

RELAXATION IN COMPLIANCE DUE TO COVID-19 UNDER GST - UPDATED

Government had announced various relief measures in April 2020 and then in June 2020 to mitigate difficulties caused by the outbreak of COVID-19 across India on which we had sent our Alert 1 in April and Alert no. 3 recently. Govt has issued 3 more notifications to give further relief, gist of which is as under:

1. Relaxation in dates for filing GST Returns

Dates for GST Returns (where there is Taxable Turnover)						
				Interest and Late fee if filed on or before		
Type of Return	Reference	Return Month	Due Dates	Filed by	Interest	Late Fees
GSTR-3B (person having annual turnover less than 5.0 Cr in preceding FY) 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	Notification 31/2020 CT & 32/2020 CT 51/2020 CT 52/2020 CT & 57/2020 CT	Feb'20	20-Mar-20	Upto 30-Jun-20	NIL	NIL
				From 01-Jul-20 till 30-Sep-20	9% from 01-Jul-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Mar-20
		Mar'20	20-Apr-20	Upto 03-Jul-20	NIL	NIL
				From 04-Jul-20 till 30-Sep-20	9% from 04-Jul-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Apr-20
		Apr'20	20-May-20	Upto 06-Jul-20	NIL	NIL
				From 07-Jul-20 till 30-Sep-20	9% from 07-Jul-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-May-20
		May'20	20-Jun-20	Upto 12-Sep-20	NIL	NIL
				From 13-Sep-20 till 30-Sep-20	9% from 13-Sep-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Jun-20
		Jun'20	20-Jul-20	Upto 23-Sep-20	NIL	NIL
				From 24-Sep-20 till 30-Sep-20	9% from 24-Sep-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Jul-20
		Jul'20	20-Aug-20	Upto 27-Sep-20	NIL	NIL
				From 28-Sep-20 till 30-Sep-20	9% from 28-Sep-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Aug-20
Notification 54/2020 CT	Aug'20	01-Oct-20	Upto 01-Oct-20	NIL	NIL	
			From 02-Oct-20	18% from 02-Oct-20	20/50 per day from 02-Oct-20	

Dates for GST Returns (where there is Taxable Turnover)						
				Interest and Late fee if filed on or before		
Type of Return	Reference	Return Month	Due Dates	Filed by	Interest	Late Fees
GSTR-3B (person having annual turnover less than 5.0 Cr in preceding FY) 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	Notification 31/2020 CT & 32/2020 CT 51/2020 CT 52/2020 CT & 57/2020 CT	Feb'20	20-Mar-20	Upto 30-Jun-20	NIL	NIL
				From 01-Jul-20 till 30-Sep-20	9% from 01-Jul-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Mar-20
		Mar'20	20-Apr-20	Upto 05-Jul-20	NIL	NIL
				From 06-Jul-20 till 30-Sep-20	9% from 06-Jul-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Apr-20
		Apr'20	20-May-20	Upto 09-Jul-20	NIL	NIL
				From 10-Jul-20 till 30-Sep-20	9% from 10-Jul-20	50 per day (Maximum 500)
				After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-May-20
	May'20	20-Jun-20	Upto 15-Sep-20	NIL	NIL	
			From 16-Sep-20 till 30-Sep-20	9% from 16-Sep-20	50 per day (Maximum 500)	
			After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Jun-20	
	Jun'20	20-Jul-20	Upto 25-Sep-20	NIL	NIL	
			From 26-Sep-20 till 30-Sep-20	9% from 26-Sep-20	50 per day (Maximum 500)	
			After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Jul-20	
	Jul'20	20-Aug-20	Upto 29-Sep-20	NIL	NIL	
			On 30-Sep-20	9% for 30-Sep-20	50 per day (Maximum 500)	
			After 30-Sep-20	18% from 01-Oct-20	20/50 per day from 21-Aug-20	
	Notification 54/2020 CT	Aug'20	03-Oct-20	Upto 03-Oct-20	NIL	NIL
				From 04-Oct-20	18% from 04-Oct-20	20/50 per day from 04-Oct-20

Dates for GST Returns (where there is Taxable Turnover)						
Type of Return	Reference	Return Month	Due Dates	Interest and Late fee if filed on or before		
				Filed by	Interest	Late Fees
GSTR-3B (Turnover is more than 5.00 Cr in preceding FY)	Notification 31/2020 CT & 32/2020 CT	Feb'20	20-Mar-20	Upto to 04-Apr-20	NIL	NIL
				From 05-Apr-20 till 24-Jun-20	9%	NIL
				From 25-Jun-20 till 30-Sep-20	18%	50 per day (Max 500)
				From 01-Oct-20	18%	20/50 per day from 21-Mar-20
	51/2020 CT 52/2020 CT & 57/2020 CT	Mar'20	20-Apr-20	Upto to 05-May-20	NIL	NIL
				From 06-May-20 till 24-Jun-20	9%	NIL
				From 25-Jun-20 till 30-Sep-20	18%	50 per day (Max 500)
				From 01-Oct-20	18%	20/50 per day from 21-Apr-20
		Apr'20	20-May-20	Upto to 04-Jun-20	NIL	NIL
				From 05-Jun-20 till 24-Jun-20	9%	NIL
				From 25-Jun-20 till 30-Sep-20	18%	50 per day (Max 500)
				From 01-Oct-20	18%	20/50 per day from 21-May-20
	Notification 31/2020 32/2020 CT & 57/2020 CT	May'20	27-Jun-20	Upto 27-Jun-20	NIL	NIL
				From 28-Jun-20 till 30-Sep-20	18%	50 per day (Max 500)
				From 01-Oct-20	18%	20/50 per day from 28-Jun-20
	Notification 57/2020 CT	Jun'20	20-Jul-20	Upto 20-Jul-20	NIL	NIL
				From 21-Jul-20 till 30-Sep-20	18%	50 per day (Max 500)
				From 01-Oct-20	18%	20/50 per day from 21-Jul-20
		Jul'20	20-Aug-20	Upto 20-Aug-20	NIL	NIL
				From 21-Aug-20 till 30-Sep-20	18%	50 per day (Max 500)
From 01-Oct-20				18%	20/50 per day from 21-Aug-20	
No Change	Aug'20	20-Sep-20	Upto 20-Sep-20	NIL	NIL	
			From 21-Sep-20	18%	20/50 per day from 21-Sep-20	

Dates for GST Returns (where there is NIL Output Tax Payable)			
Type of Return	Period of Return	If filed	Late Fees per return
GSTR-3B (person having annual turnover less than 5.0 Cr in preceding FY)	Feb-20 to Jul-20	Up to 30-Sep-20	NIL
		After 30-Sep-20	Rs 20 per day from original Due date Subject to max Rs. 10000
GSTR-3B (person having annual turnover more than 5.0 Cr in preceding FY)	May-20 to Jul-20	Up to 30-Sep-20	NIL
		After 30-Sep-20	Rs 20 per day from original Due date Subject to max Rs. 10000

Gist of Changes made is as under:

- For taxpayers having turnover more than 5 Cr, earlier late fee kicked in after the initial waiver date but now they will have to pay late fee of starting from Rs. 50 per day to a maximum Rs. 500 if return is filed after waiver date but before 30th September. In a nutshell late fee for both classes of taxpayers by turnover has been capped to a maximum of Rs. 500 if filed on or before 30th September 2020.
- Most Importantly, persons having Zero output tax in any month irrespective of their yearly turnover will not be required to pay any late fee if they file all the returns from Feb'20 to July'20 on or before 30th Sept 2020.

Kindly note that the above notifications provide a conditional relief for Late Fees where the Returns have been filed on or before the designated dates, if the returns are not filed before such designated dates, regular late fee shall become payable.

2. Amnesty on Late fee for delayed filing of GSTR-3B for Jul'17 to Jan'20 [Noti 52/2020 CT]

Period of Return	To be filed between	Output Tax Payable	Maximum Late Fees per return
July 17 to January 2020	01-Jul-2020 to 30-Sep-20	Yes	Rs. 500
		NIL	NIL
	If filed before 01-Jul-2020 or after 30-Sep-20	Yes	Rs 50 per day Subject to maximum Rs. 10000
		NIL	Rs 20 per day Subject to maximum Rs. 10000

Please note there is no amnesty for GSTR 1 or any other return except GSTR 3B as explained above.

3. Waiver of late fee for filing GSTR-1 [Notification 53/2020 CT]

Where the GSTR-1 for the period Mar'20, Apr'20, May'20, Jun'20 and Quarter ended on 31st Mar'20 and 30th Jun'20 is filed on or before the dates as mentioned in the below table, the late fees shall be waived, If the said returns are filed after the dates as mentioned in the below table, regular late fees shall be payable

Due Dates for GST Returns				
Period	Due Date	Waiver Date	Late Fees if filed on or before Waiver Date	Late Fees if filed After Waiver Date
Mar'20	11 th Apr'20	10-Jul-20	NIL	20/50 per day from 12-Apr-20
Apr'20	11 th May'20	24-Jul-20		20/50 per day from 12-May-20
May'20	11 th Jun'20	28-Jul-20		20/50 per day from 12-Jun-20
Jun'20	11 th Jul'20	05-Aug-20		20/50 per day from 12-Jul-20
Jan-Mar'20 Quarter	30 th Apr'20	17-Jul-20		20/50 per day from 01-May-20
Apr-Mun'20 Quarter	31 th Jul'20	03-Aug-20		20/50 per day from 01-Aug-20

4. Following provision of the CGST Act shall come into force from 30th Jun'20 [Noti. No.49/2020-CT]

Certain inconsequential amendments made to CGST Act have been notified, these amendments will come into force from 30.06.2020 onwards. Section 2 (114), 109, 168(2) and 172 of the CGST Act have been amended.

5. Annual Returns for FY 2018-19 [Noti No. 41/2020-CT]

Filing dates for annual returns GSTR 9, 9A, 9B and 9C have been further extended from 30th June 2020 to 30th September 2020.

6. Composition Rates – Effective from 1.4.2020 – [Notification No. 50/2020- CT]

There is a cosmetic change notified for tax payers who have opted for composition scheme, in real terms there is no change. Following will be the rates applicable for composition scheme

Type of taxpayer	Rate Applicable	Type of Change
Manufacturer	1% (0.50% CGST + 0.50 SGST)	No Change
Restaurant Service Provider	5% (2.50% CGST + 2.50 SGST)	No Change
Trader	1% (0.50% CGST + 0.50 SGST)	No Change
Supplier of Services	6 % (3 % CGST + 3 % SGST)	Incorporated in rules now, earlier was through a rate notification

7. Relaxation in time limits for other compliances [Notification 35/2020-CT & 55/2020]

- Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under the GST laws where the time limit is expiring between 20th March 2020 **to 30th August 2020 shall be extended to 31st August 2020**

- **However, there is no Relaxation granted to the following**
 - a) Issuance of Tax Invoices as per the applicable time
 - b) Complying to time of supply provisions including tax on advances received in case of services
 - c) Determining the value of Supply as per the time of supply
 - d) Applying for registration on becoming liable to registered (including for Casual Taxable person and Non-Resident Taxable person
 - e) Opting out of composition on crossing the threshold of composition
 - f) Late fee in case of
 - Final return - GSTR 10 (in case of cancellation of registration)
 - Delayed filing of annual return for FY 2017-18 and
 - Delayed filing of older period returns not relaxed above
 - g) Interest on delayed payment of tax (except as relaxed above)
 - h) Power of officers to arrest or invoke penalty provisions for offences
 - i) Liability of partners of firm to pay tax
 - j) Detention, Seizure and Release of goods and conveyances in transit including inspection of goods in movement
 - k) Provisions pertaining to furnishing of outward supplies and returns except to the extent of relaxation provided as above

8. Conclusion

Late fee relaxations discussed above could have been announced in the 24th June tranche itself without waiting for the avalanche of criticism, however its better late than never. Hope we don't need any further relaxations.

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