

## **FILING OF GST RETURN**

All registered or listed businesses have to file monthly, quarterly and/or annual GST Returns depending on the type of business. All these GST filings happen online on the GST portal.

### **GST Return**

A return is a document that contains details of income which a taxpayer is needed to file with the tax administrative authorities. This is used by tax authorities to calculate tax liability.

Under GST, a registered dealer needs to file GST returns that include:

- Purchases
- Sales
- Output GST (On sales)
- Input tax credit (GST paid on purchases)

### **Businesses liable to file GST return**

In the GST regime, any usual business has to file two monthly returns and one annual return. This amounts to 26 returns in a year.

The number of GST filings vary for quarterly GSTR-1 filers. The number of online GST filings for them is 17 in a year.

There are different returns obligatory to be filed by special cases such as composition dealers whose number of GST filings is 5 in a year.

### **Types of GST Returns**

#### **1. GSTR-1**

GSTR-1 is the return to be furnished for reporting particulars of all external supplies of goods and services made, or in other words, sales transactions made during a tax period, and also for reporting debit and credit notes issued. Any changes to sales invoices made, even concerning to previous tax periods, should be reported in the GSTR-1 return.

GSTR-1 is to be filed by all regular taxpayers who are listed under GST. It should be filed monthly, except in the case of small taxpayers with turnover up to Rs.1.5 crore in the previous financial year, who can file the same on a quarterly basis.

#### **2. GSTR-2A**

GSTR-2A is the return including details of all innermost supplies of goods and services i.e. purchases made from registered dealers throughout a tax period. The data is auto-populated based on data filed by the suppliers in their GSTR-1 return. GSTR-2A is a read-only return and no action can be accepted.

### **3. GSTR-2**

GSTR-2 is the return statement for reporting the input supplies of goods and services i.e. the purchases made during a tax period. The details in the GSTR-2 return are auto-populated from the GSTR-2A. Distinct from GSTR-2A, the GSTR-2 return can be edited.

GSTR-2 is to be filed by all regular taxpayers registered under GST, however, the filing of the same has been suspended ever since the beginning of GST.

### **4. GSTR-3**

GSTR-3 is a monthly outline return for furnishing summarized details of all external supplies made, internal supplies received and input tax credit claimed, along with details of the tax liability and taxes paid. This return is auto-generated on the basis of the GSTR-1 and GSTR-2 returns filed.

GSTR-3 is to be filed by all normal taxpayers registered under GST, however, the filing of the same has been suspended ever since the beginning of GST.

### **5. GSTR-3B**

GSTR-3B is a monthly self-declaration statement to be filed, to supply summarized details of all outward supplies made, input tax credit claimed, tax liability ascertained and taxes paid.

GSTR-3B is to be filed by all regular taxpayers registered under GST.

### **6. GSTR-4 / CMP-08**

GSTR-4 is the return statement that was to be filed by taxpayers who have opted for the Composition Scheme under GST. CMP-08 is the return which has replaced the now erstwhile GSTR-4. The Composition Scheme is a scheme in which taxpayers with turnover up to Rs.1.5 crores can opt into and pay taxes at a fixed rate on the turnover declared.

The CMP-08 return is to be filed on a quarterly basis.

### **7. GSTR-5**

GSTR-5 is the return that needs to be filed by non-resident foreign taxpayers, who are listed under GST and carry out business transactions in India. The return contains details of all outward supplies made, inward supplies received, credit/debit notes, tax liability and taxes paid.

The GSTR-5 return is to be filed monthly for each month that the taxpayer is registered under GST in India.

### **8. GSTR-6**

GSTR-6 is a monthly return to be filed by an Input Service Distributor (ISD). It contains details of input tax credit received and distributed by the ISD. It will further cover details of all documents issued for the allocation of input credit and the manner of distribution.

### **9. GSTR-7**

GSTR-7 is a monthly return to be filed by persons needed to subtract TDS (Tax deducted at source) under GST. GSTR 7 will contain particulars of TDS deducted, the TDS liability payable and paid and TDS refund claimed, if any.

### **10. GSTR-8**

GSTR-8 is a monthly return statement to be filed by e-commerce operators registered under the GST who has to collect tax at source (TCS). GSTR-8 will include details of all supplies made through the E-commerce platform, and the TCS collected on the same.

The GSTR-8 return is to be filed on a monthly basis.

### **11. GSTR-9**

GSTR-9 is the annual return to be filed by taxpayers registered under GST. It will involve details of all outer supplies made, inner supplies received during the relevant previous year under different tax heads such as CGST, SGST & IGST and HSN codes, along with details of taxes payable and paid. It is a consolidation of all the monthly or quarterly returns (GSTR-1, GSTR-2A, GSTR-3B) filed during that year.

GSTR-9 has to be filed by all taxpayers listed under GST\*, except taxpayers who have opted for the Composition Scheme, Casual Taxable Persons, Input Service Distributors, Non-resident Taxable Persons and persons paying TDS under section 51 of CGST Act.

\*As per the CBIC notification 47/2019, the annual return under GST for taxpayers having an aggregate turnover which does not exceed Rs.2 crore has been made optional for FY 2017-18 and FY 2018-19.

### **12. GSTR-9A**

GSTR-9A is the annual return statement to be filed by taxpayers who have registered under the Composition Scheme in a financial year\*. It is a consolidation of all the quarterly returns filed during that financial year.

\*GSTR-9A filing for Composition taxpayers has been waived off for FY 2017-18 and FY 2018-19 as per the decision taken in the 27th GST Council meeting.

### **13. GSTR-9C**

GSTR-9C is the reconciliation report to be filed by all taxpayers registered under GST whose revenue exceeds Rs.2 crore in a financial year. The listed person has to get their books of accounts audited by a Chartered/Cost Accountant. The statement of reconciliation is between these audited financial statements of the taxpayer and the yearly return GSTR-9 that has been filed.

GSTR-9C is to be filed for every GSTIN, hence, one PAN can have multiple GSTR-9C forms being filed.

As per the CBIC notification 16/2020, GSTR-9C is waived off for the taxpayers with an aggregate turnover of more than Rs 5 crore for the financial year 2018-19.

#### 14. GSTR-10

GSTR-10 is to be filed by a taxable person whose registration has been cancelled or surrendered. This return is also called a final return and needs to be filed within 3 months from the date of cancellation or cancellation order, whichever is earlier.

#### 15. GSTR-11

GSTR-11 is the return to be filed by persons who have been issued a Unique Identity Number(UIN) in order to get a refund under GST for the goods and services purchased by them in India. UIN is a classification made for foreign diplomatic missions and embassies not liable to tax in India, for the purpose of getting a refund of taxes. GSTR-11 will include details of inner supplies received and refund claimed.

#### Due Dates of Filing GST Returns

These returns are as per the CGST Act\*

Return Form	Description	Frequency	Due Date
<b>GSTR-1</b>	Details of outward supplies of taxable goods and/or services affected.	Monthly	11th* of the next month with effect from October 2018 until September 2020.  *Previously, the due date was 10th of the next month.
		Quarterly (If opted)	End of the month succeeding the quarter.
<b>GSTR-2</b> <b>Suspended from September 2017 onwards</b>	Details of inward supplies of taxable goods and/or services effected claiming the input tax credit.	Monthly	15th of the next month.
<b>GSTR-3</b> <b>Suspended from September 2017 onwards</b>	Monthly return on the basis of finalisation of details of outward supplies and inward supplies along with the payment of tax.	Monthly	20th of the next month.
<b>GSTR-3B</b>	Simple return in which summary of outward supplies along with input tax credit is declared and payment of tax is affected by the taxpayer.	Monthly	Staggered^ from the month of January 2020 onwards*  *Previously 20th of the next month for all

			taxpayers.
	<p>^20th of next month for taxpayers with an aggregate turnover in the previous financial year more than Rs 5 crore.</p> <p>For the taxpayers with aggregate turnover equal to or below Rs 5 crore, 22nd of next month for taxpayers in category X states/UTs and 24th of next month for taxpayers in category X states/UTs</p> <ul style="list-style-type: none"> <li>• <b>Category X:</b> 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.</li> <li>• <b>Category Y:</b> 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 New Delhi.</li> </ul>		
<b>CMP-08</b>	Statement-cum-challan to make a tax payment by a taxpayer registered under the composition scheme under section 10 of the CGST Act (supplier of goods) and CGST (Rate) notification no. 02/2019 dated 7th March 2020 (Supplier of services)	Quarterly	18th of the month succeeding the quarter.
<b>GSTR-4</b>	Return for a taxpayer registered under the composition scheme under section 10 of the CGST Act (supplier of goods) and CGST (Rate) notification no. 02/2019 dated 7th March 2020 (Supplier of services).	Annually	30th of the month succeeding a financial year.
<b>GSTR-5</b>	Return for a non-resident foreign taxable person.	Monthly	20th of the next month.
<b>GSTR-6</b>	Return for an input service distributor to distribute the eligible input tax credit to its branches.	Monthly	13th of the next month.

<b>GSTR-7</b>	Return for government authorities deducting tax at source (TDS).	Monthly	10th of the next month.
<b>GSTR-8</b>	Details of supplies effected through e-commerce operators and the amount of tax collected at source by them.	Monthly	10th of the next month.
<b>GSTR-9</b>	Annual return for a normal taxpayer.	Annually	31st December of next financial year.
<b>GSTR-9A</b>	Annual return to be filed by a taxpayer registered under the composition levy anytime during the year.	Annually	31st December of next financial year.
<b>GSTR-9C</b>	Certified reconciliation statement	Annually	31st December of next financial year.
<b>GSTR-10</b>	Final return to be filed by a taxpayer whose GST registration is cancelled.	Once, when GST registration is cancelled or surrendered.	Within three months of the date of cancellation or date of cancellation order, whichever is later.
<b>GSTR-11</b>	Details of inward supplies to be furnished by a person having UIN and claiming a refund	Monthly	28th of the month following the month for which statement is filed.

\* Subject to changes by Notifications/ Orders

\*\*Statement of self-assessed tax by composition dealers – same as the erstwhile form GSTR-4, which is now made an annual return with effect from FY 2019-2020 onwards.

### **Late filing of GST Returns**

Return filing is obligatory under GST. Even if there is no transaction, one must file a Nil return.

- One cannot file a return if he does not file previous month/quarter's return.
- Hence, late filing of GST return will have a cascading effect leading to heavy fines and penalty.
- The late filing fee of the GSTR-1 is populated in the liability ledger of GSTR-3B filed immediately after such delay.



### **Interest/late fees to be paid**

- Interest is 18% per annum. It has to be calculated by the taxpayer on the amount of outstanding tax to be paid. It shall be calculated on the Net tax liability identified in the ledger at the time of payment. The time period will be from the next day of filing due date till the actual date of payment.
- As per GST Act late fee is Rs. 100 per day per Act. So it is 100 under SGST & 100 under CGST. Total will be Rs. 200/day. The maximum is Rs. 5,000. There is no late fee on IGST.

### **Central Goods and Services Tax (Fourteen Amendment) Rules, 2020**

**(Notification No. 94/2020 – Central Tax; Dated 22nd December 2020)**

CBIC has notified following significant changes in GST *with effect from 1 Jan 2021*:

#### **CANCELLATION OF GST REGISTRATION**

Inserted following provisions in Rule 21, empowering the proper officer to cancel GST registration, if the registered person:

- avails ITC in violation of the provisions of section 16 of the Act or the rules made there under,
- furnishes liability in GSTR3B less than that declared in GSTR1 for one or more tax periods,
- Violates the provision of rule 86B.

#### **RESTRICTION ON CLAIM OF PROVISIONAL ITC LIMITED TO 5%**

The notification amended Rule 36(4) in respect of Restriction on claim of ITC wherein it has revised the limit to 5% instead of earlier 10%.

#### **RESTRICTION IN FURNISHING GSTR1 IF GSTR3B NOT FILED**

The notification inserted Rule 59(5) which says that a registered person shall not be permitted to furnish the details of outward supplies of goods or services or both under section 37 in FORM GSTR-1 if he has not furnished the return in FORM GSTR-3B for preceding two months.

### **RULE 86B- MANDATORY PAYMENT OF 1% THROUGH ELECTRONIC CASH LEDGER**

Rule 86B is applicable on the registered person whose value of taxable supply other than exempt supply and export, in a month more than Rs 50 lakhs, limit to be checked for each month as per said Rule, taxpayers cannot use Input Tax Credit in excess of 99% of output tax liability.

### **VALIDITY PERIOD OF E WAY BILL REDUCED**

Now only one day validity shall be granted to cover a distance up to 200 kms which was earlier 100 km, under e-way bill provision.

### **INCREASE IN TIME LIMIT FOR GST REGISTRATION**

The CBIC has announced the increase in the Time limit for GST Registration from 3 days to 7 days, which means that now the department shall be required to review and grant registration within 7 days from the date of filing of the registration application.

It is further notified that if the applicant does not do Adhar verification or where the department feels fit to carry out physical verification the time limit for grant of registration shall be 30 days instead of 7 days.

### **3.2. GST E-invoicing from January 1, 2021 for taxpayer with turnover more than Rs. 100 Crores (Notification No. 88/2020 – Central Tax; Dated 10th November 2020)**

The Board notified that E-invoicing is compulsory from **January 1, 2021** for every taxpayer other than Special Economic Zone unit whose aggregate turnover in any of the Financial Year from 2017-18 exceeds **Rs 100 Crores**. Earlier board has implemented E invoices for taxpayer with turnover more than Rs 500 crores from 1 Oct 2020.

### **3.3. Quarterly return Monthly payment scheme introduced for taxpayers with aggregate turnover less than Rs 5 crores w.e.f. 1 Jan 2021**

*(Notification No. 81, 82, 84 & 85/2020 – Central Tax; Dated 10th November 2020)*

Government has issued following notifications to affect the Scheme of quarterly return filing along with monthly payment of taxes (hereinafter referred to as “QRMP Scheme”