

BASICS OF INDIRECT TAX – GST AND HOW TO FILE GSTR-1 & GSTR-3B AND COMMON ISSUES IN IT

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Agenda for Discussion

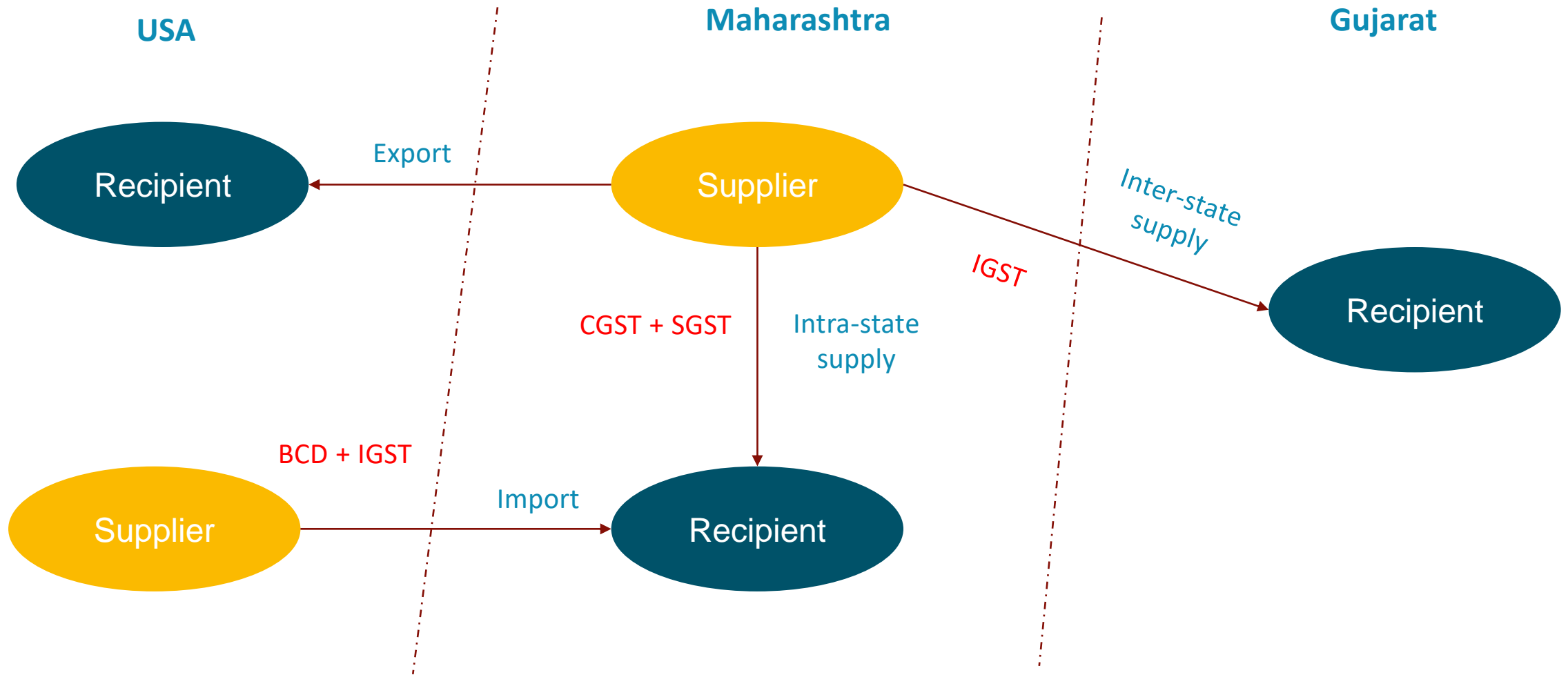
- Basics of GST
- Levy and Collection under GST
- Supply
- Registration under GST
- Time of Supply under GST
- Place of Supply
- Input Tax Credit
- Valuation under GST
- Documents prescribed under GST
- Reverse Charge Mechanism
- GST Returns
- Quarterly Return Monthly Payment Scheme

What is GST?

Goods and Services Tax (GST) is a comprehensive tax on all Goods and Services -

- Multi-Stage Tax
- Destination based Consumption Tax
- Value Added Tax
- Seamless credit across entire supply chain

Dual Structure of GST



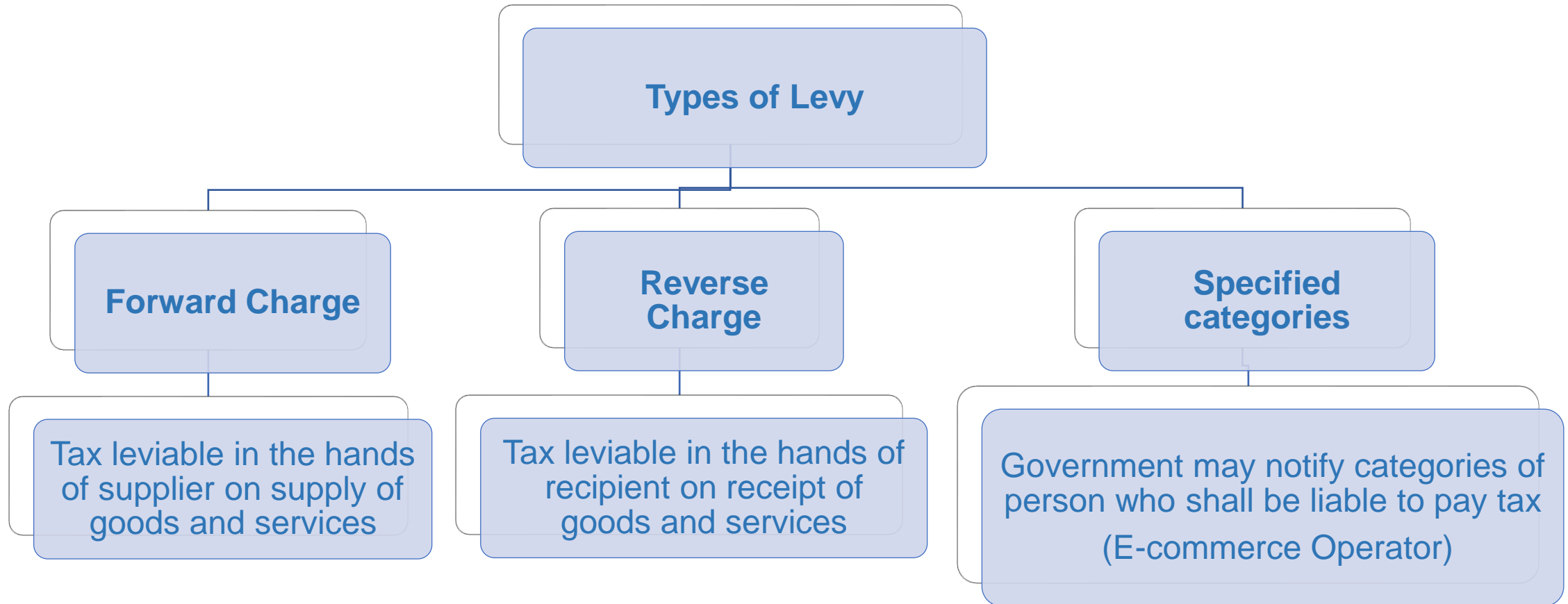
Nature of Supply

Situation	Nature of Supply
If location of supplier and place of supply are in different states	Inter State Supplies (Leviable to IGST)
If location of supplier and place of supply are in same state	Intra State Supplies (Leviable to CGST / SGST)
Import of goods and/or services	Deemed to be Inter-State Supply of goods and services
Export of goods and/or services	Deemed to be Inter-State Supply of goods and services. Export is zero-rated supply

Levy and Collection under GST (1/2)

- Section 9 of CGST Act/SGST Act and Section 5 of IGST Act are the Charging Sections for the purposes of levy of GST
- CGST and SGST shall be levied on all intra-state supplies of goods and/or services and IGST shall be levied on all inter-state supplies of goods and/or services respectively
- except on the supply of alcoholic liquor for human consumption
- on the value determined under section 15
- at such rates, not exceeding 20% in case of CGST/SGST and 40% in case of IGST, as may be notified by the Government on the recommendations of the Council
- shall be paid by the taxable person
- Petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel shall be levied with effect from such date as may be notified

Levy and Collection under GST (2/2)



Concept of Supply

- Taxable event under GST is supply
- Meaning of Supply - Section 7 of the CGST Act

“7. (1) For the purposes of this Act, the expression “supply” includes –

- (a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;*
- (b) import of services for a consideration whether or not in the course or furtherance of business;*
- (c) the activities specified in Schedule I, made or agreed to be made without a consideration”*

SCHEDULE I - ACTIVITIES TO BE TREATED AS SUPPLY EVEN IF MADE WITHOUT CONSIDERATION

- 1. Permanent transfer or disposal of business assets where input tax credit has been availed on such assets.*
- 2. Supply of goods or services or both between related persons or between distinct persons as specified in section 25, when made in the course or furtherance of business:*

Provided that gifts not exceeding fifty thousand rupees in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both.

- Inter-state stock transfer of goods – Taxable*
- Intra-state stock transfer of goods – Not taxable*
- Support services by HO to branch in different states or vice-versa - Taxable*

Registration under GST

- Registration would be required in each state from where taxable supply is of goods or services is made
- One Registration per State – No separate registration for CGST, SGST/UTGST and IGST
- Principal Place of Business in each state + Additional Place of Business
- One Registration – Trading, Manufacturing and Provision of Services
- Registration can be obtained place of business wise also
- Threshold limit for registration –
 - ✓ Supply of goods : Aggregate turnover of Rs.40 lakhs (Rs.20 lakhs for special category states)
 - ✓ Supply of services : Aggregate turnover of Rs.20 lakhs (Rs.10 lakhs for special category states)
- Mandatory registration for specified category of persons making specified transactions
- Aggregate turnover -
 - ✓ Taxable supplies (excluding the value of inward RCM supplies),
 - ✓ Exempt supplies, Exports of goods or services or both and
 - ✓ Inter-State supplies of persons having the same Permanent Account Number,
 - ✓ to be computed on All India basis but
 - ✓ Excludes central tax, State tax, Union territory tax, integrated tax and cess.

Time of Supply under GST

Time of Supply

- For Goods - Earliest of the following
 - Date of issue of tax invoice or last date to issue tax invoice
- For Services - Earliest of the following:
 - Date of issue of invoice or date of payment, if invoice issued within prescribed period
 - Date of provision of service or date of payment, if invoice not issued within prescribed period
 - Date on which the recipient shows the receipt of services in his books of account, in a case where the above provisions does not apply

Time Limit for issuance of tax invoice

- For Goods: Tax Invoice to be issued before or at the time of -
 - (a) removal of goods for supply to the recipient, where the supply involves movement of goods; or
 - (b) delivery of goods or making available thereof to the recipient, in any other case
- For Services : To be issued within 30 days from the date of supply of service

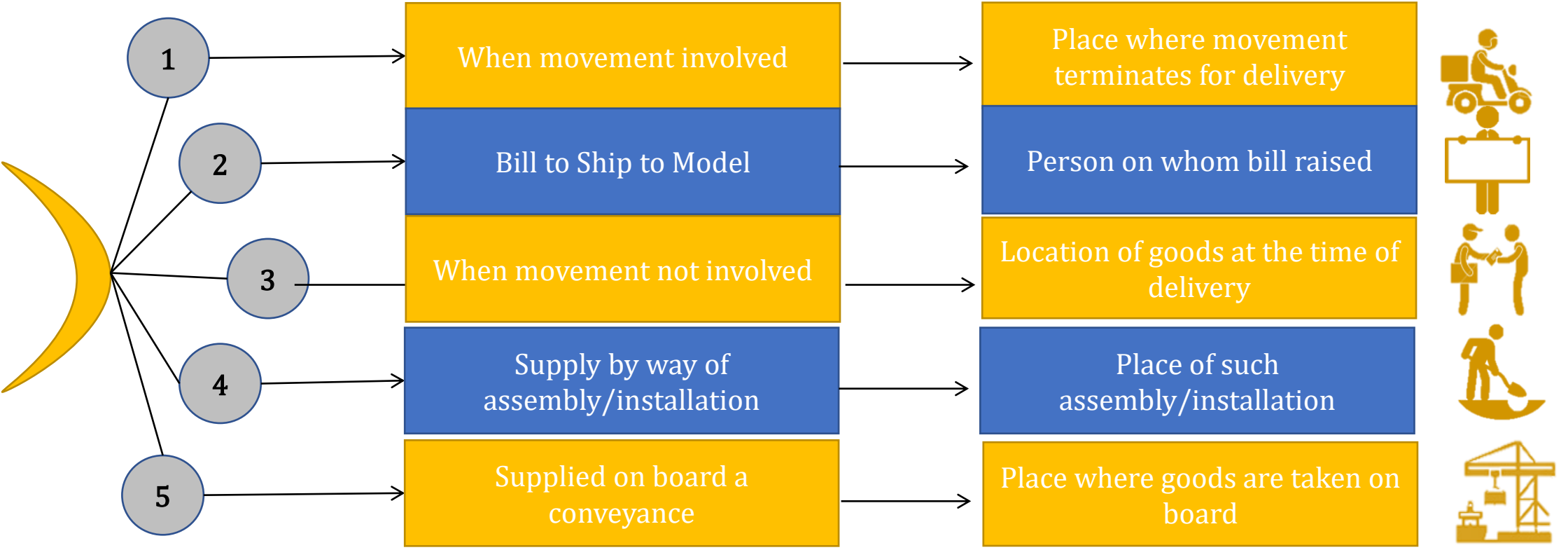
Section 2. Definitions

- **(5) "export of goods"** with its grammatical variations and cognate expressions, means taking goods out of India to a place outside India;
- **(6) "export of services"** means the supply of any service when,-
 - (i) the supplier of service is located in India;
 - (ii) the recipient of service is located outside India;
 - (iii) the place of supply of service is outside India;
 - (iv) the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by the Reserve Bank of India; and
 - (v) the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8;

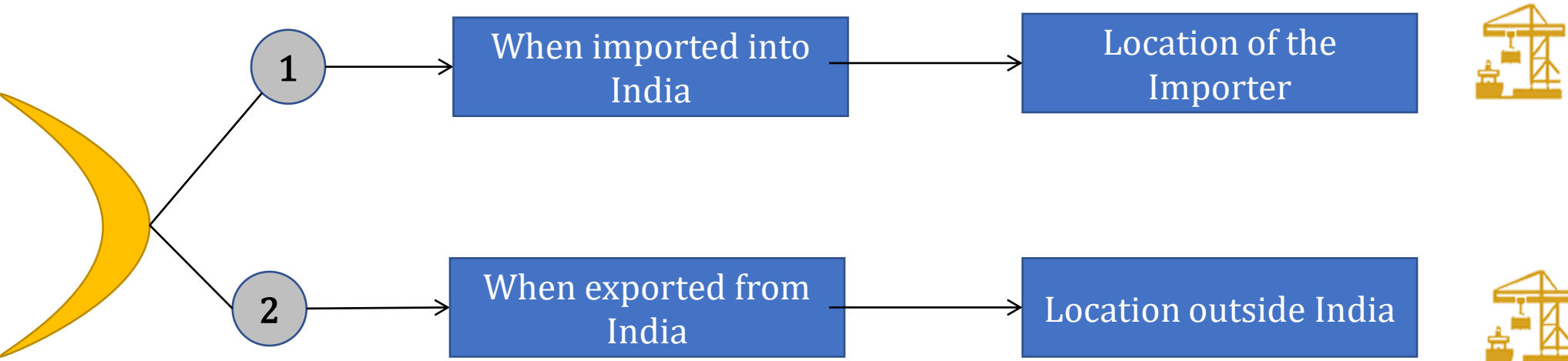
Section 2. Definitions

- **(10) "import of goods"** with its grammatical variations and cognate expressions, means bringing goods into India from a place outside India;
- **(11) "import of services"** means the supply of any service, where-
 - (i) the supplier of service is located outside India;
 - (ii) the recipient of service is located in India; and
 - (iii) the place of supply of service is in India;

Place of Supply of Goods (Domestic)

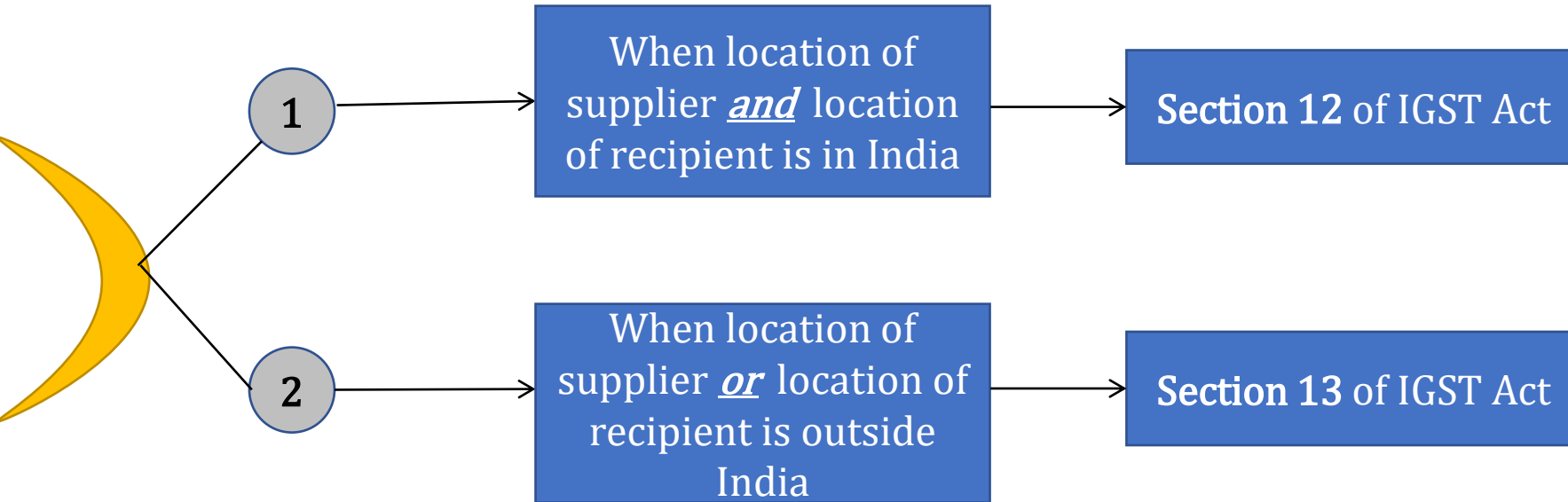


Place of Supply of Goods (Import and Export)



IGST will be payable on imports under Customs Tariff Act, 1975

Place of Supply of Services- Distinction on the basis of Location of Supplier and Recipient



POS – Supplier and Recipient in India (Sec 12 of the IGST Act)

Situation	Place of Supply (B2B)	Place of Supply (B2C)	
General Rule / Default Rule	Location of recipient	Address on record exists - Location of recipient	Other cases - Location of supplier
Immovable property related services including accommodation in a boat or vessel	Location of immovable property (If property outside India, location of the recipient)		
Performance Based Services (Specified services covered such as supply of restaurant and catering services, personal grooming, fitness, beauty treatment and health care services)	Location where services are actually performed		
Training and performance appraisal	Location of recipient	Location where services are actually performed	
Admission to an event or amusement park and ancillary services thereto	Place where event is actually held or where the park is located		
Organization of event and services in relation to such event and ancillary services or assigning of sponsorship	Location of recipient	Location where event is actually held (If event held outside India, location of the recipient)	

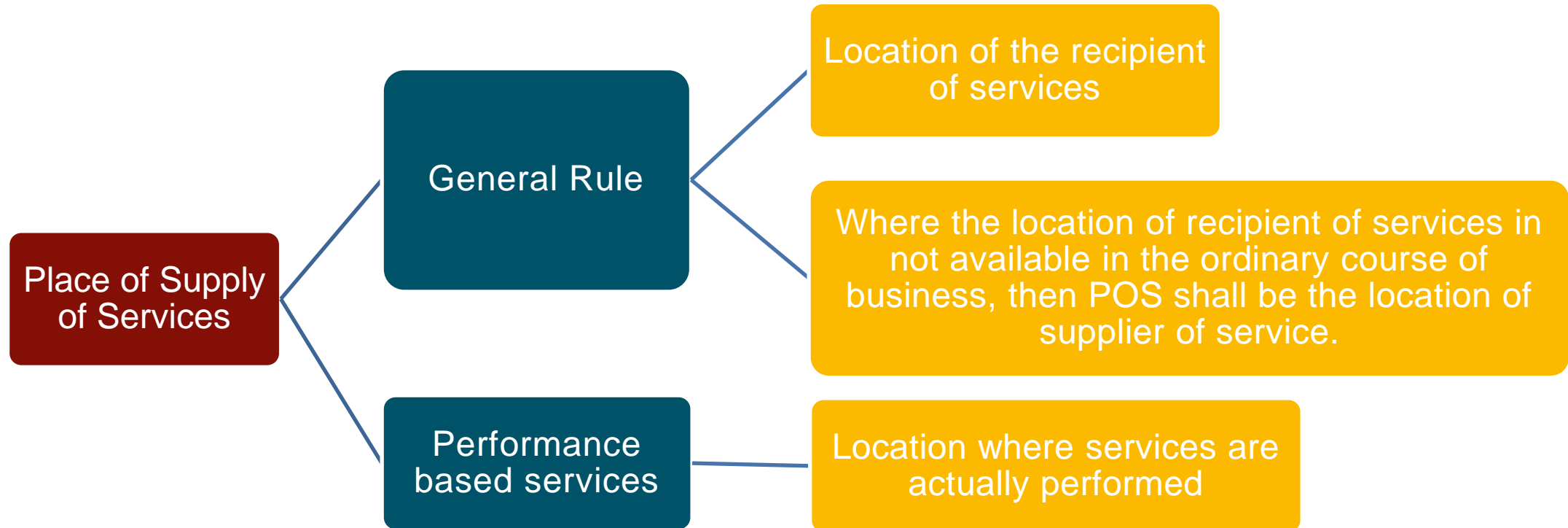
POS – Supplier and Recipient in India (Sec 12 of the IGST Act)

Situation	Place of Supply (B2B)	Place of Supply (B2C)
Transportation of goods including mail or courier	Location of recipient	Location where goods handed over for their transportation
	(Destination of goods in case transportation of goods is to a place outside India)	
Passenger transportation service	Location of recipient	Point of embarkation on the conveyance for a continuous journey (Return Journey=Separate Journey)
Services provided on board a conveyance	First scheduled point of departure of that conveyance	
Services by way of fixed telecommunication line, leased circuits, internet leased circuit, cable or dish antenna	Location of installation for receipt of services	
Service of mobile connection – Post-paid	Billing address of the recipient on record of supplier	
Service of mobile connection – Pre-paid	Location of selling agent, re-seller or a distributor of SIM card on records of supplier	
<ul style="list-style-type: none"> Through selling agent, re-seller or distributor of SIM cards etc. 		
<ul style="list-style-type: none"> By any person to the final subscriber 	Location where such pre-payment is received or such vouchers are sold	

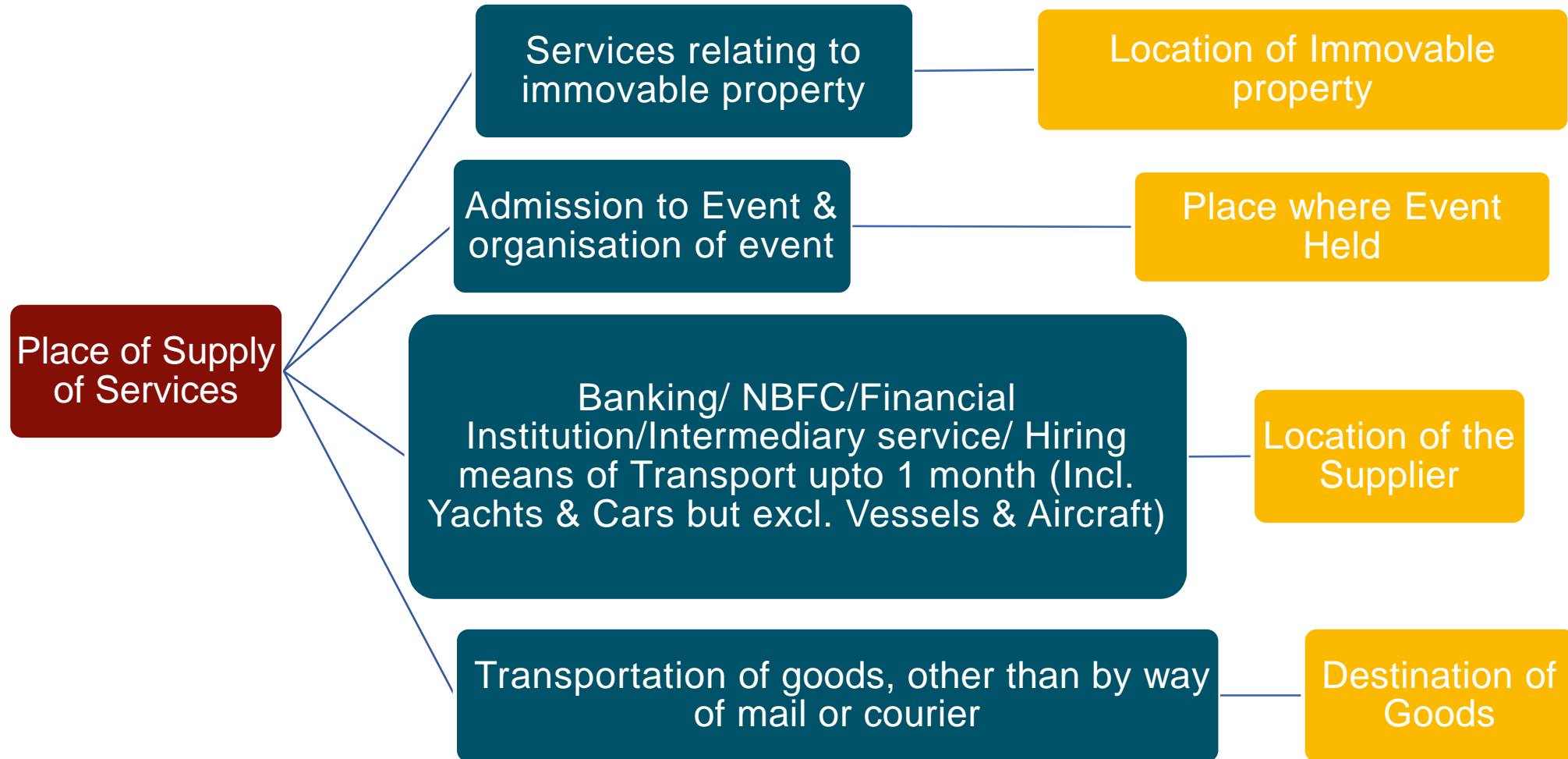
POS – Supplier and Recipient in India (Sec 12 of the IGST Act)

Situation	Place of Supply (B2B)	Place of Supply (B2C)
Banking and other financial services including stock broking services	Location of the recipient on the records of supplier	Address not available - Location of supplier
Insurance Services	Location of recipient	Location of recipient on records of the supplier
Advertisement services to CG or SG or statutory body or local authority meant for identifiable states	Location in each of such states proportionately	

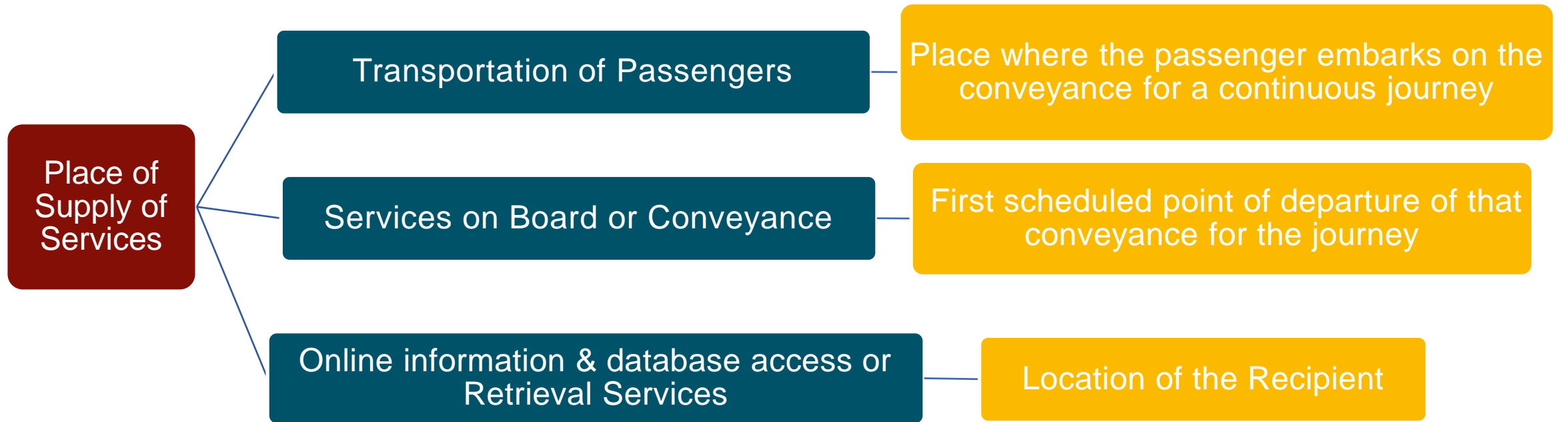
POS – Supplier or Recipient outside India (Sec 13 of the IGST Act)



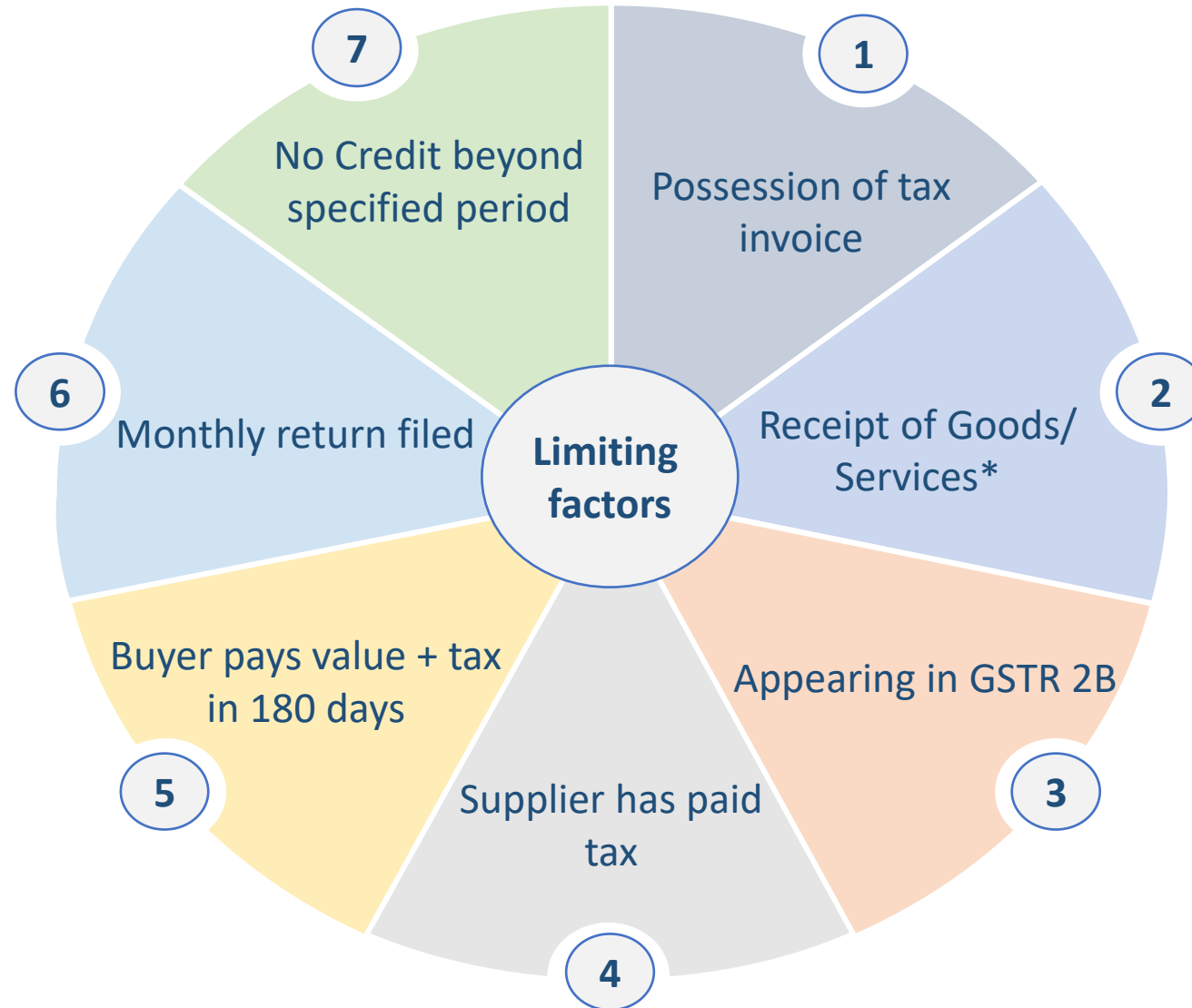
POS – Supplier or Recipient outside India (Sec 13 of the IGST Act)



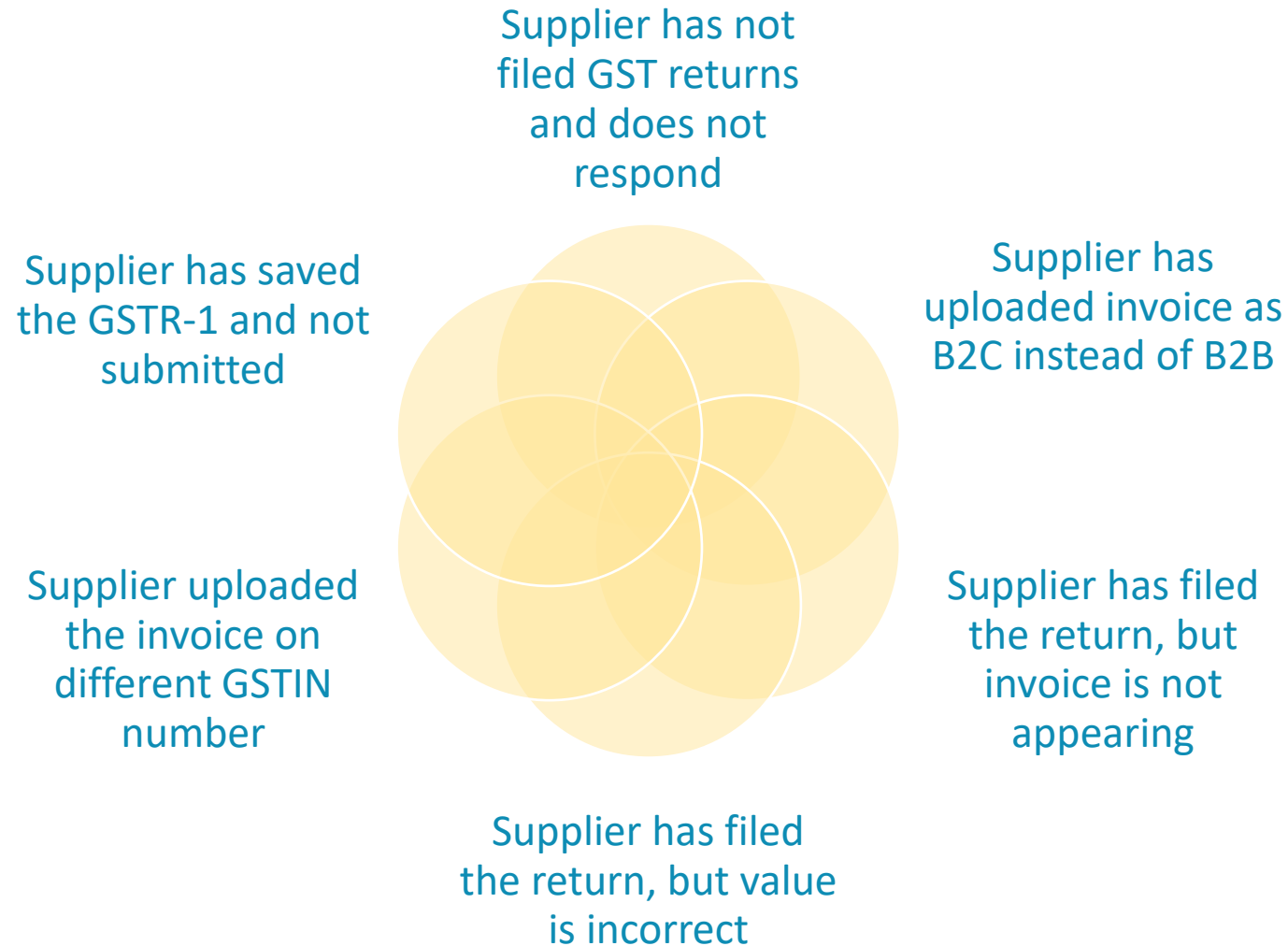
POS – Supplier or Recipient outside India (Sec 13 of the IGST Act)



Input Tax Credit - Conditions



ITC Mismatch Scenarios - GSTR 3B VS GSTR 2B



Valuation under GST

- **Value of taxable supply**
 - Transaction Value
 - Price actually paid or payable
 - Supplier and recipient of the supply are not related
 - Price is the sole consideration for the supply
- **Value of supply shall include -**
 - Any taxes, duties, fees, charges except GST
 - Any amount supplier is liable to pay but incurred by recipient
 - Incidental expenses like commission, packing, etc.
 - Interest, late fee, penalty for delayed payment
 - Subsidies directly linked to the price (except given by CG or SG)

Valuation under GST

- **Value of Supply shall exclude discount given -**
 - Before / at the time of supply provided such discount is duly recorded in the invoice
 - After the supply (Cumulative conditions)
 - ✓ Agreement establishing discount entered into before / at the time of supply
 - ✓ Discount specifically linked to relevant invoices
 - ✓ ITC reversed by the recipient to the extent of discount

Exchange Rate for determination of value

Rule 34. Rate of exchange of currency, other than Indian rupees, for determination of value.-

(1) The rate of exchange for determination of value of taxable goods shall be the applicable rate of exchange as notified by the Board under section 14 of the Customs Act, 1962 for the date of time of supply of such goods in terms of section 12 of the Act.

(2) The rate of exchange for determination of value of taxable services shall be the applicable rate of exchange determined as per the generally accepted accounting principles for the date of time of supply of such services in terms of section 13 of the Act.

Documents prescribed under GST

Supply of Taxable Goods and Services

- Tax Invoice

Transportation of Goods for other than supply

- Delivery Challan

Supply of Exempted Goods/Services

- Bill of Supply

Change in Taxable Value of Supply

- Credit Note / Debit Note

Receipt of Advance Payment

- Receipt Voucher

Refund of Advance Payment

- Refund Voucher

Payment to unregistered supplier covered under Reverse charge mechanism

- Payment Voucher

Fields that should be mentioned on Tax Invoice

Date of Issuance of Invoice

Consecutive Serial Number (Unique for a Financial Year)

Place of Supply (State name & code - In case of interstate supply)

HSN Code and description of goods and services

Quantity in case of goods

Total value of goods / services

Taxable value of goods / services (after discount / abatement)

Place of Delivery (if different from Place of Supply)

Indication if tax payable under reverse charge

Signature / Digital Signature of the supplier

Recipient Details - B2B: Name, Address & GSTIN

B2C: Name, Address (State & Code) – If taxable value < 50,000/-

Name, Address and GSTIN of Supplier

Rate of tax (CGST, SGST or IGST)

Amount of tax charged (CGST, SGST or IGST)

To be furnished in Tax Invoice in case of Exports or SEZ supplies

- In the case of the export of goods or services, the invoice shall carry an endorsement
 - "SUPPLY MEANT FOR EXPORT/SUPPLY TO SEZ UNIT OR SEZ DEVELOPER FOR AUTHORISED OPERATIONS ON PAYMENT OF INTEGRATED TAX" or
 - "SUPPLY MEANT FOR EXPORT/SUPPLY TO SEZ UNIT OR SEZ DEVELOPER FOR AUTHORISED OPERATIONS UNDER BOND OR LETTER OF UNDERTAKING WITHOUT PAYMENT OF INTEGRATED TAX"
- In lieu of name and address of the recipient, the address of delivery, name of the State and its code, the following details to be furnished namely,-
 - (i) name and address of the recipient;
 - (ii) address of delivery; and
 - (iii) name of the country of destination

Mandatory Requirement for quoting HSN on Invoices

- Mandatory to mention HSN/SAC in all tax invoices and report in Table 12 (HSN Summary) of Form GSTR-1 as mentioned below-

Particulars	B2B Supplies	B2C Supplies	Export Supplies
Aggregate turnover in preceding financial year above INR 5 crores	Mandatory - 6 digits	Mandatory - 6 digits	Mandatory - 8 digits
Aggregate turnover in preceding financial year up to INR 5 crores	Mandatory - 4 digits	Optional	Mandatory - 8 digits

Note: Suppliers of 49 chemicals specified as per Notification No. 90/2020 – Central Tax dated 01.12.2020 have to be mandatorily mention 8 digits of HSN code on all outward supplies invoices.

Reverse Charge Mechanism – Specified Categories

CGST Act, 2017

- 9. (3) The Government may, on the recommendations of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid on reverse charge basis by the recipient of such goods or services or both and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.
- ✓ Notification issued under section 9(3) – NN 13/2017 – Central Tax (Rate) dated 28.06.2017

IGST Act, 2017

- 5. (3) The Government may, on the recommendations of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid on reverse charge basis by the recipient of such goods or services or both and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.
- ✓ Notification issued under this section 5(3) - NN 10/2017 – Integrated Tax (Rate) dated 28.06.2017

CGST Act, 2017

- 9. (4) The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both.
- ✓ Notification issued under section 9(4) - NN 07/2019 – Central Tax (Rate) dated 29.03.2019 (applicable on promoter of construction project)

IGST Act, 2017

- 5. (4) The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both.
- ✓ Notification issued under section 5(4) – NN 07/2019 – Integrated Tax (Rate) dated 29.03.2019 (applicable on promoter of construction project)

Definition of “Recipient”

2(93) “**recipient**” of supply of goods or services or both, means —

- (a) where a consideration is payable for the supply of goods or services or both, the person who is liable to pay that consideration;
- (b) where no consideration is payable for the supply of goods, the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available; and
- (c) where no consideration is payable for the supply of a service, the person to whom the service is rendered,

and any reference to a person to whom a supply is made shall be construed as a reference to the recipient of the supply and shall include an agent acting as such on behalf of the recipient in relation to the goods or services or both supplied;

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
1.	<p>Supply of Services by a Goods Transport Agency (GTA) [who has not paid central tax @ 6%] in respect of transportation of goods by road to –</p> <p>(a) any factory registered under or governed by the Factories Act, 1948; or</p> <p>(b) any society registered under the Societies Registration Act, 1860 or under any other law for the time being in force in any part of India; or</p> <p>(c) any co-operative society established by or under any law; or</p>	Goods Transport Agency (GTA)	<p>(a) Any factory registered under or governed by the Factories Act, 1948; or</p> <p>(b) Any society registered under the Societies Registration Act, 1860 or under any other law for the time being in force in any part of India; or</p> <p>(c) Any cooperative society established by or under any law;</p> <p>(d) Any person registered under CGST/IGST/SGST/UTGST Act; or</p>

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
	<p>(d) any person registered under CGST/IGST/SGST/ or UTGST Act; or</p> <p>(e) anybody corporate established, by or under any law; or</p> <p>(f) any partnership firm whether registered or not under any law including association of persons; or</p> <p>(g) any casual taxable person; located in the taxable territory.</p>		<p>(e) Anybody corporate established, by or under any law; or</p> <p>(f) Any partnership firm whether registered or not under any law Including association of persons; or</p> <p>(g) Any casual taxable person located in the taxable territory.</p>

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
	<p>Provided that nothing contained in this entry shall apply to services provided by a goods transport agency, by way of transport of goods in a goods carriage by road, to, –</p> <p>(a) a Department or Establishment of the Central Government or State Government or Union territory; or</p> <p>(b) local authority; or</p> <p>(c) Governmental agencies,</p> <p>which has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017) only for the purpose of deducting tax under Section 51 and not for making a taxable supply of goods or services.]</p>		

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
2.	Services provided by an individual Advocate including a Senior Advocate or firm of Advocates by way of legal services, directly or indirectly Explanation.- “legal service” means any service provided in relation to advice, consultancy or assistance in any branch of law, in any manner and includes Representational services before any court, tribunal or authority	An individual Advocate including a Senior Advocate or firm of Advocates.	Any business entity located in the taxable territory.
3.	Services supplied by an Arbitral Tribunal to a business entity.	An Arbitral Tribunal	Any business entity located in the taxable territory.
4.	Services provided by way of sponsorship to any body corporate or partnership firm.	Any person	Any body corporate or partnership firm located in the taxable territory.

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
5.	<p>Services supplied by the Central Government, State Government, Union territory, or local authority to a business entity excluding the following:</p> <p>(A) renting of immovable property, and</p> <p>(B) services specified below: -</p> <ul style="list-style-type: none">i. services by the Department of posts by way of speed post, life insurance, express parcel post and agency services provided to a person other than Central Government, State Government or Union territory or local authority;		

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
5.	<ul style="list-style-type: none"> ii. services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport; iii. transport of goods or passengers. 		
5A.	Services supplied by the Central Government, State Government, Union territory or local authority by way of renting of immovable property to a person registered under the Central Goods and Services Tax Act, 2017	Central Government, State Government, Union territory or Local Authority	Any person registered under the Central Goods and Services Tax Act, 2017]
5B.	Services supplied by any person by way of transfer of development rights or Floor Space Index (FSI) (including additional FSI) for construction of a project by a promoter.	Any person	Promoter

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
5C.	Long term lease of land (30 years or more) by any person against consideration in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name) and/or periodic rent for construction of a project by a promoter.	Any person	Promoter
6.	Services supplied by a director of a company or a body corporate to the said company or the body corporate.	A director of a company or a body corporate	A company or a body corporate located in the taxable territory
7.	Services supplied by an insurance agent to person carrying on insurance business.	An Insurance agent	Any person carrying on insurance business, located in the taxable territory

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
8.	Services supplied by a recovery agent to a banking company or a financial institution or a non-banking financial company.	A recovery agent	Banking company or financial institution or a non-banking financial company, located in the taxable territory.
9.	Supply of services by a music composer, photographer, artist or the like by way of transfer or permitting the use or enjoyment of a copyright covered under clause (a) of sub-section (1) of Section 13 of the Copyright Act, 1957 relating to original dramatic, musical or artistic works to a music company, producer or the like.	Music composer, photographer, artist, or the like.	Music company, producer or the like, located in the taxable territory

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
9A.	Supply of services by an author by way of transfer or permitting the use or enjoyment of a copyright covered under clause (a) of sub-section (1) of section 13 of the Copyright Act, 1957 relating to original literary works to a publisher.	Author	Publisher located in the taxable territory: - Provided that nothing contained in this entry shall apply where: - (i) the author has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017), and filed a declaration, in form at Annexure I, within the time limit prescribed therein, with the jurisdictional CGST or SGST commissioner, as the case may be, that he exercises the option to pay central tax on the service specified in column (2), under forward charge in accordance with Section 9 (1) of

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
			<p>the Central Goods and Service Tax Act, 2017 under forward charge, and to comply with all the provisions of Central Goods and Service Tax Act, 2017 (12 of 2017) as they apply to a person liable for paying the tax in relation to the supply of any goods or services or both and that he shall not withdraw the said option within a period of 1 year from the date of exercising such option;</p> <p>(ii) the author makes a declaration, as prescribed in Annexure-II on the invoice issued by him in FORM GST Inv-I to the publisher</p>

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
10.	Supply of services by the members of Overseeing Committee to Reserve Bank of India	Members of Overseeing Committee constituted by the Reserve Bank of India.	Reserve Bank of India
11.	Services supplied by individual direct selling agents (DSAs) other than a body corporate partnership or limited liability partnership firm to bank or non-banking financial company (NBFCs)	Individual direct selling agents (DSAs) other than a body corporate, partnership or limited liability partnership firm.	A banking company or a non-banking Financial company, located in the taxable Territory
12.	Services provided by business facilitator (BF) to a banking company.	Business facilitator (BF)	A banking company, located in the taxable territory
13.	Services provided by an agent of business correspondent (BC) to business correspondent	An agent of business correspondent	A business correspondent, located in the taxable territory.

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
14.	<p>Security services (services provided by way of supply of security personnel) provided to a registered person: Provided that nothing contained in the entry shall apply to, -</p> <ul style="list-style-type: none">a) a Department or Establishment of the Central Government or State Government or Union territory; orb) local authority; orc) Governmentd) agencies; <p>which has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017) only for the purpose of deducting tax under Section 51 of the said Act and not for making a taxable supply of goods or services; or</p>		

Supply of Services notified for Reverse Charge Mechanism

S.No	Description of Services	Supplier of Services	Recipient of Services
	(ii) a registered person paying tax under Section 10 of the said Act.		
15.	Services provided by way of renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient, provided to a body corporate	Any person, other than a body corporate who supplies the service to a body corporate and does not issue an invoice charging central tax at the rate of 6 per cent. to the service recipient.	Any body corporate located in the taxable territory
16.	Services of lending of securities under Securities Lending Scheme, 1997 ("Scheme") of Securities and Exchange Board of India ("SEBI"), as amended	Lender i.e. a person who deposits the securities registered in his name or in the name of any other person duly authorised on his behalf with an approved intermediary for the purpose of lending under the scheme of SEBI.	Borrower i.e. a person who borrows the securities under the Scheme through an Approved intermediary of SEBI

GST Returns

FORM	PARTICULARS	DUE DATE	APPLICABLE FOR
GSTR1	Outward Supplies	11 th of the next month	Normal Taxpayer
GSTR3B	Monthly return (Summary return)	20 th of the next month	Normal Taxpayer
GSTR4	Return by composition taxpayers	30 th April of the year following the relevant financial year	Composition Taxpayer
GSTR5	Return by non-resident taxpayers [NRTP]	20 th of the next month or within 7 days after expiry of registration, whichever is earlier	Non-Resident Taxpayer
GSTR6	Return by Input Service distributors [ISD]	13 th of the next month	Input Service Distributor
GSTR9	Annual return	31 st December of next financial year	Normal Taxpayer having aggregate turnover > 2 crore (except ISD, casual taxpayer, NRTP)
GSTR9C	Reconciliation Statement	31 st December of next financial year	Normal taxpayer having aggregate turnover > 5 crore

Procedure for filing GST returns

1. **Directly through Portal:** Online entry on GST portal
2. **Free Offline Utility:** Uploading of invoices and other data using the Returns offline tool. If there are more line items, inputting them online would not be possible. Hence, Goods and Services Network has developed a free offline utility, which is available for download on gst.gov.in under the following path:
 - Downloads --> offline tool --> Return offline tool.
3. **Third-Party Application Software:** Using the third-party application of Application software Provider (ASP) through GST Suvidha Providers (GSP).
4. **SMS:** NIL returns can be filed through SMS

Details to be furnished in GSTR-1

Table reference	Description	Remarks
4.	Taxable outward supplies made to registered persons (including UIN holders) other than supplies covered by Table 6	
4A.	Supplies other than those (i) attracting reverse charge and (ii) supplies made through e-commerce operator	Invoice wise details (including debit notes and credit notes) of Inter-State and Intra-State supplies made to registered persons (including those holding UIN)
4B.	Supplies attracting tax on reverse charge basis	
4C.	Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)	
5.	Taxable outward inter State supplies to unregistered persons where the invoice value is more than Rs 2.5 lakh	
5A.	Outward supplies (other than supplies made through e-commerce operator, rate wise)	Invoice wise details (including debit notes and credit notes) of Inter-State supplies with invoice value of more than Rs 2.5 Lakhs made to unregistered persons
5B.	Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)	

Details to be furnished in GSTR-1

Table reference	Description	Remarks
6.	Zero rated supplies and deemed exports	<p>1. Invoice wise details of supplies made to Special Economic Zone (SEZ) Unit or developer, Exports including deemed exports. Generally, shipping bill details needs to be declared, but even in the absence of shipping bill details, the entry will be accepted. Upon availability of such details and before filing refund/rebate, such shipping bill details need to be furnished through the amendment section of GSTR-1.</p> <p>2. If Goods and Services Tax Identification Number (GSTIN) of the recipient is not available in the case of exports, it can be left blank.</p>
6A.	Exports	
6B.	Supplies made to SEZ unit or SEZ developer	
6C.	Deemed Exports	

Details to be furnished in GSTR-1

Table reference	Description	Remarks
7.	Taxable supplies (Net of debit notes and credit notes) to unregistered persons other than the supplies covered in Table 5	
7A.	Intra-State supplies	Consolidated details (including debit notes and credit notes) rate wise need to be furnished
7B.	Inter-State supplies where invoice value is upto Rs 2.5 Lakhs	State-wise and rate wise details (including debit notes and credit notes) need to be furnished
8.	Nil rated, exempted and non-GST outward supplies	
8A.	Inter-State supplies to registered persons	
8B.	Intra-State supplies to registered persons	
8C.	Inter-State supplies to unregistered persons	
8D.	Intra-State supplies to unregistered persons	

Details to be furnished in GSTR-1

Table reference	Description	Remarks
9.	Amendments to taxable outward supply details furnished in returns for earlier tax periods in Tables 4, 5 and 6 [including debit notes, credit notes, refund vouchers issued during current period and amendments thereof]	Amendments effected to the details furnished in Tables 4, 5 and 6 in the earlier tax periods:
9A.	If the invoice/shipping bill details furnished earlier were incorrect	Document wise breakup is required for debit notes and credit notes if issued to:
9B.	Debit notes/ credit notes/ refund voucher [original]	1. Registered persons (both inter-State and intra-State)
9C.	Debit notes/ credit notes/ refund voucher [amendments thereof]	2. Unregistered persons with invoice value exceeding Rs 2.5 Lakhs (inter-State supplies)

Details to be furnished in GSTR-1

Table reference	Description	Remarks
10.	Amendments to taxable outward supplies to unregistered persons furnished in returns for earlier tax periods in Table 7	
10A.	Intra-State supplies [including supplies made through ecommerce operator attracting TCS]	Amendments effected to the details furnished in Table 7 in the earlier tax periods: Consolidated State wise and rate wise reporting is sufficient in case of : 1. Intra-State supplies to unregistered persons and 2. Inter-State supplies to unregistered persons with invoice value not exceeding Rs 2.5 Lakhs.
10B.	Inter-State Supplies [including supplies made through ecommerce operator attracting TCS]	

Details to be furnished in GSTR-1

Table reference	Description	Remarks
11.	Consolidated Statement of advances received/advance adjusted in the current tax period/Amendments of information furnished in earlier tax period	
11(I).	<i>Information for the current period</i>	
11A.	Advance amount received in the tax period for which invoice has not been issued (tax amount to be added to output tax liability)	Details of advances received and any adjustments to advances needs to be furnished.
11B.	Advance amount received in earlier tax period and adjusted against the supplies being shown in this tax period in Tables 4, 5, 6 and 7.	
11(II).	Amendment of information furnished in Table No. 11[1] in GSTR-1 statement for earlier tax periods [Furnish revised information]	Amendments effected to the advances or adjustment to advances furnished in the previous tax periods as part of Table 11(1): 1. Details of the original invoice /debit note / credit note / receipt voucher reference is being sought. 2. If the reference is invalid, amendment option will not be available.

Details to be furnished in GSTR-1

Table reference	Description	Remarks
12.	HSN-wise summary of outward supplies	Harmonized System of Nomenclature (HSN) /Services Accounting Code (SAC) wise summary to be provided for outward supplies.
13.	Documents issued during the tax period	Following details relating to documents issued during the tax period need to be furnished: <ol style="list-style-type: none">1. Serial Number of documents issued2. Cancelled documents issued during the month

Notes to GSTR-1

- Supplies made to SEZ unit or developer and deemed exports though denoted in a separate Table (Table 6B and 6C) as different from supplies made to registered persons (Table 4A, 4B and 4C) in the Form – the GSTN portal has appropriately combined the reporting of these Tables since in cases mentioned in Table 6B and 6C, the recipients are registered persons.
- The internal classification of ‘supplies attracting tax on reverse charge’ in Table 4B, requires the supplier to disclose his outward supplies under this category. Though the recipient is liable to pay tax on such a transaction, the disclosure sought for under Table 4B is from the viewpoint of the supplier.
- Any supply made by SEZ to DTA without the cover of bill of entry is required to be reported by SEZ Unit in GSTR-1. Those supplies made by SEZ on the cover of a bill of entry are not to be included in this form but shall be reported by DTA unit as imports in its GSTR-3B.

Details to be furnished in GSTR-3B

Table Number	Heading	Description	Additional points for consideration
3.1	Tax on outward and reverse charge inward supplies	Summary details of outward supplies and inward supplies liable to reverse charge and tax liability thereon	Export invoices shall not be processed for transmission in ICEGATE if the correct IGST amount is not filled in this table. Processing of refunds will get impacted.
3.2	Inter-State supplies	To provide details of inter-State supplies to unregistered persons, composition taxable persons and UIN holders and tax thereon	IGST amount mentioned in this Table should not exceed the amount of IGST mentioned in Table 3.1

Details to be furnished in GSTR-3B

Table Number	Heading	Description	Additional points for consideration
4.	Eligible ITC	<p>To provide summary details of:</p> <p>A. ITC available (including)</p> <ul style="list-style-type: none"> (1) imports of goods (2) import of services (3) inward supplies liable to reverse charge, (4) inward supplies from ISD, (5) (5) all other ITC) <p>B. ITC reversals (as per Rules 42, 43 and others)</p> <p>C. Net ITC available</p> <p>D. ineligible ITC</p>	<p>The registered person has to classify his credit, based on the documentary proof for such ITC:</p> <ul style="list-style-type: none"> (a) Bill of Entry –Import of Goods (b) Self Invoice –Import of Services (c) Self Invoice (unregistered purchase) Tax Invoice (registered purchase) under RCM –Inward Supplies liable for reverse charge.

Details to be furnished in GSTR-3B

Table Number	Heading	Description	Additional points for consideration
			<p>(d) ISD Invoice –Inward Supplies from ISD.</p> <p>(e) Tax Invoices from registered person and place of supply is registered State – all other ITC. (This entry will also include ineligible ITC, which has to be reversed under the sub-heading 'Reversal')</p>

Details to be furnished in GSTR-3B

Table Number	Heading	Description	Additional points for consideration
5.	Exempt, Nil and non-GST inward Supplies	To provide summary details of exempt, Nil and non-GST inward supplies	
5.1	Interest and late fee	To provide details of interest and late fee payable	<ol style="list-style-type: none"> 1. Late fee is auto populated by the portal based on the number of days elapsed after the due date of filing. 2. Interest needs to be computed and inputted by the taxpayer
6.1	Payment of tax	To provide details of payment of taxes, interest and late fee	<ol style="list-style-type: none"> 1. Set off amount available against electronic credit ledger (based on the utilisation of credit prescribed by the legislation) is autopopulated but it can be edited.

Details to be furnished in GSTR-3B

Table Number	Heading	Description	Additional points for consideration
			<p>The edited information will be available only for 2 days. After that, the system suggested utilization will be reflected,</p> <p>2. Balance amount is reflected as against being set off against electronic cash ledger</p>
6.2	TDS / TCS Credit	TDS/TCS credit received from deductor/e-commerce operator would be auto-populated in the electronic cash ledger, once it is accepted by the deductee in case of TDS/ supplier in case of TCS.	

Notes to GSTR-3B

- The return period prior to the effective date of registration cannot be selected for filing Form GSTR-3B.
- Clicking 'Save Form GSTR-3B' is a pre-requisite before clicking 'Proceed for payment'. In case of failure, either of the following issues can occur:
 - ✓ The values will automatically be changed as 'zero' and the status of the Form will be shown as 'submitted'.
 - ✓ An error message will be displayed stating that 'the information found in form seems old and invalid'
- Table 3.2 is available as the last table in the GST portal.
- Care needs to be taken to ensure that ineligible credits under Section 17(5) of the Act should be considered while reporting the gross value in Table 4A and reversed under other reversals in Table 4B(2) of GSTR-3B. Common mistakes of entering values without including ineligible ITC in Table 4A and 4B are noticed.
- Other ITC reversals mentioned in Table 4B(2) should include only current month's ITC reversals like non-payment for the amount of supply along with tax liability within 180 days by the recipient to the supplier. If there is an ineligible credit availed during the previous month, and if the same has been detected on self-assessment in the subsequent month, the said amount should be added in Table 3.1 (a), and not in Table 4B(2) of subsequent month's GSTR-3B.
- Though Rule 43 of the Rules provides that the tax paid on capital goods used for exempt supplies shall be added to output tax liability, the machinery provisions are such that it is shown as a reversal under Table 4B(1) of GSTR-3B.

Quarterly Return Monthly Payment scheme - Features

- Introduced for small taxpayers - Aggregate turnover of up to Rs.5 crores in the preceding financial year
- GST returns to be filed on quarterly basis + Payment of GST to be made on monthly basis
- Effective from 01.01.2021
- Optional scheme
- Option can be exercised any time during the year from the first day of the second month of the preceding quarter till the last day of the first month of the quarter for which the option is being exercised.
- Taxpayer must have furnished the last return, as due on the date of exercising such option.

Quarter	Time limit for exercising option	Last date for option
April – June	1 st February to 30 th April	30 th April
July – September	1 st May to 31 st July	31 st July
October – December	1 st August to 31 st October	31 st October
January – March	1 st November to 31 st January	31 st January

Monthly tax payments under QRMP Scheme

- Payment through GST PMT-06 (first and the second month of the quarter) and through GSTR-3B on actual basis
- Due date for the payment through GST PMT-06: 25th of the following month
- Methods prescribed calculation of tax liability under QRMP scheme –
 - ❑ Fixed sum method – Payment through pre-filled challan

Sr. No.	Situation	Tax to be paid
1	Where taxpayer had filed GSTR-3B of previous quarter on quarterly basis	35% of tax paid (CGST/SGST/IGST/UTGST/Cess) in cash in the preceding quarter
2	Where taxpayer had filed GSTR-3B of previous quarter on monthly basis	100% of tax paid in cash in the last month of the immediately preceding quarter

* Since the QRMP scheme is introduced in January 2021, all taxpayers were monthly filers in December 2020. Hence, the 35% challan will be populated as per situation 2 for the quarter of January to March 2021 for quarterly filers.

- ❑ Self-assessment method – Payment on actual basis i.e.; net tax liability

GSTR-3B filing due dates – QRMP Scheme

Sr. No.	Class of Registered Persons	Due Dates
1	Registered persons whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep.	22nd of the month succeeding such quarter
2	Registered persons whose principal place of business is in the States of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi.	24th of the month succeeding such quarter

Interest implication in case of Shortfall / Delay in payment

- Interest payable, if any, shall be paid through Form GSTR-3B
- No late fee is applicable for delay in payment of tax in first two months of the quarter
- Interest under Fixed Sum Method
 - Delay in paying within due date - Interest would be payable from the due date of furnishing Form GST PMT-06 till the date of making such payment
 - Shortfall in tax at the time of filing GSTR-3B (calculation on actual basis) - No interest would be payable if tax paid within the due date (for first two months)
- Self-Assessment Method
 - If tax remains unpaid / is paid beyond the due date for the first two months of the quarter - Interest amount would be payable from due date till actual date of payment

Invoice Furnishing Facility (IFF)

- Introduced for taxpayers who have opted for QRMP Scheme for furnishing their B2B transactions on a monthly basis
- Only following transactions are allowed to be reported under IFF :
 - B2B Invoices (Incl. amendment)
 - Credit / Debit Notes Registered (Incl. amendment)
- To be furnished on or before 13th of the following month. Post 13th of the following month only “View” option is available and “File” option gets disabled (Late filing of IFF is not allowed)
- Total value of invoices that can be uploaded per month is restricted upto Rs. 50 lakhs
- No requirement to upload invoices again in GSTR-1 if the same has been furnished in the IFF
- Optional Facility - Non-filing or late filing will not attract any late fee or penalty
- Invoices furnished in IFF will be reflected in FORM GSTR-2A and FORM GSTR-2B of the concerned recipient