



GOODS & SERVICES TAX (GST)

Recent changes in Return System & Other procedures

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E-invoicing and QR code

Denial of ITC – legal issues

ITC denial if no e-invoice generated

- ✓ Rule 48(5) – “Every invoice issued by a person to whom sub-rule (4) applies in any manner other than the manner specified in the said sub-rule **shall not be treated as an invoice**”
- ✓ If e- invoicing is applicable to supplier
- ✓ But if he fails to generate e-invoice
- ✓ Such invoice will be treated as **invalid invoice**
- ✓ **Hence, no ITC in respect of such invoice can be availed**
- ✓ Ask supplier to provide declaration regarding applicability of e-invoice
- ✓ Defence of **“Doctrine of impossibility”** ??

Whether proviso to rule 36(2) is inapplicable ??

✓ Proviso to rule 36(2) –

“Provided that if the said document does not contain all the specified particulars but contains the details of the amount of tax charged ¹, description of goods or services ², total value of supply of goods or services or both ³, GSTIN of the supplier ⁴ and recipient ⁵ and place of supply ⁶ in case of inter-State supply, input tax credit may be availed by such registered person.”

✓ However, rule 48(5) – states such invoice not at all a *“valid invoice”*

✓ Hence, as in case of invalid invoice, no question of applicability of proviso to rule 36(2)

Quarterly Return Monthly Payment Scheme (QRMP Scheme)

Applicable w.e.f 01.01.2021

Concerned notifications

Sr. No.	Notifications	Remarks	Additional Remarks
1	Notification 81/2020 – Central Tax, dated 10.11.2020.	No. Amendment to sub-section (1), (2) and (7) of section 39 of CGST Act, 2019	Sections notifying quarterly return and monthly payments
2	Notification 82/2020 – Central Tax, dated 10.11.2020.	No. 13 th amendment (2020) to CGST Rules, 2017	Invoice furnishing facility (IFF) introduced to persons opting QRMP scheme
3	Notification 83/2020 – Central Tax, dated 10.11.2020.	No. Notifies class of registered persons under proviso to section 39(1)	Registered persons having aggregate turnover upto 5 cr rupees in preceding financial year & other conditions
4	Notification 84/2020 – Central Tax, dated 10.11.2020.	No. Special procedure for making payment of tax in 1 st 2 months of quarter	<ul style="list-style-type: none"> - Fixed payment method - Self assessment method

Eligibility for the scheme

- ✓ person who required to furnish GSTR 3B
- ✓ who has **aggregate turnover** upto Rs. 5 cr in **preceding** financial year
- ✓ Ineligible if aggregate turnover crosses 5 cr rupees during a quarter in a FY – **Ineligible from first month of succeeding quarter**
- ✓ To apply for the scheme, return for the preceding months due on the date of exercising option has been furnished

How to opt for the scheme

- ✓ Option will be available throughout the year – hence optional scheme
- ✓ Scheme can be opted in for any quarter
- ✓ Scheme can be opted from 1st day of second month of preceding quarter to last day of the 1st month of the current quarter
Ex : For quarter July to Sept, one can apply from 1st May to 31st July
(Same timeline to opt out of the scheme)
- ✓ Need not to exercise such option every quarter, it shall continue unless revised

How to opt for the scheme

- ✓ Previous returns must be filed before opting for the scheme
- ✓ New registrants or persons opting out from composition scheme can apply for QRMP
- ✓ QRMP scheme is **GSTNwise**

Furnishing details of outward supply u/s 37 & Invoice Furnishing Facility (IFF)

- ✓ Amendment vide notification no. 82/2020 – Central Tax dt. 10.11.20
- ✓ For 1st & 2nd month of the quarter, IFF facility will be provided to furnish details of supplies **to registered persons (B2B)**
- ✓ Invoices can be furnished between 1st day of succeeding month till 13th day of the succeeding month
- ✓ Such outward supplies shall not exceed value of 50 lakhs rupees in each month

Furnishing details of outward supply u/s 37 & Invoice Furnishing Facility (IFF)

✓ Example :

Month	Turnover	Maximum value of invoices can be reflected in IFF
July	Rs. 60 lakhs	Rs. 50 lakhs
August	Rs. 30 lakhs	Rs. 30 lakhs (balance 10 lakhs of last month can not be reflected)
September	Rs. 40 lakhs	No facility available for last month of the quarter

✓ After 13th day, no IFF facility to reflect invoice for previous month

✓ No filling of return on IFF facility – only continuous upload and save invoices

✓ Invoices uploaded will be reflected in GSTR 2A & GSTR 2B

Furnishing details of outward supply u/s 37 & Invoice Furnishing Facility (IFF)

- ✓ Invoices uploaded through IFF will be auto-populated in GSTR 1
- ✓ Remaining invoices to be furnished through GSTR - 1
- ✓ IFF is optional facility only, hence one may choose to furnish GSTR – 1 only

Special procedure for monthly payment of taxes

- ✓ Return filling is quarterly however “payment” shall be monthly through PMT-06 by 25th of the next month

- ✓ 2 methods provided for monthly payment
 - Fixed sum method
 - Self – assessment method

- ✓ Taxpayer is free to avail either of the two payment methods

- ✓ In case of adequate cash and/or credit ledger balance, no need to deposit any amount

- ✓ Such deposit cannot be used by taxpayer for any other purpose till the filling of return

Fixed sum method

- ✓ **Pre-filled** challan will be made available in **Form GST PMT – 06**
- ✓ **Where quarterly return is furnished in preceding quarter ~ pay tax for an amount equal to 35% of tax paid in cash in last quarter**

Example : Last return filed on quarterly basis for quarter ending March, 21

Tax paid in Cash in Quarter (January - March, 2021)		Tax required to be paid in each of the months – April and May, 2021	
CGST	200	CGST	70
SGST	200	SGST	70
IGST	100	IGST	35

Fixed sum method

- ✓ **Where monthly return is furnished in preceding month ~ pay tax for an amount equal to 100% of tax paid in cash in last month**

Example : Last return filed on monthly basis for period ending March, 21

Tax paid in Cash in March, 2021)		Tax required to be paid in each of the months – April and May, 2021	
CGST	200	CGST	200
SGST	200	SGST	200
IGST	100	IGST	100

Self assessment method

- ✓ Tax to be paid considering tax liability and ITC available in **Form GST PMT – 06**
- ✓ To ascertainment of ITC, auto-drafted ITC statement will be made available in FORM GSTR 2B

Quarterly filling GSTR – 3B

- ✓ GSTR 3B to be filled on quarterly basis
- ✓ It is to be filled on 22nd /24th day month succeeding such quarter as the case may be
- ✓ Cash deposited shall be debited solely for the purpose of offsetting the liability

Applicability of interest

Fixed sum method

- No interest if tax (35%/ 100%) is deposited by due date
- But interest is applicable **if tax not deposited by 25th of next month**
- Hence, even if net of ITC liability at the time of filling GSTR 3B is higher than cash deposited in first 2 months – **No interest payable**

Provided liability is paid in both months according to this method
- **Differential interest** applicable in case GSTR 3B is filled beyond due date

Self assessment method

- No interest if tax (**net of ITC**) is deposited by due date
- But interest is applicable **if tax not deposited by 25th of next month**
- If net of ITC liability at the time of filling GSTR 3B is higher than cash deposited for 1st 2 months – **Interest payable**

Legislative intention – Minimum payment of 35% or 100% in case of quarterly and monthly returns respectively
- **Differential interest** applicable in case GSTR 3B is filled beyond due date

- **No late fees for monthly payment**
- **Late fees applicable for delay in quarterly return GSTR 3B filling or GSTR 1 filling**

Are you going to apply ??

Existing system	QRMP scheme
<ul style="list-style-type: none">• Monthly GSTR 3B return with monthly payment	<ul style="list-style-type: none">• Monthly payment but only GSTR 3B return filling is quarterly
<ul style="list-style-type: none">• Monthly working to be prepared	<ul style="list-style-type: none">• Monthly working to be prepared (Self assessment method & even to check 35% or 100% liability)
<ul style="list-style-type: none">• Quarterly GSTR 1 Filling - turnover upto 1.5 cr	
<ul style="list-style-type: none">• Monthly GSTR 1 Filling - turnover upto 1.5 cr	<ul style="list-style-type: none">• Quarterly GSTR 1 filling / monthly optional IFF
<ul style="list-style-type: none">• Monthly GSTR 1 Filling - turnover from 1.5 cr to 5 cr	

Other procedures updates

- GSTR 2A vs GSTR 2B
- Auto populated GSTR 3B
- Communication between taxpayers

GSTR 2A vs GSTR 2B

ITC statement which is available electronically	ITC statement which is available electronically
For viewing purpose only	For availing ITC as per rule 36(4) – 110% of ITC available in GSTR 2B
ITC is reflected on the basis of filling of GSTR 1 as and when filed by the supplier	ITC for the month is reflected on the basis of GSTR 1 filed by the due date
ITC does not auto-populate in Form GSTR 3B	ITC auto-populates in Form GSTR 3B w.e.f 13.12.2020 which is editable. Any deviation to rule 36(4) is marked in red color.

Note : The information entered by you is in variance (>10%) with the auto-populated data. The input tax credit/reverse charge liability has been auto-populated on the basis of the GSTR-2B generated for you. Also, please note that any variance above 10% of the input tax credit in contravention to Rule 36(4) of the CGST Rules, 2017. Kindly recheck and proceed.

Details	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)
(A) ITC Available (whether in full or part)				
(1) Import of goods	0.00			0.00
(2) Import of services	0.00			0.00
(3) Inward supplies liable to reverse charge (other than 1 & 2 above)	0.00	0.00	0.00	0.00
(4) Inward supplies from ISD	0.00	0.00	0.00	0.00
(5) All other ITC	90d	6,286.96	6,286.96	0.00

GSTR 2B - additional updates

- ✓ It will be made available for **each month** on 12th day of succeeding month
- ✓ GSTR-2B generated for the month (let say January, 2021) will contain the details of all the documents filed by suppliers in their GSTR-1, 5 and 6 from 00:00 hours on 12th January, 2021 to 23:59 hours on 11th February 2021.
- ✓ Documents filed after due date will be reflected in next month GSTR 2B and hence
- ✓ ITC in respect of such invoices shall not be availed by taxpayer in current month

GSTR 2B - additional updates

- ✓ Credit shown as “ITC not available” covers following scenarios -
 - ITC not available on invoices / debit notes as per section 16(4)
 - Supplier GSTIN and place of supply is in same state but recipient is in another state

- ✓ **IRN** will be available in form GSTR 2A & GSTR 2B

Auto-population of outward supply

- ✓ Outward supply will be auto-populated on the basis of GSTR - 1
- ✓ System generated GSTR-3B is available on portal

Important Message

Once you have filled the relevant tables, please follow the following steps for filing:-

- Please click on 'Save GSTR3B' on the summary page.
- You may download and preview/save the draft GSTR-3B.
- Click on 'Proceed to payment' to offset your liabilities.
- In case of insufficient cash balance to set off the liabilities, challan creation facility has been provided on the same screen.
- After setting off liabilities, GSTR-3B can be filed by attaching DSC/EVC.

BACK

SYSTEM GENERATED GSTR-3B

SAVE GSTR3B

PREVIEW DRAFT GSTR-3B

PROCEED TO PAYMENT

Different integrations – 3 portals

- ✓ E – invoicing with GSTR 1
- ✓ GSTR 1 with GSTR 3B
- ✓ E – invoicing with E - way bill
- ✓ Outward supply in GSTR 1 will be reflected in GSTR 2A/2B of recipient
- ✓ GSTR 2B with GSTR 3B
- ✓ GSTR 2B with books



Communications between taxpayers – New option

The screenshot displays the Goods and Services Tax (GST) portal interface. At the top, the logo of India is visible on the left, and the text "Goods and Services Tax" is centered. On the right, the user profile "TALENTAX RENAISSANC" is shown with a notification bell icon containing the number "0". Below the header, a navigation bar includes "Dashboard", "Services", "GST Law", "Downloads", "Search Taxpayer", "Help and Taxpayer Facilities", and "e-Invoice". The "Services" dropdown menu is open, showing sub-categories: "Registration", "Ledgers", "Returns", "Payments", "User Services", "Refunds", and "e-Way Bill System". Under "User Services", a list of options is displayed, with "Communication Between Taxpayers" highlighted by a red rectangular box. Other options in the list include "My Saved Applications", "View/Download Certificates", "View My Submissions", "Feedback", "View My Submitted LUTs", "Engage / Disengage GST Practitioner (GSTP)", "View Additional Notices/Orders", "My Applications", "View Notices and Orders", "Holiday List", "Furnish Letter of Undertaking (LUT)", "Locate GST Practitioner (GSTP)", and "ITC02-Pending for action". Below the dropdown, there are buttons for "ANNUAL RETURN >" and "CONTINUE TO DASHBOARD >". On the right side, there are links for "Check Cash Balance", "Liability ledger", and "Credit ledger".

Communications between taxpayers – New option

Goods and Services Tax

TALENTAX RENAISSANCE
27AAGCT8391N1ZG

Dashboard Services GST Law Downloads Search Taxpayer Help e-Way Bill System New Return Trial

Dashboard Services User Services Communication Between Taxpayers English

COMMUNICATION BETWEEN TAXPAYERS

Inbox
(Notification & Reply Received)

+ Compose

Outbox
(Notification & Reply Sent)

Download CSV Template

Notification Received Reply Received

FROM RECIPIENT FROM SUPPLIER

Select	Recipient GSTIN	Trade/Legal Name	Subject	Notification Number	Notification Date	View Notificati
All						
<input type="checkbox"/>						

NO RECORDS FOUND

BACK

Communications between taxpayers – New option

The screenshot displays the 'Goods and Services Tax' portal interface. The main navigation bar includes 'Dashboard', 'Services', 'GST Law', 'Downloads', 'Search Taxpayer', 'Help', 'e-Way Bill System', and 'New Return Trial'. The user is logged in as 'TALENTAX RENAISSANCE' with ID '27AAGCT8391N1ZG'. The breadcrumb trail shows 'Dashboard > Services > User Services > Communication Between Taxpayers'. The page title is 'COMMUNICATION BETWEEN TAXPAYERS'. On the left sidebar, there are buttons for 'Inbox (Notification & Reply Received)', '+ Compose', 'Outbox (Notification & Reply Sent)', and 'Download CSV Template'. The main content area features a 'Send New Notification' form. The 'Notification To*' dropdown menu is open, showing 'Supplier' as the selected option. The 'Supplier GSTIN*' field is empty. The 'Trade/Legal Name' field is also empty. The 'Subject' field is empty, with a note '*Max 50 characters' below it. A red box highlights the '+ Compose' button and the 'Notification To*' dropdown menu.

COMMUNICATION BETWEEN TAXPAYERS

Send New Notification

Notification To* * Indicates Mandatory Fields


Supplier GSTIN*

Trade/Legal Name

Subject *Max 50 characters

+ Compose

Communications between taxpayers – New option

Inbox
(Notification & Reply Received) 

+ Compose

Outbox
(Notification & Reply Sent)

Download CSV Template

Send New Notification

Notification To* Supplier * Indicates Mandatory Fields

Supplier GSTIN* **Trade/Legal Name**

Subject *Max 50 characters

Document Details

Action Required	Document Type	Document Number	Document Date	Document Value	Place of Supply	Invoice Note S Type
Others <input type="text"/>	Invoice <input type="text"/>	<input type="text"/>	<input type="text" value="14/12/2020"/>	<input type="text"/>	<input type="text" value="27 - Mahar"/>	<input type="text" value="Select"/>

Recipient Remarks*

Communications between taxpayers – New option

Inbox
(Notification & Reply Received)

+ Compose

Outbox
(Notification & Reply Sent)

Download CSV
Template

Send New Notification

Notification To* * Indicates Mandatory Fields

Recipient

Recipient GSTIN* **Trade/Legal Name**

Subject *Max 50 characters

Document Details

Action Required	Document Type	Document Number	Document Date	Document Value	Place of Supply	Invoice Note S Type
<input type="text"/>	Invoice <input type="text"/>	<input type="text"/>	14/12/2020	<input type="text"/>	27 - Mahar <input type="text"/>	Select

Others

Payment not received

Others

Supplier Remarks*

अश्वं नैव गजं नैव, व्याघ्रं नैव च नैव च ।
अजापुत्रं बलिं दद्यात् देवो दुर्बलघातकः ॥

*Thank
you*



For any queries & feedback, reach us at :

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