

GST Alert 01/2021-22

Date 03.05.2021

FURTHER RELAXATION IN COMPLIANCE DUE TO COVID-19 UNDER GST

In view of spread of Pandemic COVID-19 across many parts of India, Government of India on the recommendation of GST Council has again announced various compliance relief measures to mitigate difficulties faced by taxpayers, following is gist of all the relief granted:

1. Relaxation in Interest rate for delay in Payment of Taxes as well as Waiver of Late Fees

Dates for GST Returns						
Type of Return	Reference	Return Month	Due Dates	Interest and Late fee if filed on or before		
				Filed by	Interest	Late Fees
GSTR-3B (person having annual turnover MORE than 5.0 Cr in preceding FY)	08/2021-CT And 09/2021-CT Dated 01.05.2021	March 21	20.04.2021	20.04.2021	0%	Nil – Up to 05.05.2021
				Upto 5.05.2021	9%	
				After 05.05.2021	18%	
		April 21	20.05.2021	20.05.2021	0%	Nil – Up to 04.06.2021
				Upto 4.06.2021	9%	
				After 04.06.2021	18%	
GSTR-3B (person having annual turnover UPTO 5.0 Cr in preceding FY) (Taxpayers opted for monthly filing as well as for QRMP Scheme)	08/2021-CT And 09/2021-CT Dated 01.05.2021	March 21	20.04.2021	05.05.2021	0%	Nil – Up to 20.05.2021
				Upto 20.5.2021	9%	
				After 20.05.2021	18%	
		April.21	20.05.2021	04.06.2021	0%	Nil – Up to 19.06.2021
				Upto 19.6.2021	9%	
				After 19.06.2021	18%	
GSTR-3B (person having annual turnover UPTO 5.0 Cr in preceding FY) (Taxpayers opted for Composition Scheme)	08/2021-CT And 09/2021-CT Dated 01.05.2021	January.21 to March.21	22.04.2021	07.05.2021	0%	Nil – Up to 22.05.2021
				22.05.2021	9%	
				After 22.05.2021	18%	



2. Relaxation in Other Compliances

Type of Return	Reference	Return Period	Old Due Dt	New Due Date
GSTR-4 Return for composition levy as well as for Lump Sum Scheme for Supplier of Services)	10/2021-CT Dated 01.05.2021	FY 2020-21	30.04.2021	31.05.2021
ITC-04 Return for goods/capital goods sent to Job Worker	11/2021-CT Dated 01.05.2021	Qtr Jan 21 to Mar 21	25.04.2021	31.05.2021
GSTR-1 Return for Outward Supplies (Monthly Filers)	12/2021-CT Dated 01.05.2021	Month of April 21	11.05.2021	26.05.2021
IFF Invoice Furnishing Facility for QRMPS Taxpayers	13/2021-CT Dated 01.05.2021	Month of April 21	01.05.2021 to 13.05.2021	01.05.2021 to 28.05.2021

3. Relaxation in Complying with the Condition mentioned on Rule 36(4) of CGST Rules, 2017

[Notification 13/2021-CT dated 01.05.2021]

Rule 36(4) of CGST Rules, 2017 provides that Input Tax Credit availed by taxpayer in GSTR-3B for a particular month shall not exceed 5% of total eligible Input Tax Credit in respect of Invoices or Debit/Credit Note uploaded by supplier in GSTR-1 or using Invoice Furnishing Facility (IFF).

However, the relaxation is granted in respect of complying with this condition, now this condition needs to be complied cumulatively for the months of April 21 and May 21 while filing GSTR-3B for the month of May 21.



In other words, one will be free to avail ITC as per books without comparing the same with that months GSTR 2A for the month of April 21. But while filing GSTR 3B for May 21, the taxpayer will have to cumulatively match ITC for both the months of Apr 21 as well as May 21 with GSTR 2A and see to it that ITC availed is not beyond 105% of the IC reflecting in GSTR 2A.

4. Extension in timeline for completion of any proceedings or compliance by Authority or by any person [Notification 14/2021-CT dated 01.05.2021]

Where the due date for completion of any proceeding or compliance is falling between **15.04.2021 to 30.05.2021** and the said proceedings or compliance has not been completed within these dates, then the said timeline shall be extended to 31.05.2021.

The said proceeding and compliances shall include followings:

- a) Filing of Appeal before appellate authority
- b) Submission of Reply to any notices
- c) Furnishing of any reports, documents, returns, statements or such other records under the provision of GST Law.

The said extension shall not be applicable to following activities:

- a) Provision relating to Input Tax Credits (Section 16 to Section 21 of CGST Act, 2017)
- b) Filing of Regular GST Returns (GSTR-3B, GSTR-1 and IFF)
- c) Verification/Inspection of E-way Bill in relation to Movement of Goods
- d) Provision relating to lapse of composition Scheme under Section 10 of CGST Act, 2017
- e) Provision relating to applicability of GST Registration
- f) Applicability of Special Provision relating to Casual Taxable Person and Non-Resident Taxable Person
- g) Issuance of Tax Invoice under GST Law
- h) Levy of Late Fees for delay in Filing GST Returns
- i) Interest for Delay in Payment of GST



- j) Power to Arrest under GST law
- k) Liability of Partners of the firm to pay Taxes
- l) Levy of Penalty for Offences under GST law
- m) Detention, Seizure and Release of Goods and Conveyance in Transit

5. Conclusion

Hope the tragic effects of the Pandemic reside soon enough. These relaxations are coming in the backdrop of a severe health crisis which India has never faced in its past, hence they may seem to be too less and too late, all the governments are in a tight spot (much of it is their own creation) and are in need of funds very badly. We would like to play our part as responsible professionals and urge all taxpayers including our clients to file returns and pay taxes in time.

Wishing all good health, Stay Home Stay Safe.

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