

**CBIC vide Instruction No.01/2022-GST dated 7th January,2022 has issued following guidelines for recovery proceedings under section 79 of the CGST Act, 2017 in respect of cases covered under section 75(12) of the CGST Act, 2017:**

- Explanation has been added to section 75(12) with effect from 01.01.2022 to clarify that "self-assessed tax" shall include the tax payable in respect of outward supplies, the details of which have been furnished u/s 37 (GSTR 1) but not included in the return furnished u/s 39 (GSTR3B) remains unpaid, either wholly or partly, or any amount of interest payable on such tax remains unpaid, the same shall be recovered under the provisions of section 79.
- There may be a genuine reason for difference between the details of outward supplies declared in statement GSTR-1 and those declared in GSTR-3B return

For Eg:

- The person may have made a typographical error or may have wrongly reported any detail in GSTR-1 or GSTR-3B. Such errors or omissions can be rectified by the said person in a subsequent GSTR-1/ GSTR-3B as per the provisions of sub-section (3) of section 37 or the provisions of sub-section (9) of section 39, as the case may be
- There may also be cases, where a supply could not be declared by the registered person in GSTR-1 of an earlier tax period, though the tax on the same was paid by correctly reporting the said supply in GSTR-3B. The details of such supply may now be reported by the registered person in the GSTR-1 of the current tax period. In such cases, there could be a mis-match between GSTR-1 and GSTR-3B (liability reported in GSTR-1 > tax paid in GSTR-3B) in the current tax period.
- Therefore, in all such cases, an opportunity needs to be provided to the concerned registered person to explain the differences between GSTR-1 and GSTR-3B, if any, and for short payment or non-payment of the amount of self-assessed tax liability, and interest thereon, before any action under section 79 of the Act is taken for recovery of the said amount
- Proper officer may send a communication to registered person asking them to justify the difference or pay GST on difference of supply as per GSTR 1 and GSTR 3B. If the registered person gives proper explanation, or pays the amount such short tax paid, then there may not be any requirement to initiate proceedings for recovery under section 79.