

From the desk of B.S.S.Rao.

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Guidance Notes on “ When , Where & How to rectify Common mistakes in furnishing the data through Form GSTR-1 & Form GSTR-3B “under GST Act,2017.

Dear Professional Colleagues, Good Day to you. Today I am providing my guidance Notes on rectifications of mistakes in furnishing the data through Form GSTR-1 & Form GSTR-3B under GST Act,2017. I have received queries from some of the professional colleagues on how to rectify mistakes happened while furnishing the data through Form GSTR-1 and Form GSTR-3B under GST. SO, Here with I am trying to providing Guidance Notes on How, When and Where to rectify such mistakes happened at the time of filling Form GSTR-1 & Form GSTR-3B as per GST Act and Rules,2017. Kindly refer and follow in your professional work. Provide your valuable suggestions to my mail i.d. sitapathirao@yahoo.co.in or my what's app no.9848099490.

Kindly refer the below Sections, Rules and Provisos relating to furnishing the data return wise ,table wise of GSTR-1 and Form GSTR-3B as per GST Act,2017.

Generally we have committed these following mistakes while furnishing the data :-

1. B2B Outward supplies entered as B2C Outward supplies,
2. B2C Outward supplies entered as B2B Outward supplies,
3. RCM purchases was has entered in B2B Outward supplies,
4. Zero Rates outward supplies entered as Nil Rated outward supplies,
5. 1% outward supplies are entered as deemed exports,
6. Inter-State outward supplies are entered as Intra-State outward supplies,
7. GST number, Invoice/Debit Note, Credit Note, Tax amount, Place of Supply wrongly entered,
8. Missing of invoice is not entered in GSTR-1,
9. Some times by oversight invoices belonging to other dealers invoices are entered,
10. Under Reporting in Form GSTR-3B relating to taxable value or ITC component,
11. Over reporting in Form GSTR-3B relating to taxable value or ITC component,
12. IGST outward supplies reported correctly in Form GSTR-1 but in Form GSTR_3B reported as CGST /SGST outward supplies or vice versa,
13. Details of Credit Notes reported in Form GSTR-1 but not deducted in Form GSTR-3B.

So, now I am trying to explain how, when and where to rectify such errors in furnishing data in Form GSTR-1 and Form GSTR-3B as per GST Law. We have to refer the following Sections, Rules , Proviso to Sections and rules, Tables of Form GSTR-1 and Form GSTR-3B for the tax period.

S.No.	Section	Rule & Proviso
1	37(1)	59(1),60(1)
2	37(3), Proviso to 37(3)	
3	39(1)	61(1)
4	39(9)	
5	Circular No. 26/26/2017-GST DT.29.12.2017.	Refer PointNo.3,3.1,3..3,4,5 and 6 of Circular 26/26/2017-GST,Dt.29.12.2017.
6	Instructions to fill Form GSTR-1& GSTR-3B	Instructions No.12(ii),13(i)(iii),14 and 15 of Form GSTR-1 & Instructions.1,2,and 3 of Form GSTR-3B.

Section 37(1) of CGST Act,2017,” The details of outward supplies are required to be furnished by all the normal and causal registered taxpayers in a monthly statement through Form GSTR-1. Section 37 of the CGST Act read with Rule 59 covers the provisions and prescribed manner of furnishing such details in Form GSTR-1.

Rule 59(1) of the CGST Rules,2017,” Every registered person, other than a person referred to in section 14 of the Integrated Goods and Services Tax Act,2017, required to furnish the details of outward supplies of Goods and Services or both under Section 37,shall furnish such details in FORM GSTR-1 electronically through the common portal, either directly or through a Facilitation Centre notified by the Commissioner.

Section 37(3) of CGST Act,2017,” Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under Section 41, or section 43, shall , upon discovery of any error or omission, therein, rectify such error or omission in such manner as may be prescribed , and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period.

Proviso to Section 37(3) of CGST Act,2017,” Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier.

Explanation:-For the purposes of this Chapter, the expression ”details of outward supplies” shall include details of invoices, debit notes, credit notes and revised invoices issued in relation to outward supplies made during any tax period.

Section 39(1) of CGST Act,2017,” Every registered person who is required to furnish a return under section 39(1) shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return. If the last date for filling return is extended by Commissioner, last date for payment of tax will also get extended automatically.

Rule 61 of CGST Rules,2017, (1) Every person other than a person referred to in section 14 of the Integrated Goods and Services Tax Act,2017(13 of 2017) or an Input Service Distributor or a non-resident taxable person or a person paying tax under section 10 or section 51 or, as the case may be, under section 52 shall furnish a return in FORM GSTR-3B , electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner, as specified under,

Section 39(9) of CGST Act,2017,”Subject to the provisions of section 37 and 38, if any registered person after furnishing a return under sub-section(1) or sub-section (2) or sub-section(3) or sub-section (4) or sub-section (5) discovers any omission or incorrect particulars therein, other than as a result of scrutiny, audit, inspection or enforcement activity by the tax authorities, he shall rectify such omission or incorrect particulars in the return to e furnished for the month or quarter during which such omission or incorrect particulars are noticed, subject to payment of interest under this Act:

Provided that no such rectification of any omission or incorrect particulars shall be allowed after the due date for furnishing of return for the month of September or second quarter following the end of the financial year, or the actual date of furnishing of relevant annual return, which is earlier.

As per Circular No. 26/26/2017-GST.dated.29.12.2017, issued by the CBEC, Policy wing, the GST Council, in its 23rd meeting held at Guwahati on 10th November 2017, has taken certain decisions in regard to filing of returns by taxpayers. Subsequently, various representations have been received seeking clarifications on various aspects of return filing such as return filing dates, applicability and quantum of late fee, amendment of errors in submitting / filing of FORM GSTR-3B and other related queries. In order to consolidate the information in various notifications and circulars regarding return filing and to ensure uniformity in implementation across field formations, on Amendment / corrections / rectification of errors.

3.1 Various representations have been received wherein registered persons have requested for clarification on the procedure for rectification of errors made while filing their FORM GSTR-3B. In this regard, Circular No. 7/7/2017-GST dated 1st September 2017 was issued which clarified that errors committed while filing FORM GSTR – 3B may be rectified while filing FORM GSTR-1 and FORM GSTR-2 of the same month. **Further, in the said circular, it was clarified that the system will automatically reconcile the data submitted in FORM GSTR-3B with FORM GSTR-1 and FORM GSTR-2, and the variations if any will either be offset against output tax liability or added to the output tax liability of the subsequent months of the registered person.**

3.3 The common errors while submitting FORM GSTR-3B and the steps needed to be taken to rectify the same are provided in the table annexed herewith. The registered person needs to decide at which stage of filing of FORM GSTR-3B he is currently at and also the error committed by him. The corresponding column in the table provides the steps to be followed by him to rectify such error.

4. It is clarified that as return in FORM GSTR-3B do not contain provisions for reporting of differential figures for past month(s), the said figures may be reported on net basis along with the values for current month itself in appropriate tables i.e. Table No. 3.1, 3.2, 4 and 5, as the case may be. It may be noted that while making adjustment in the output tax liability or input tax credit, there can be no negative entries in the FORM GSTR-3B. The amount remaining for adjustment, if any, may be adjusted in the return(s) in FORM GSTR3B of subsequent month(s) and, in cases where such adjustment is not feasible, refund may be claimed. Where adjustments have been made in FORM GSTR-3B of multiple months, corresponding adjustments in FORM GSTR-1 should also preferably be made in the corresponding months.

5. Where the taxpayer has committed an error in submitting (before offsetting and filing) the information in FORM GSTR-3B, a provision for editing the same has been provided. The facility to edit the information can be used only before offsetting the liability and editing will not be permitted after offsetting the liability. Hence, every care should be taken to ensure the accuracy of the figures before proceeding to offset the liabilities.

6. It is further clarified that the information furnished by the registered person in the return in FORM GSTR-3B would be reconciled by the department's system with the information furnished in FORM GSTR-1 and discrepancies, if any, shall be dealt with in accordance with the relevant provisions of the CGST Act, 2017 and rules made thereunder.

So, as per the above sections read with rules with provisions of the CGST Act,2017 and Circular No.26/26/2017-GST dt.29.12.2017,you have to rectify such omissions and errors in filed returns i.e. Form GSTR-1 and Form GSTR-3B of the subsequent returns or before furnishing of return for the month of September or second quarter following the end of the financial year, or the actual date of furnishing of relevant annual return, which is earlier

Now I have to explain, how and where to rectify such omissions and mistakes relating to outward supply of goods and Services or both in Form GSTR-1 for the tax period: Refer Instructions no.12(ii),13(i),(iii),14 and 15 of Form GSTR-1.

Type of Omissions & Mistakes relating to..	Omissions & Mistakes of Tables in Form GSTR-1 ---	Where to rectified such mistakes in Form GSTR-1in subsequent month
B2B out ward supplies in earlier tax period	4	Rectified in table No.9 of GSTR-1.
B2C Large (Inter-State) outward supplies in earlier tax period	5	Rectified in table No.9 of GSTR-1
Exports	6	Rectified in table No.9 of GSTR-1
B2C Outward supplies in earlier tax period	7	Rectified in table No.10 of GSTR-1
NIL rated, Exempted & Non-GST	8	Not possible to rectify
Advances received/Adjusted in earlier tax period	11	Rectified in table No.11 of GSTR-1
HSN Summary issues	12	Not possible to rectify
Documents in earlier tax period	13	Not possible to rectify
B2B O/S. entered as B2C	5	Rectified in table No.9/10 of GSTR-1
RCM inward supply entered in B2B Outward Supplies	4	Rectified in table No.9/10 of GSTR-1
Zero rated outward supplies entered as Nil Rated Outward supplies	6	Rectified in table No.9 of GSTR-1
1% outward supplies entered as Deemed exports	4	Rectified in table No.9 of GSTR-1
Inter-State Outward supplies entered as Intra State outward supplies	4	Rectified in table No.9/10 of GSTR-1
GST No. Invoice or Debit Note No or Credit Note No, Tax Amount, Place of supply wrongly entered	4,5,6,7,9	Rectified in table No.9/10 of GSTR-1
Invoice not entered in Form GSTR-1	4,5,6,7,9	Rectified in table No.9/10 of GSTR-1
Invoice entered wrongly relating to other taxable person entity	Such invoice can't be deleted	To rectify issue a credit note for full value of the invoice and entered in subsequent period return
Data has amended by using Table 9/10/11 in subsequent, but such amendment wrongly done.	Particular invoice can be amended once only ,	The only option is to raise a debit or credit note and furnish in Table 9or 10 of subsequent month GSTR-1 only.

Now I have to explain common mistakes happened in furnishing the data in Form GSTR-3B.

Generally we have committed these following mistakes or omissions done by the taxpayer or accountant or tax professional who are prepared and submit Form GSTR-3B. Refer Instructions No.1,2 and 3 of Form GSTR-3B.

- 1) Reporting of Under values,
- 2) Reporting of Over Values.
- 3) Input Tax Credit wrong claim or not claim etc.,

S.No	Type of mistake	How to rectify in Form GSTR-3B
1	Taxable value and Tax under reporting	You have to add such turnover of taxable value and tax in the subsequent Form GSTR-3B.
2	Taxable value and Tax Over reporting	You have to reduce such turnover of taxable value and tax in the subsequent Form GSTR-3B.
3	Input Tax Credit under report	You have to add in the subsequent Form GSTR3B and pay such ITC along with applicable interest.
4	Input Tax Credit Over report	You have reduce in the subsequent Form GSTR-3B and no right to claim interest and claim refund as per GST Law,2017.

Finally, I have explaining about the chances of rectification mistakes or omission between Form GSTR-1 and Form GSTR-3B as per GST Act,2017 values, possible choices :

S.No.	Form GSTR-1	Form GSTR-3B	Action to be require
1	Values are correct	Values are Wrong	You can adjust the difference of values in subsequent Form GSTR-3B.
2	Values are wrong	Values are Correct	You can made amendments the difference in subsequent Form GSTR-1

What are the precautions to be taken while furnishing data in Form GSTR-1 and Form GSTR-3B.

1. You have to cross check data of your client before furnishing in Form GSTR-1 and Form GSTR-3B,
2. You have to verify data relating to amendments or adjustments made in previous or subsequent returns should be recorded separately in books of accounts,
3. You have to verify Form GSTR-2A/2B of previous tax period or current tax period and if observed any unreported data inform to your client and vendors and collect the data and finalize regularly before furnishing such data in Form GSTR-1 and Form GSTR-3B,
4. Check and update on Notifications and circulars on relevant sections, rules , amendments to forms and rate of tax and interest for delay payments, Credit or Debit notes data and any amendments kindly prepare a separate notes on monthly basis for giving reply to any notices received from the GST departments.
5. Finally furnishing the data with smile and feel happy about your professional work.

Thank you