



NEWSLETTER

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DEEPALI MISHRA & ASSOCIATES
CHARTERED ACCOUNTANTS



INDIRECT TAX UPDATES

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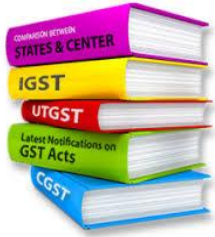
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Recent Notifications Issued under GST

Amendments in Central Goods & Services Tax Rules, 2017 [Notification No. 62/2020-Central Tax dated 20.08.2020]

The Central Government vide Notification No. 62/2020- Central Tax dated 20th August 2020; has made the following amendments in the Central Goods & Services Tax Rules, 2017: -

Rule	Amendments
Rule 8: (Application for registration)	<p><u>Substitution of sub-rule (4A) w.e.f. 1st April, 2020: -</u></p> <p>“(4A) Where an applicant, other than a person notified under sub- section (6D) of section 25, opts for authentication of Aadhaar number, he shall, while submitting the application under sub-rule (4), with effect from 21st August, 2020, undergo authentication of Aadhaar number and the date of submission of the application in such cases shall be the date of authentication of the Aadhaar number, or fifteen days from the submission of the application in Part B of FORM GST REG-01 under sub rule (4), whichever is earlier.</p>
Rule 9: (Verification of the application and approval.)	<p><u>Amendments w.e.f. 21st August, 2020: -</u></p> <p><u>(i) Substitution of proviso in sub-rule (1): -</u></p> <p>in sub-rule (1), for the proviso, the following provisos shall be substituted, namely: -</p> <p>“Provided that where a person, other than a person notified under sub-section (6D) of section 25, fails to undergo authentication of Aadhaar number as specified in sub-rule (4A) of rule 8 or does not opt for authentication of Aadhaar number, the registration shall be granted only after physical verification of the place of business in the presence of the said</p>

person, in the manner provided under rule 25:

Provided further that the proper officer may, for reasons to be recorded in writing and with the approval of an officer not below the rank of Joint Commissioner, in lieu of the physical verification of the place of business, carry out the verification of such documents as he may deem fit."

(ii) Insertion of proviso in sub-rule (2): -

in sub-rule (2), before the Explanation, the following proviso shall be inserted, namely: -

"Provided that where a person, other than a person notified under sub-section (6D) of section 25, fails to undergo authentication of Aadhaar number as specified in sub-rule (4A) of rule 8 or does not opt for authentication of Aadhaar number, the notice in FORM GST REG-03 may be issued not later than twenty one days from the date of submission of the application."

(iii) in sub-rule (4), for the word, "shall", the word "may" shall be substituted

(iv) Substitution of sub-rule (5): -

for sub-rule (5), the following sub-rule shall be substituted, namely: -

"(5) If the proper officer fails to take any action, -

(a) within a period of three working days from the date of submission of the application in cases where a person successfully undergoes authentication of Aadhaar number or is notified under subsection (6D) of section 25; or

(b) within the time period prescribed under the proviso to sub-rule (2), in cases where a person, other than a person notified under sub-section (6D) of section 25, fails to undergo authentication of

	<p>Aadhaar number as specified in sub-rule (4A) of rule 8; or</p> <p>(c) within a period of twenty-one days from the date of submission of the application in cases where a person does not opt for authentication of Aadhaar number; or</p> <p>(d) within a period of seven working days from the date of the receipt of the clarification, information or documents furnished by the applicant under sub-rule (2), the application for grant of registration shall be deemed to have been approved.”.</p>
<p>Rule 25: (Physical verification of business premises in certain cases.)</p>	<p><u>Insertion in Rule 25: -</u></p> <p>with effect from 21st August, 2020, after the words “failure of Aadhaar authentication”, the words “or due to not opting for Aadhaar authentication” shall be inserted.</p>

Amendment in section 50 of the CGST Act, 2017 w.e.f. 01.09.2020 [Notification No. 63/2020-Central Tax dated 25.08.2020]

The Central Government vide Notification No. 63/2020- Central Tax dated 25th August, 2020 notified that the amendment in section 50 of the CGST Act, 2017 regarding Levy of interest on Net Tax Liability (i.e. interest on tax paid through Electronic Cash Ledger only) shall be effective from 1st September,2020.

Press Release: Interest on delayed payment of GST:

CBIC has clarified that the Notification No. 63/2020-Central Tax dated 25th August 2020 relating to interest on delayed payment of GST has been issued prospectively due to certain technical limitations. However, it has assured that no recoveries shall be made for the past period as well by the Central and State tax administration in accordance with the decision taken in the 39th Meeting of GST Council. This will ensure full relief to the taxpayers as decided by the GST Council.

Extension of due date for filing FORM GSTR-4 for financial year 2019-2020

The Central Government vide Notification No. 64/2020- Central Tax dated 31st August, 2020 has further extended the due date of filing of GSTR-4 for the year ending 31st March,2020 till 31st October ,2020.



PORTAL UPDATES

Press Release

Launch of GSTR-2B for the month of July 2020

GSTR-2B is an auto-drafted ITC statement which will be generated for every registered person on the basis of the information furnished by his suppliers in their respective GSTR-1, 5 (non-resident taxable person) and 6 (input service distributor).

It is a static statement and will be made available for each month, on the 12th day of the succeeding month.

It is expected that GSTR-2B will help in reduction in time taken for preparing return, minimising errors, assist reconciliation & simplify compliance relating to filing of returns.

Key features in GSTR-2B which would assist taxpayers in return filing are as under:

1. It contains information on import of goods from the ICEGATE system including inward supplies of goods received from Special Economic Zones Units / Developers. This is not available with the release of GSTR-2B for the month of July and will be made available shortly.
2. A summary statement which shows all the ITC available and non-available under each section. The advisory given against each section clarifies the action to be taken by the taxpayers in their respective section of GSTR-3B;
3. Document level details of all invoices, credit notes, debit notes etc. is also provided both for viewing and download

GSTR-2B for the month of July 2020 has been made available on the common portal on trial basis. Since, this is the first time that the statement is being introduced, taxpayers are advised to refer to GSTR-2B for the month of July, 2020 only for feedback purposes.

All taxpayers are requested to go through their GSTR-2B for July 2020 and after comparing the same with the credit availed by them in July 2020, provide feedback (if any) on any aspect of GSTR-2B by raising a ticket on the self- service portal (<https://selfservice.gstsystem.in/>).

All taxpayers are advised to view the detailed advisory relating to GSTR-2B on the common portal before using the statement.

Import data in GSTR-2A

Two new tables have been inserted in GSTR-2A for displaying details of import of goods from overseas and inward supplies made from SEZ units / SEZ developers. Taxpayers can now view their bill of entries data which is received by the GST System (GSTN) from ICEGATE System (Customs). The present data upload has been done on a trial basis to give a feel of the functionality and to get feedback from the taxpayers on the same. Currently, the system is displaying data up to 6th August, 2020. Further, taxpayers may note that system is currently does not contain import information for bill of entries filed at non-computerized ports (non-EDI ports) and imports made through courier services/post office. This will be made available shortly. It may also be noted that amendment information made in the details of bill of entries will also be provided soon. Taxpayers are requested that they share their feedback through raising a ticket on the self- service portal (<https://selfservice.gstsystem.in/>)

System computed values of GSTR-1 Statement (Monthly filers), made available in Form GSTR-3B, as PDF statement on GST Portal

1. A pdf statement has been made available to taxpayers, filing monthly GSTR-1 statement, with system computed values of Table 3 of Form GSTR-3B. This PDF will be prepared on the basis of the values reported by them, in their GSTR-1 statement, for the said tax period.

Note: This facility will also be provided to quarterly GSTR-1 filers in due course of time.

2. This PDF will be available on their GSTR-3B dashboard, from tax period of August 2020 onwards, containing the information of GSTR-1 filed by them on or after 4th September 2020. This will make filing of their Form GSTR-3B easier for them.
3. This facility is provided to all taxpayers registered as a Normal taxpayer, SEZ Developer, SEZ unit and casual taxpayer.
4. **Tables of Form GSTR 3B will be Auto-Drafted in pdf statement:** Following Tables of Form GSTR-3B will be auto drafted, on basis of values reported in GSTR-1 statement, for the said period:
 - 3.1(a) - Outward taxable supplies (other than zero rated, nil rated and exempted)
 - 3.1(b) - Outward taxable supplies (zero rated)
 - 3.1(c) - Other outward supplies (Nil rated, exempted)
 - 3.1(e) - Non-GST outward supplies
 - 3.2 - Supplies made to un-registered persons
 - 3.2 - Supplies made to composition taxable persons
 - 3.2 - Supplies made to UIN holders

In this, following points may be noted:

- In case, any of the above values is negative as per GSTR-1 statement, those figures would be mentioned as Zero in the auto-drafted PDF and will not be carried forward to next period.
- Turnover & tax are computed after taking into account credit notes, debit notes, amendments and advances, if any.
- Only filed GSTR-1 statements are considered for auto-population of the values in Form GSTR-3B.
- This PDF is only for assistance of taxpayers to get the auto drafted values of Table 3 of their Form GSTR 3B (as per their filed GSTR 1 statement). Taxpayers, however, are required to verify & file their Form GSTR-3B, with correct values.



LEGAL UPDATES

Zones Corporate Solutions Pvt. Ltd. Versus Commissioner of Central Goods and Services Tax Delhi East and Anr. (2020- TIOL-1168-HC-DEL-GST)

The Delhi High Court held that merely because the GST Appellate Tribunal is not functioning and the revenue is unable to file an appeal against the order of the Commissioner (Appeals), the refund of the petitioner cannot be withheld. As the petitioner cannot be asked to wait endlessly for the revenue to file an appeal, the refund was directed to be disbursed within four weeks.

Subhash Joshi and Another versus Director General of GST Intelligence (DGGI) and Others (2020-TIOL-1163-HC-MP-GST)

The Madhya Pradesh High Court observed that per the GST law, during the course of search and seizure, two or more independent and respectable inhabitants of the locality are necessary as witness to the search. The petitioner did not put forth any statutory provision requiring the presence of an advocate during search and seizure proceedings and held that the petitioner has no legal right to seek presence of an advocate when search and seizure is being carried by the authorities under the GST law.

DISCLAIMER

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