

TAXTRU BUSINESS ADVISORS LLP

PAYMENT OF TAX BY FIXED SUM METHOD UNDER QRMP SCHEME

- W.e.f. 1st January 2021, the following two options, are available to the Taxpayers who are under Quarterly Returns and Monthly Payment of Tax (QRMP) Scheme for tax payment for the first 02 months of a quarter:
- **Fixed Sum Method:** Portal can generate a pre-filled challan in Form GST PMT-06 based on his past record.
- **Self-Assessment Method:** The Tax due is to be paid on actual supplies after deducting the Input Tax Credit available.
- In the fixed sum method, the 35% Challan can be generated by selecting the Reason For Challan>Monthly Payment for Quarterly Return> 35% Challan which is in turn calculated as per the following situation: 35% of the amount paid as tax from Electronic Cash Ledger in their preceding quarter GSTR 3B return, if it was furnished on a quarterly basis; or 100% of the amount paid as tax from Electronic Cash Ledger in their GSTR-3B return for the last month of the immediately preceding quarter, if it was furnished on monthly basis.
- It is to note that, for the months of Jan and Feb 2021, in Q4 of 2020-21, the auto-populated challan generated under 35% Challan would contain 100% of the tax liability discharged from Electronic Cash Ledger for the month of December 2020 (and not 35%). ***[Reason: Till December 2020, all taxpayers were filing GSTR-3B return on a monthly basis.]***
- From April 2021 onwards, the pattern as suggested at Para 2 (a) and (b) would follow.

- It is noteworthy, that the taxpayers are not required to deposit any amount for the first 02 months of a quarter, if: Balance in Electronic Cash Ledger / Electronic Credit Ledger is sufficient for tax due for the first/ second month of the quarter; there is a NIL tax liability.

IFF ; to cut a long story short

- The **Invoice Furnishing Facility (IFF)** facility for taxpayers under the **Quarterly Returns Monthly Payment (QRMP)** Scheme is now available on the GST Portal.
- The GSTN has provided an Invoice Furnishing Facility (IFF) facility to taxpayers under the QRMP Scheme ***(Quarterly filers of Form GSTR-1 and also of Form GSTR-3B returns), as per sub-rule (2) of Rule-59 of the CGST Rules, 2017.***
- Taxpayers who have opted for quarterly filing frequency under the scheme can file their details of outward supplies (B2B invoices only) for the first two months of a quarter (M1 and M2 respectively of a Quarter) in IFF.
- The IFF is a facility similar to Form GSTR-1, and it allows the filing of details of B2B invoices namely 4A, 4B, 4C, 6B, 6C in respect of **B2B Invoices, 9B in respect of Credit / Debit Notes (Registered) - CDNR, 9A - Amended B2B Invoice - B2BA, 9C in respect of Amended Credit/ Debit Notes (Registered) CDNRA.**
- The option to upload details in IFF can be availed till the 13th of the subsequent month.
- Any invoices remaining to be furnished can be filed using the IFF in the subsequent month IFF or in the quarterly Form GSTR-1.
- To file the IFF form for M1 and M2 of the month, log in to GST Portal and navigate to **Returns > Services > Returns Dashboard > File Returns** and then select the Financial Year & Return Filing Period (M1/M2 of a quarter) and click on the SEARCH button to file the IFF forms for M1 or M2 month.

- The IFF is an optional facility provided to taxpayers under the QRMP scheme to pass on Input Tax Credit (ITC) to their recipients for M1 and M2 months of a quarter.
- However, filing of Form GSTR-1 for M3 month of a quarter is mandatory. The Records uploaded in IFF by the Supplier will reflect in Form GSTR-2A/2B of the Recipient.
- Supplier Taxpayers can also upload details in their IFF, through JSON file, generated using Returns Offline Tool. Records filed in IFF need not be filed again in Form GSTR-1 of that quarter. Only the details saved in IFF can be deleted/edited using the RESET button.
- Once submitted or filed, these details can't be deleted.

Relevant Notifications in respect to QRMP

- **Notification No. 81/2020-Central Tax, dated 10-11-2020:-** Notifies amendment carried out in sub-section (1), (2), and (7) of section 39 of the CGST Act vide Finance (No.2) Act, 2019.
- **Notification No. 82/2020-Central Tax, dated 10-11-2020:-** Makes the Thirteenth amendment (2020) to the CGST Rules 2017.
- **Notification No. 84/2020-Central Tax, dated 10-11-2020:-** Notifies class of persons under proviso to section 39(1) of the CGST Act.
- **Notification No. 85/2020-Central Tax, dated 10-11-2020:-** Notifies special procedure for making payment of tax liability in the first two months of a quarter.



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