

**Ans:** Input Tax Credit can be availed by the recipient based on the valid invoice subject to conditions specified in Sec.16 and Sec.17 of CGST Act,2017. However, keeping aside doubt over constitutional validity on Rule 36(4) of CGST Rules,2017, the recipient could avail the input tax credit if the supplier has uploaded the invoice. In that case, Input Tax Credit on invoices issued by quarterly return filers ideally could be availed in the third month.

Although,practically quarterly filers are allowed to upload invoices to Form GSTR-1 only in the 3<sup>rd</sup> month. This procedural lapse has led to temporary blockage in credits.

**Q.9. Invoice date is 14.11.2019 and the supplier uploaded such invoice in the month of September,2020 on 20.10. 2020. Is recipient can be eligible to claim ITC?**

**Ans:** As per Sec. 37(3) provides a time limit for rectification of errors and omissions in Form GSTR-1 by supplier up to the filing of Form GSTR-3B of Sept,2020 and also sec.16(4) provides a time –limit to avail credit of Financial Year 2019-20 up to 20.10.2020. However, Form GSTR-2B of September,2020 would be available on 12.10.2020 which will not include details furnished up to 20<sup>th</sup> October,2020. The Credit would not be available above an addition 10% . If rule 36(4) would be complied with.It is settled law that procedure can't override principle law, however no clarification has been provided for the same but credit could be availed subject to Sec16 and Sec.17 has complied.

**Q.10. Whether data uploaded but not submitted would appear in GSTR-2B?**

**Ans:** Form GSTR-2B contain data of Form GSTR-1,Form GSTR-5 and Form GSTR-6 filed by the supplier only and the statement also does not provide for in any column. However, Form GSTR-2A had even the data submitted but not filed by the supplier.

**Q.11. Is there any transitional impact from GSTR-2A to Form GSTR-2B implementation?**

**Ans:** Form GSTR-2B has been introduced from July'2020 returns onwards, Therefore, any July,2020 onwards Form GSTR-1 are filed by vendors would auto-populated in Form GSTR-2B to the recipient. Although, Form GSTR-1 not filed up to June,2020, which are being filed presently would still auto-populated under Form GSTR-2A, Therefore, for rule 36(4) reconciliation Oct,2019 to June,2020 year to date reconciliations along with monthly reconciliations are suggested ,and from July,2020 onwards monthly reconciliations would be sufficient.

**Q.12. . Which taxpayers can view Form GSTR-2B?**

**Ans:** Form GSTR-2B is available only to the following taxpayers are view .

- (i) Normal taxpayers,
- (ii) SEZ taxpayers,
- (iii) Casual taxpayers.

**Q.13. . Should I reconcile my books of accounts with the data generated in FORM GSTR-2B?**

**Ans:** Taxpayers are advised to ensure that the data generated in Form GSTR-2B is reconciled with their own records and books of accounts. Taxpayers must ensure that:-

- (a). No credit is availed twice for any document under any circumstances,
- (b). Credit is reversed as per GST Act and Rules in their Form GSTR-3B,
- (c). Tax on reverse charge basis is paid.

**Q.14. What are the details available in Part-A of Input Tax Credit Available?**

**Ans:** The part-A of Input Tax Credit available contains details of inward supplies including invoices, debit notes and amendments related to invoices and debit notes and import of goods received from suppliers in the following manner:-

1. All other Input Tax Credit ( Supplies from registered persons:
  - (a) B2B invoices,
  - (b) B2B Debit notes,
  - (c) B2B Amendment invoices,
  - (d) B2b Amendment debit notes.
2. Inward supplies from ISD ( Input Service Distributors:
  - (a) ISD invoices,
  - (b) ISD amendment invoices.
3. Inward supplies liable for RCM:
  - (a) B2B invoices,
  - (b) B2B Debit notes,
  - (c) B2B Amendment invoices,
  - (d) B2B Amendment debit notes.
4. Import of Goods:
  - (a) IMPG Import of goods from overseas,
  - (b) IMPG Amendment,
  - (c) IMPGSEZ Import of goods from SEZ,
  - (d) IMPGSEZ amendment.

**Q.15. What are the details available in Part-B of Input Tax Credit reversal?**

**Ans:** The part-B of Input Tax Credit reversal contains details of credit notes and amendments thereof issued by the suppliers or ISD, in the following procedure:

- (a) B2B Credit Notes,
- (b) B2B Amendment Credit notes,
- (c) B2B Amendment Credit notes relating to RCM,
- (d) ISD Credit Notes,
- (e) ISD Amendment credit notes.

**Q.16. What are the details available in PART-A of Input Tax Credit not available?**

**Ans:** In Part-A of Input Tax Credit not available contains details of inward supplies (invoices, debit notes and amendments related to invoices and debit notes) received from suppliers in the following manner:-

1. All other Input Tax Credit relating to supplies from registered persons:
  - (a) B2B Invoices,
  - (b) B2B Debit notes,
  - (c) B2B Amendment invoices
  - (d) B2B Amendment Debit Notes.
2. Inward supplies from Input Service Distributors (ISD):
  - (a) ISD Invoices,
  - (b) ISD amendment invoices.
3. Inward supplies liable for RCM:
  - (a) B2B invoices,
  - (b) B2B Debit Notes,
  - (c) B2B Amendment Invoices,
  - (d) B2B Amendment Debit Notes.

**Q.17. What are the details available in Part-B of Input Tax Credit available?**

**Ans:** In Part-B of Input Tax Credit not available contains details of credit notes and amendments thereof issued by the suppliers or ISD in the following procedure:

- (a) B2B Credit Notes,
- (b) B2B Amendment Credit notes,
- (c) B2B Credit notes relating RCM,
- (d) B2B Amendment Credit Notes relating to RCM,
- (e) ISD Credit Notes,
- (f) ISD Amendment Credit Notes.

**Q.18. . How are amendments taken into account for summary tables?**

**Ans:** Summary wise details of all amendment tables in Form GSTR-2B displays the differential tax amount (Amendment/ Original) i.e. the delta value. However, the document details will display revised details with reference to the original document.

**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 ALL**

