

**CBIC vide Notification No. 07/2022-CT dated 26th May, 2022** has waived the late fee payable for delay in furnishing of FORM GSTR-4 (Return for Composition Scheme) for the F.Y. 2021-22, if the said Return is filled during period from 1st May, 2022 till 30th June, 2022.

**CBIC vide Notification No. 08/2022-CT dated 7th June, 2022** has granted waiver of Interest for Specified electronic commerce operator who were required to furnish the statement in FORM GSTR-8, but failed to furnish the said statement due to technical glitch on portal for the months September, 2020 to January, 2021 provided the said electronic commerce operator had deposited the tax collected under Section 52(4) for the said months in the electronic cash ledger.

**CBIC vide Instruction No. 01/2022-23 [GST – Investigation]** dated 25th May, 2022 has issued following clarification for taxes deposited during course of search, inspection or investigation

During the course of search, inspection or investigation, sometimes the taxpayers opt for deposit of their partial or full GST liability arising out of the issue pointed out by the department by furnishing DRC-03. Instances have been noticed where some of the taxpayers after voluntarily depositing GST liability through DRC-03 have alleged use of force and coercion by the officers for making 'recovery' during the course of search or inspection or investigation. Some of the taxpayers have also approached Hon'ble High Courts in this regard.

Voluntary payment of tax before issuance of show cause notice is permissible in terms of provisions of Section 73(5) and Section 74 (5) of the CGST Act, 2017. This helps the taxpayers in discharging their admitted liability, self-ascertained or as ascertained by the tax officer, without having to bear the burden of interest under Section 50 of CGST Act, 2017 for delayed payment of tax and may also save him from higher penalty imposable on him subsequent to issuance of show cause notice under Section 73 or Section 74, as the case may be.

Recovery of taxes not paid or short paid, can be made under the provisions of Section 79 of CGST Act, 2017 only after following due legal process of issuance of notice and subsequent confirmation of demand by issuance of adjudication order. No recovery can be made unless the amount becomes payable in pursuance of an order passed by the adjudicating authority or otherwise becomes payable under the provisions of CGST Act and rules made therein.

Therefore, it is clarified that there may not be any circumstance necessitating 'recovery' of tax dues during the course of search or inspection or investigation proceedings. However, there is also no bar on the taxpayers for voluntarily making the payments on the basis of ascertainment of their liability on non-payment/ short payment of taxes before or at any stage of such proceedings. The tax officer should however, inform the taxpayers regarding the provisions of voluntary tax payments through DRC-03.

Pr. Chief Commissioners/ Chief Commissioners, CGST Zones and Pr. Director General, DGGI are advised that in case, any complaint is received from a taxpayer regarding use of force or coercion by any of their officers for getting the amount deposited during search or inspection or investigation, the same may be enquired at the earliest and in case of any wrongdoing on the part of any tax officer, strict disciplinary action as per law may be taken against the defaulting officers.

**CBIC vide Instruction No. 03/2022-GST dated 14th June, 2022** has laid down procedure relating to sanction, Post audit and review of refund claim under GST. GIST of said circular is as under:

- It has been clarified that the proper officer shall follow the principle of natural justice before taking the final decision with regard to refund claim. Principle of natural justice inter-alia provides that a detailed speaking order needs to be issued providing a basis for sanction/rejection of refund. In order to ensure uniformity in issuance of such speaking order, board has specified details to be mentioned in said speaking order.
- As per extant practice, all refund orders are required to be reviewed for examination of legality and propriety of the refund order and for taking a view whether an appeal to the appellate authority under section 107(2) the CGST Act is required to be filed against the said refund order.
- As already mentioned in Circular No. 17/17/2017-GST dated 15th November, 2017, refund claims shall not be subjected to pre-audit. However, the post-audit of refund claims may continue. Considering the large number of refund claims filed in GST, it has been decided that post-audit may henceforth be conducted only for refund claims amounting to Rs. 1 Lakh or more till further instructions.

- Board vide above instructions has provided detailed guidelines for post audit & review of refund claim.