

GST- RETURNS



Furnishing details of outward supplies

Section 37 of CGST bill, 2017

- 1) Every registered person, other than an Input Service Distributor, a non-resident taxable person and a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected during a tax period on or before the 10th day of the month succeeding the said tax period and such details shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed:

Provided that the registered person shall not be allowed to furnish the details of outward supplies during the period from the 11th day to the 15th day of the month succeeding the tax period:

Provided further that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:

Provided also that any extension of time limit notified by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.

- 2) Every registered person who has been communicated the details under sub-section (3) of section 38 or the details pertaining to inward supplies of Input Service Distributor under sub-section (4) of section 38, shall either accept or reject the details so communicated, on or before the 17th day, but not before the 15th day, of the month succeeding the tax period and the details furnished by him under sub-section (1) shall stand amended accordingly.

- 3) Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period:

Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier.

Explanation.—For the purposes of this Chapter, the expression “details of outward supplies” shall include details of invoices, debit notes, credit notes and revised invoices issued in relation to outward supplies made during any tax period.

Furnishing details of inward supplies

Section 38 of CGST bill, 2017

- 1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10, section 51 or section 52, shall verify, validate, modify or delete, if required, the details relating to outward supplies and credit or debit notes communicated under sub-section (1) of section 37 to prepare the details of his inward supplies and credit or debit notes and may include therein, the details of inward supplies and credit or debit notes received by him in respect of such supplies that have not been declared by the supplier under sub-section (1) of section 37.

- 2) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, the details of inward supplies of taxable goods or services or both, including inward supplies of goods or services or both on which the tax is payable on reverse charge basis under this Act and inward supplies of goods or services or both taxable under the Integrated Goods and Services Tax Act or on which integrated goods and services tax is payable under section 3 of the Customs Tariff Act, 1975, and credit or debit notes received in respect of such supplies during a tax period after the 10th day but on or before the 15th day of the month succeeding the tax period in such form and manner as may be prescribed:

Provided that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.

- 3) The details of supplies modified, deleted or included by the recipient and furnished under sub-section (2) shall be communicated to the supplier concerned in such manner and within such time as may be prescribed.
- 4) The details of supplies modified, deleted or included by the recipient in the return furnished under sub-section (2) or sub-section (4) of section 39 shall be communicated to the supplier concerned in such manner and within such time as may be prescribed.

- 5) Any registered person, who has furnished the details under sub-section (2) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in the tax period during which such error or omission is noticed in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period:

Provided that no rectification of error or omission in respect of the details furnished under sub-section (2) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier.

Furnishing of Returns

Section 39 of CGST bill, 2017

- 1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10, section 51 or section 52 shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars as may be prescribed, on or before the 20th day of the month succeeding such calendar month or part thereof.

- 2) A registered person paying tax under the provisions of section 10 shall, for each quarter or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, of turnover in the State or Union territory, inward supplies of goods or services or both, tax payable and tax paid within 18 days after the end of such quarter.

- 3) Every registered person required to deduct tax at source under the provisions of section 51 shall furnish, in such form and manner as may be prescribed, a return, electronically, for the month in which such deductions have been made within 10 days after the end of such month.
- 4) Every taxable person registered as an Input Service Distributor shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, within 13 days after the end of such month.
- 5) Every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, within 20 days after the end of a calendar month or within 7 days after the last day of the period of registration specified under sub-section (1) of section 27, whichever is earlier.

- 6) The Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing the returns under this section for such class of registered persons as may be specified therein:

Provided that any extension of time limit notified by the Commissioner of State tax or union territory tax shall be deemed to be notified by the Commissioner.

- 7) Every registered person, who is required to furnish a return under sub-section (1) or sub-section (2) or sub-section (3) or sub-section (5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return.
- 8) Every registered person who is required to furnish a return under sub-section (1) or sub-section (2) shall furnish a return for every tax period whether or not any supplies of goods or services or both have been made during such tax period.

- 9) Subject to the provisions of sections 37 and 38, if any registered person after furnishing a return under sub-section (1) or sub-section (2) or sub-section (3) or sub-section (4) or sub-section (5) discovers any omission or incorrect particulars therein, other than as a result of scrutiny, audit, inspection or enforcement activity by the tax authorities, he shall rectify such omission or incorrect particulars in the return to be furnished for the month or quarter during which such omission or incorrect particulars are noticed, subject to payment of interest under this Act:

Provided that no such rectification of any omission or incorrect particulars shall be allowed after the due date for furnishing of return for the month of September or second quarter following the end of the financial year, or the actual date of furnishing of relevant annual return, whichever is earlier.

- 10) A registered person shall not be allowed to furnish a return for a tax period if the return for any of the previous tax periods has not been furnished by him.

First Return

Section 40 of CGST bill, 2017

Every registered person who has made outward supplies in the period between the date on which he became liable to registration till the date on which registration has been granted shall declare the same in the first return furnished by him after grant of registration.

Claim of input tax credit and provisional acceptance thereof

Section 41 of CGST bill, 2017

- 1) Every registered person shall, subject to such conditions and restrictions as may be prescribed, be entitled to take the credit of eligible input tax, as self-assessed, in his return and such amount shall be credited on a provisional basis to his electronic credit ledger.
- 2) The credit referred to in sub-section (1) shall be utilised only for payment of self- assessed output tax as per the return referred to in the said sub-section.

Matching, reversal and reclaim of input tax credit

Section 42 of CGST bill, 2017

Matching, reversal and reclaim of ITC

- 1) The details of every inward supply furnished by a registered person (hereafter in this section referred to as the “recipient”) for a tax period shall, in such manner and within such time as may be prescribed, be matched—
 - a) with the corresponding details of outward supply furnished by the corresponding registered person (hereafter in this section referred to as the “supplier”) in his valid return for the same tax period or any preceding tax period;
 - b) with the integrated goods and services tax paid under section 3 of the Customs Tariff Act, 1975 in respect of goods imported by him; and
 - c) for duplication of claims of input tax credit.

Matching, reversal and reclaim of ITC

- 2) The claim of input tax credit in respect of invoices or debit notes relating to inward supply that match with the details of corresponding outward supply or with the integrated goods and services tax paid under section 3 of the Customs Tariff Act, 1975 in respect of goods imported by him shall be finally accepted and such acceptance shall be communicated, in such manner as may be prescribed, to the recipient.
- 3) Where the input tax credit claimed by a recipient in respect of an inward supply is in excess of the tax declared by the supplier for the same supply or the outward supply is not declared by the supplier in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed.
- 4) The duplication of claims of input tax credit shall be communicated to the recipient in such manner as may be prescribed.

Matching, reversal and reclaim of ITC

- 5) The amount in respect of which any discrepancy is communicated under sub-section (3) and which is not rectified by the supplier in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the recipient, in such manner as may be prescribed, in his return for the month succeeding the month in which the discrepancy is communicated.
- 6) The amount claimed as input tax credit that is found to be in excess on account of duplication of claims shall be added to the output tax liability of the recipient in his return for the month in which the duplication is communicated.
- 7) The recipient shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5), if the supplier declares the details of the invoice or debit note in his valid return within the time specified in sub-section (9) of section 39.

- 8) A recipient in whose output tax liability any amount has been added under sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 on the amount so added from the date of availing of credit till the corresponding additions are made under the said sub-sections.
- 9) Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section (8) shall be refunded to the recipient by crediting the amount in the corresponding head of his electronic cash ledger in such manner as may be prescribed:
Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the supplier.
- 10) The amount reduced from the output tax liability in contravention of the provisions of sub-section (7) shall be added to the output tax liability of the recipient in his return for the month in which such contravention takes place and such recipient shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of section 50.

*Matching, reversal and reclaim of reduction in
output tax liability*

Section 43 of CGST bill, 2017

Reduction in Output Tax liability

- 1) The details of every credit note relating to outward supply furnished by a registered person (hereafter in this section referred to as the “supplier”) for a tax period shall, in such manner and within such time as may be prescribed, be matched—
 - a) with the corresponding reduction in the claim for input tax credit by the corresponding registered person (hereafter in this section referred to as the “recipient”) in his valid return for the same tax period or any subsequent tax period; and
 - b) For duplication of claims for reduction in output tax liability.
- 2) The claim for reduction in output tax liability by the supplier that matches with the corresponding reduction in the claim for input tax credit by the recipient shall be finally accepted and communicated, in such manner as may be prescribed, to the supplier.

Reduction in Output Tax liability

- 3) Where the reduction of output tax liability in respect of outward supplies exceeds the corresponding reduction in the claim for input tax credit or the corresponding credit note is not declared by the recipient in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed.
- 4) The duplication of claims for reduction in output tax liability shall be communicated to the supplier in such manner as may be prescribed.
- 5) The amount in respect of which any discrepancy is communicated under sub- section (3) and which is not rectified by the recipient in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the supplier, in such manner as may be prescribed, in his return for the month succeeding the month in which the discrepancy is communicated.

Reduction in Output Tax liability

- 6) The amount in respect of any reduction in output tax liability that is found to be on account of duplication of claims shall be added to the output tax liability of the supplier in his return for the month in which such duplication is communicated.
- 7) The supplier shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5) if the recipient declares the details of the credit note in his valid return within the time specified in sub-section (9) of section 39.
- 8) A supplier in whose output tax liability any amount has been added under sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 in respect of the amount so added from the date of such claim for reduction in the output tax liability till the corresponding additions are made under the said sub-sections.

- 9) Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section (8) shall be refunded to the supplier by crediting the amount in the corresponding head of his electronic cash ledger in such manner as may be prescribed:

Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the recipient.

- 10) The amount reduced from output tax liability in contravention of the provisions of sub-section (7) shall be added to the output tax liability of the supplier in his return for the month in which such contravention takes place and such supplier shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of section 50.

Annual return
Section 44 of CGST bill, 2017

- 1) Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return for every financial year electronically in such form and manner as may be prescribed on or before the 31st of December following the end of such financial year.

- 2) Every registered person who is required to get his accounts audited in accordance with the provisions of sub-section (5) of section 35 shall furnish, electronically, the annual return under sub-section (1) along with a copy of the audited annual accounts and a reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year with the audited annual financial statement, and such other particulars as may be prescribed.

Notice to return defaulters

Section 45 of CGST bill, 2017

Where a registered person fails to furnish a return under section 39 or section 44 or section 45, a notice shall be issued requiring him to furnish such return within 15 days in such form and manner as may be prescribed.

Levy of Late Fee

Section 47 of CGST bill, 2017

- 1) Any registered person who fails to furnish the details of outward or inward supplies required under section 37 or section 38 or returns required under section 39 or section 45 by the due date shall pay a late fee of Rs. 100 for every day during which such failure continues subject to a maximum amount of Rs. 5000.

- 2) Any registered person who fails to furnish the return required under section 44 by the due date shall be liable to pay a late fee of Rs. 100 for every day during which such failure continues subject to a maximum of an amount calculated at a quarter per cent of his turnover in the State or Union territory.

Goods and services tax practitioners
Section 48 of CGST bill, 2017

- 1) The manner of approval of goods and services tax practitioners, their eligibility conditions, duties and obligations, manner of removal and other conditions relevant for their functioning shall be such as may be prescribed.
- 2) A registered person may authorise an approved goods and services tax practitioner to furnish the details of outward supplies under section 37, the details of inward supplies under section 38 and the return under section 39 or section 44 or section 45 in such manner as may be prescribed.
- 3) Notwithstanding anything contained in sub-section (2), the responsibility for correctness of any particulars furnished in the return or other details filed by the goods and services tax practitioners shall continue to rest with the registered person on whose behalf such return and details are furnished.

Returns Rules

*Rule 1-Form and manner of furnishing details of
outward supplies*

Rule 1- Form and manner of outward Supplies

- (1) Every registered person required to furnish the details of outward supplies of goods or services or both under section 37, shall furnish such details in **FORM GSTR-1** electronically through the Common Portal either directly or through a Facilitation Centre notified by Commissioner.
- (2) The details of outward supplies of goods or services or both furnished in **FORM GSTR-1** shall include inter-alia,—
 - (a) invoice wise details of all -
 - (i) inter-State and intra-State supplies made to registered persons;
 - (ii) inter-State supplies with invoice value more than two and a half lakh rupees made to unregistered persons;
 - (b) consolidated details of all -
 - (i) intra-State supplies made to unregistered persons for each rate of tax; and
 - (ii) State wise inter-State supplies with invoice value less than two and a half lakh rupees made to unregistered persons for each rate of tax; and
 - (c) debit and credit notes, if any issued during the month for invoices issued previously.

Rule 1- Form and manner of outward Supplies

- (3) The details of outward supplies furnished by the supplier shall be made available electronically to the concerned registered persons (recipients) in Part A of **FORM GSTR- 2A**, in **FORM GSTR-4A** and in **FORM GSTR-6A** through the Common Portal after the due date of filing of **FORM GSTR-1**.
- (4) The details of inward supplies added, corrected or deleted by the recipient in his **FORM GSTR-2** under section 38 or **FORM GSTR-4** under section 39 shall be made available to the supplier electronically in **FORM GSTR-1A** through the Common Portal and such supplier may either accept or reject the modifications made by the recipient and **FORM GSTR-1** furnished earlier by the supplier shall stand amended to the extent of modifications accepted by him.

***Rule 2- Form and manner of furnishing details of
inward supplies***

Rule 2- Form and manner of inward Supplies

- (1) Every registered person required to furnish the details of inward supplies of goods or services or both received during a tax period under sub-section (2) of section 38 shall, on the basis of details contained in Part A, Part B, Part C and Part D of **FORM GSTR-2A**, prepare such details as specified in sub-section (1) of the said section and furnish the same in **FORM GSTR-2** electronically through the Common Portal, either directly or from a Facilitation Centre notified by the Commissioner, after including therein details of such other inward supplies, if any, required to be furnished under sub-section (2) of section 38.
- (2) Every registered person shall furnish the details, if any, required under sub-section (5) of section 38 electronically in **FORM GSTR-2**.
- (3) The registered person shall specify the inward supplies in respect of which he is not eligible, either fully or partially, for input tax credit in **FORM GSTR-2** where such eligibility can be determined at the invoice level.

Rule 2- Form and manner of inward Supplies

- (4) The registered person shall declare the quantum of ineligible input tax credit on inward supplies which is relatable to non-taxable supplies or for purposes other than business and cannot be determined at the invoice level in **FORM GSTR-2**.
- (5) The details of invoices furnished by an Input Service Distributor in his return in **FORM GSTR-6** under rule 7 shall be made available to the recipient of credit in Part B of **FORM GSTR -2A** electronically through the Common Portal and the said recipient may include the same in **FORM GSTR-2**.
- (6) The details of tax deducted at source furnished by the deductor under sub-section (3) of section 39 in **FORM GSTR-7** shall be made available to the deductee in Part C of **FORM GSTR-2A** electronically through the Common Portal and the said deductee may include the same in **FORM GSTR-2**.

Rule 2- Form and manner of inward Supplies

- (7) The details of tax collected at source furnished by an e-commerce operator under section 52 in **FORM GSTR-8** shall be made available to the concerned person in Part D of **FORM GSTR - 2A** electronically through the Common Portal and such taxable person may include the same in **FORM GSTR-2**.
- (8) The details of inward supplies of goods or services or both furnished in Form **GSTR-2** shall include, *inter-alia*-
- (a) invoice wise details of all inter-State and intra-State supplies received from registered persons or unregistered persons;
 - (b) import of goods and services made; and
 - (c) debit and credit notes, if any, received from supplier

***Rule 3- Form and manner of submission of
monthly return***

Rule 3- Form and manner of Monthly Return

- (1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under section 10 or section 51 or, as the case may be, under section 52 shall furnish a return specified under sub-section (1) of section 39 in **FORM GSTR-3** electronically through the Common Portal either directly or through a Facilitation Centre notified by the Commissioner.
- (2) Part A of the return under sub-rule (1) shall be electronically generated on the basis of information furnished through returns in **FORM GSTR-1**, **FORM GSTR-2** and based on other liabilities of preceding tax periods.
- (3) Every registered person furnishing the return under sub-rule (1) shall, subject to the provisions of section 49, discharge his liability towards tax, interest, penalty, fees or any other amount payable under the Act or these rules by debiting the electronic cash ledger or electronic credit ledger and include the details in Part B of the return in **FORM GSTR-3**.

Rule 3- Form and manner of Monthly Return

- (4) A registered person, claiming refund of any balance in the electronic cash ledger in accordance with the provisions of subsection (6) of section 49, may claim such refund in Part B of the return in **FORM GSTR-3** and such return shall be deemed to be an application filed under section 54.

- (5) Where the time limit for furnishing of details in **FORM GSTR-1** under section 37 and in **FORM GSTR-2** under section 38 has been extended, return in **FORM GSTR-3B**, in lieu of **FORM GSTR-3**, may be furnished in such manner as may be notified by the Commissioner .

***Rule 4- Form and manner of submission of
quarterly return by the composition
supplier***

Rule 4- Form and manner of Quarterly Return

- (1) Every registered person paying tax under section 10 shall, after adding, correcting or deleting the details in **FORM GSTR-4A**, furnish a quarterly return in **FORM GSTR-4** electronically through the Common Portal, either directly or through a Facilitation Centre notified by the Commissioner.
- (2) Every registered person furnishing the return under sub-rule (1) shall discharge his liability towards tax, interest, penalty, fees or any other amount payable under the Act or these rules by debiting the electronic cash ledger.
- (3) The return furnished under sub-rule (1) shall include, inter-alia:
 - (a) invoice wise inter-State and intra-State inward supplies received from registered and un-registered persons;
 - (b) import of goods and services made;
 - (c) consolidated details of outward supplies made; and
 - (d) debit and credit notes issued and received, if any;

Rule 4- Form and manner of Quarterly Return

- (4) A registered person who has opted to pay tax under section 10 from the beginning of a financial year, shall furnish the details of outward and inward supplies and return under rule 1, rule 2 and rule 3 relating to the period during which the person was liable to furnish such details and returns till the due date of furnishing the return for the month of September of the succeeding financial year or furnishing of annual return of the preceding financial year, whichever is earlier.

***Rule 5- Form and manner of submission of return by
non-resident taxable person***

Every registered non-resident taxable person shall furnish a return in **FORM GSTR-5** electronically through the Common Portal, either directly or through a Facilitation Centre notified by the Commissioner, including therein the details of outward supplies and inward supplies and shall pay the tax, interest, penalty, fees or any other amount payable under the Act or these rules within 20 days after the end of a tax period or within 7 days after the last day of the validity period of registration, whichever is earlier.

Rule 6-Form and manner of submission of return by Input Service Distributor

Every Input Service Distributor shall, after adding, correcting or deleting the details contained in **FORM GSTR-6A**, furnish electronically a return in **FORM GSTR-6**, containing the details of tax invoices on which credit has been received and those issued under section 20, through the Common Portal either directly or from a Facilitation Centre notified by the Commissioner.

Rule 7- Form and manner of submission of return by a person required to deduct tax at source

- (1) Every registered person required to deduct tax at source under section 51 shall furnish a return in **FORM GSTR-7** electronically through the Common Portal either directly or from a Facilitation Centre notified by the Commissioner.
- (2) The details furnished by the deductor under sub-rule (1) shall be made available electronically to each of the suppliers in Part C of **FORM GSTR-2A** on the Common Portal after the due date of filing of **FORM GSTR-7**.
- (3) The certificate referred to in sub-section (3) of section 51 shall be made available electronically to the deductee on the Common Portal in **FORM GSTR-7A** on the basis of the return furnished under sub-rule (1).

Rule 8-Form and manner of submission of statement of supplies by an e-commerce operator

- (1) Every electronic commerce operator required to collect tax at source under section 52 shall furnish a statement in **FORM GSTR-8** electronically through the Common Portal, either directly or from a Facilitation Centre notified by the Commissioner, containing details of supplies effected through such operator and the amount of tax collected as required under sub-section (1) of section 52.
- (2) The details furnished by the operator under sub-rule (1) shall be made available electronically to each of the suppliers in Part D of **FORM GSTR-2A** on the Common Portal after the due date of filing of **FORM GSTR-8**.

Rule 9- Notice to non-filers of returns

A notice in **FORM GSTR-3A** shall be issued, electronically, to a registered person who fails to furnish return under section 39 and section 45.

Rule 10- Matching of claim of input tax credit

Rule 10- Matching of Claim of ITC

The following details relating to the claim of input tax credit on inward supplies including imports, provisionally allowed under section 41, shall be matched under section 42 after the due date for furnishing the return in **FORM GSTR-3**

- (a) GSTIN of the supplier;
- (b) GSTIN of the recipient;
- (c) Invoice/ or debit note number;
- (d) Invoice/ or debit note date;
- (e) taxable value; and
- (f) tax amount:

Provided that where the time limit for furnishing **FORM GSTR-1** specified under section 37 and **FORM GSTR-2** specified under section 38 has been extended, the date of matching relating to claim of input tax credit shall also be extended accordingly.

Rule 10- Matching of Claim of ITC

Explanation 1.- The claim of input tax credit in respect of invoices and debit notes in **FORM GSTR-2** that were accepted by the recipient on the basis of **FORM GSTR-2A** without amendment shall be treated as matched if the corresponding supplier has furnished a valid return.

Explanation 2. - The claim of input tax credit shall be considered as matched, where the amount of input tax credit claimed is equal to or less than the output tax paid on such tax invoice or debit note by the corresponding supplier.

Rule 11- Final acceptance of input tax credit and communication thereof

- (1) The final acceptance of claim of input tax credit in respect of any tax period, specified in sub-section (2) of section 42, shall be made available electronically to the registered person making such claim in **FORM GST MIS -1** through the Common Portal.
- (2) The claim of input tax credit in respect of any tax period which had been communicated as mismatched but is found to be matched after rectification by the supplier or recipient shall be finally accepted and made available electronically to the person making such claim in **FORM GST MIS - 1** through the Common Portal.

*Rule 12- Communication and rectification of
discrepancy in claim of input tax
credit and reversal of claim of input
tax credit*

Rule 12- Communication and Rectification

- (1) Any discrepancy in the claim of input tax credit in respect of any tax period, specified in sub-section (3) of section 42 and the details of output tax liable to be added under subsection (5) of the said section on account of continuation of such discrepancy shall be made available to the registered person making such claim electronically in **FORM GST MIS -1** and to the supplier electronically in **FORM GST MIS-2** through the Common Portal on or before the last date of the month in which the matching has been carried out.
- (2) A supplier to whom any discrepancy is made available under sub-rule (1) may make suitable rectifications in the statement of outward supplies to be furnished for the month in which the discrepancy is made available.
- (3) A recipient to whom any discrepancy is made available under sub-rule (1) may make suitable rectifications in the statement of inward supplies to be furnished for the month in which the discrepancy is made available.

Rule 12- Communication and Rectification

- (4) Where the discrepancy is not rectified under sub-rule (2) or sub-rule (3), an amount to the extent of discrepancy shall be added to the output tax liability of the recipient in his return to be furnished in **FORM GSTR-3** for the month succeeding the month in which the discrepancy is made available.

Explanation 1. - Rectification by a supplier means adding or correcting the details of an outward supply in his valid return so as to match the details of corresponding inward supply declared by the recipient.

Explanation 2. - Rectification by the recipient means deleting or correcting the details of an inward supply so as to match the details of corresponding outward supply declared by the supplier.

***Rule 13- Claim of input tax credit on the same invoice
more than once***

Duplication of claims of input tax credit in the details of inward supplies shall be communicated to the registered person in **FORM GST MIS - 1** electronically through the Common Portal.

***Rule 14- Matching of claim of reduction in
the output tax liability***

Rule 14- Matching of claim

- (1) The following details relating to the claim of reduction in output tax liability shall be matched under section 43 after the due date for furnishing the return in **FORM GSTR-3** –
- (a) GSTIN of the supplier;.
 - (b) GSTIN of the recipient;
 - (c) credit note number;
 - (d) credit note date;
 - (e) taxable value; and
 - (f) tax amount:

Provided that where the time limit for furnishing **FORM GSTR-1** under section 37 and **FORM GSTR-2** under section 38 has been extended, the date of matching of claim of reduction in the output tax liability shall be extended accordingly.

Rule 14- Matching of claim

Explanation 1.- The claim of reduction in output tax liability due to issuance of credit notes in **FORM GSTR-1** that were accepted by the recipient in **FORM GSTR-2** without amendment shall be treated as matched if the corresponding recipient has furnished a valid return.

Explanation 2.- The claim of reduction in the output tax liability shall be considered as matched, where the amount of reduction claimed is equal to or less than the claim of reduction in input tax credit admitted and discharged on such credit note by the corresponding recipient in his valid return.

Rule 15- Final acceptance of reduction in output tax liability and communication thereof

- (1) The final acceptance of claim of reduction in output tax liability in respect of any tax period, specified in sub-section (2) of section 43, shall be made available electronically to the person making such claim in **FORM GST MIS - 3** through the Common Portal.
- (2) The claim of reduction in output tax liability in respect of any tax period which had been communicated as mis-matched but is found to be matched after rectification by the supplier or recipient shall be finally accepted and made available electronically to the person making such claim in **FORM GST MIS - 3** through the Common Portal.

Rule 16- Communication and rectification of discrepancy in reduction in output tax liability and reversal of claim of reduction

Rule 16- Communication and Rectification in output Tax

- (1) Any discrepancy in claim of reduction in output tax liability, specified in sub-section (3) of section 43, and the details of output tax liability to be added under sub-section (5) of the said section on account of continuation of such discrepancy shall be made available to the registered person making such claim electronically in **FORM GST MIS - 3** and the recipient electronically in **FORM GST MIS - 4** through the Common Portal on or before the last date of the month in which the matching has been carried out.
- (2) A supplier to whom any discrepancy is made available under sub-rule (1) may make suitable rectifications in the statement of outward supplies to be furnished for the month in which the discrepancy is made available.
- (3) A recipient to whom any discrepancy is made available under sub-rule (1) may make suitable rectifications in the statement of inward supplies to be furnished for the month in which the discrepancy is made available.

Rule 16- Communication and Rectification in output Tax

- (4) Where the discrepancy is not rectified under sub-rule (2) or sub-rule (3), an amount to the extent of discrepancy shall be added to the output tax liability of the supplier and debited to tax liability register and also shown in his return in **FORM GSTR-3** for the month succeeding the month in which the discrepancy is made available.

Explanation 1.- Rectification by a supplier means deleting or correcting the details of an outward supply in his valid return so as to match the details of corresponding inward supply declared by the recipient.

Explanation 2.- Rectification by the recipient means adding or correcting the details of an inward supply so as to match the details of corresponding outward supply declared by the supplier.

Rule 17- Claim of reduction in output tax liability more than once

Duplication of claims for reduction in output tax liability in the details of outward supplies shall be communicated to the registered person in **FORM GST MIS - 3** electronically through the Common Portal.

Rule 18- Refund of interest paid on reclaim of reversals

The interest to be refunded under sub-section (9) of section 42 or sub-section (9) of section 43 shall be claimed by the registered person in his return in **FORM GSTR-3** and shall be credited to his electronic cash ledger in **FORM GST PMT-3** and the amount credited shall be available for payment of any future liability towards interest or the taxable person may claim refund of the amount under section 54.

*Rule 19- Matching of details furnished by the
e-Commerce operator with the details
furnished by the supplier*

Matching of details by e-commerce with supplier

The following details relating to the supplies made through an e-Commerce operator, as declared in **FORM GSTR-8**, shall be matched with the corresponding details declared by the supplier in **FORM GSTR-1**

- (a) GSTIN of the supplier;
- (b) GSTIN or UIN of the recipient, if the recipient is a registered person;
- (c) State of place of supply;
- (d) invoice number of the supplier;
- (e) date of invoice of the supplier;
- (f) taxable value; and
- (g) tax amount:

Matching of details by e-commerce with supplier

Provided that for all supplies where the supplier is not required to furnish the details separately for each supply, the following details relating to such supplies made through an eCommerce operator, as declared in **FORM GSTR-8**, shall be matched with the corresponding details declared by the supplier in **FORM GSTR-1-**

- (a) GSTIN of the supplier;
- (b) State of place of supply;
- (c) total taxable value of all supplies made in the State through e-commerce portal; and
- (d) tax amount on all supplies made in the State:

Provided further that where the time limit for furnishing **FORM GSTR-1** under section 37 has been extended, the date of matching of the above mentioned details shall be extended accordingly.

***Rule 20- Communication and rectification of
discrepancy in details furnished by
the ecommerce operator and the
supplier***

Communication by e-commerce operator and supplier

- (1) Any discrepancy in the details furnished by the operator and those declared by the supplier shall be made available to the supplier electronically in **FORM GST MIS-5** and to the e-commerce portal electronically in **FORM GST MIS-6** through the Common Portal on or before the last date of the month in which the matching has been carried out.
- (2) A supplier to whom any discrepancy is made available under sub-rule (1) may make suitable rectifications in the statement of outward supplies to be furnished for the month in which the discrepancy is made available.
- (3) An operator to whom any discrepancy is made available under sub-rule (1) may make suitable rectifications in the statement to be furnished for the month in which the discrepancy is made available.

Communication by e-commerce operator and supplier

- (4) Where the discrepancy is not rectified under sub-rule (2) or sub-rule (3), an amount to the extent of discrepancy shall be added to the output tax liability of the supplier in his return in **FORM GSTR-3** for the month succeeding the month in which the details of discrepancy are made available and such addition to the output tax liability and interest payable thereon shall be made available to the supplier electronically on the Common Portal in **FORM GST MIS -5**.

Rule 21- Annual Return

- (1) Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return as specified under sub-section (1) of section 44 electronically in **FORM GSTR-9** through the Common Portal either directly or through a Facilitation Centre notified by the Commissioner:

Provided that a person paying tax under section 10 shall furnish the annual return in **FORM GSTR-9A**.

- (2) Every registered person whose aggregate turnover during a financial year exceeds one crore rupees shall get his accounts audited as specified under sub-section (5) of section 35 and he shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in **FORM GSTR-9B**, electronically through the Common Portal either directly or through a Facilitation Centre notified by the Commissioner.

Rule 22- Final Return

Every registered person required to furnish a final return under section 45, shall furnish such return electronically in **FORM GSTR-10** through the Common Portal either directly or through a Facilitation Centre notified by the Commissioner.

Rule 23- Details of inward supplies of persons having Unique Identity Number

- (1) Every person, who has been issued a Unique Identity Number and claims refund of the taxes paid on his inward supplies, shall furnish the details of such supplies of taxable goods or services or both in **FORM GSTR-11** along with application for such refund claim either directly or through a Facilitation Centre, notified by the Commissioner.
- (2) Every person, who has been issued a Unique Identity Number for purposes other than refund of the taxes paid, shall furnish the details of inward supplies of taxable goods or services or both as may be required by the proper officer in **FORM GSTR-11**.

*Rule 24- Provisions relating to a goods and
services tax practitioner*

Rule 24- Provision Relating to goods and STP

(1) An application in **FORM GST PCT-1** may be made to the officer authorised in this behalf for enrolment as goods and services tax practitioner by any person who:

- (a) (i) is a citizen of India;
- (ii) is a person of sound mind;
- (iii) is not adjudicated as insolvent;
- (iv) has not been convicted by a competent court for an offence with imprisonment not less than two years,-

and satisfies any of the following conditions: -

- (b) that he is a retired officer of the Commercial Tax Department of any State Government or of the Central Board of Excise and Customs, Department of Revenue, Government of India, who, during his service under the Government, had worked in a post not lower in rank than that of a Group-B gazetted officer for a period of not less than 2 years; or

(c) he has passed:

- (i) a graduate or postgraduate degree or its equivalent examination having a degree in Commerce, Law, Banking including Higher Auditing, or Business Administration or Business Management from any Indian University established by any law for the time being in force; or
- (ii) a degree examination of any Foreign University recognized by any Indian University as equivalent to the degree examination mentioned in sub clause (i); or
- (iii) any other examination notified by the Government for this purpose; or
- (iv) any degree examination of an Indian University or of any Foreign University recognized by any Indian University as equivalent of the degree examination and has also passed any of the following examinations, namely.-

Rule 24- Provision Relating to goods and STP

- (a) final examination of the Institute of Chartered Accountants of India; or
 - (b) final examination of the Institute of Cost Accountants of India; or
 - (c) final examination of the Institute of Company Secretaries of India.
- (2) On receipt of the application referred to in sub-rule (1), the authorised officer shall, after making such enquiry as he considers necessary, either enrol the applicant as a goods and services tax practitioner and issue a certificate to that effect in **FORM GST PCT - 2** or reject his application where it is found that the applicant is not qualified to be enrolled as a goods and services tax practitioner.

- (3) The enrolment made under sub-rule (2) shall be valid until it is cancelled.
- (4) If any goods and services tax practitioner is found guilty of misconduct in connection with any proceedings under the Act, the authorised officer may, by order, in **FORM GST PCT** direct that he shall henceforth be disqualified under section 48, after giving him a notice to show cause in **FORM GST PCT** against such disqualification and after giving him a reasonable opportunity of being heard.
- (5) Any person against whom an order under sub-rule (4) is made may, within 30 days from the date of the order under sub-rule (4), appeal to the Commissioner against such order.

- (6) A list of goods and services tax practitioner enrolled under sub-rule (1) shall be maintained on the Common Portal in **FORM GST PCT -5** and the authorised officer may make such amendments to the list as may be necessary from time to time, by reason of any change of address or death or disqualification of any goods and services tax practitioner.
- (7) Any registered person may, at his option, authorise a goods and services tax practitioner on the Common Portal in **FORM GST PCT -6** or, at any time, withdraw such authorisation in **FORM GST PCT -7** and the goods and services tax practitioner so authorised shall be allowed to undertake such tasks as indicated in **FORM GST PCT -6** during the period of authorisation.

(8) Where a statement required to be furnished by a registered person has been furnished by the goods and services tax practitioner authorised by him, a confirmation shall be sought from the registered person over email or SMS and the statement furnished by the goods and services tax practitioner shall be made available to the registered person on the Common Portal:

Provided that where the taxable person fails to respond to the request for confirmation till the last date of furnishing of such statement, it shall be deemed that he has confirmed the statements furnished by the goods and services tax practitioner.

- (9) A goods and services tax practitioner can undertake any or all of the following activities on behalf of a registered person, if so authorised by the registered person to:
- (a) furnish details of outward and inward supplies;
 - (b) furnish monthly, quarterly, annual or final return;
 - (c) make deposit for credit into the electronic cash ledger;
 - (d) file a claim for refund; and
 - (e) file an application for amendment or cancellation of registration.

(10) Any registered person opting to furnish his return through a goods and services tax practitioner shall-

(a) give his consent in **FORM GST PCT -6** to any goods and services tax practitioner to prepare and furnish his return; and

(b) before confirming submission of any statement prepared by the goods and services tax practitioner, ensure that the facts mentioned in the return are true and correct before signature.

(11) The goods and services tax practitioner shall-

(a) prepare the statements with due diligence; and

(b) affix his digital signature on the statements prepared by him or electronically verify using his credentials.

Rule 25- Conditions for purposes of appearance

- (1) No person shall be eligible to attend before any authority, as a goods and services tax practitioner, in connection with any proceedings under the Act on behalf of any registered person or un-registered person unless his name has been entered in the list maintained under sub-rule (6) of rule 24 .
- (2) An Accountant or a goods and services tax practitioner attending on behalf of a registered person or an un-registered person in any proceedings under the Act before any authority shall produce before such authority, if required, a copy of the authorisation given by the taxable person or person in Form **GST PCT -6**.

Thank You

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