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Notification No. 52/2019 to 55/2019 Central tax dated 14.11.2019 and

Notification no. 57/2019 to 61/2019 Central tax dated 26.11.2019

Due dates for filing GSTR-1, GSTR-3B and GSTR-7 for the tax payers of Jammu & Kashmir, for the months Jul'19-Oct'19 has been extended to 30-Nov-19

The Due dates for filing GST returns for the registered persons whose principal place of business is in the State of Jammu and Kashmir has been extend as per below table:

NOTIFICATION	RETURN	RELATED TO	PERIOD	DUE DATE
52/2019	GSTR-1_Quarterly	Persons with t/o < 1.5 Crs	Jul'19-Sep'19	30-Nov-19
53/2019 & 57/2019 & 58/2019	GSTR-1_Monthly	Persons with t/o > 1.5 Crs	Jul'19-Oct'19	30-Nov-19
54/2019 & 60/2019 & 61/2019	GSTR-3B_Monthly	All	Jul'19-Oct'19	30-Nov-19
55/2019 & 59/2019	GSTR-7_Monthly	TDS	Jul'19-Oct'19	30-Nov-19

Notification No. 56/2019, Central tax dated 14.11.2019

The forms for Annual return (GSTR-9) and Audit report (GSTR-9C) have been simplified by changing certain mandatory fields as optional

Changes in GSTR-9

General	The Part or Table headings, Field names and Instructions have been amended to make the forms suitable for FY 17-18 and also for FY 18-19
Table 4 & 5 – Turnovers	In case the RP is unable to split the details as original amounts declared and adjustments made (credit/Debit notes, up/downward amendments), they can fill the net values in respective fields
Table 5D,E & F – Exempted/Nil Rated/Non-GST	If the RP is unable to split the details among Exempted, Nil-rated and Non-GST supplies, entire amount can be disclosed under 5D – “Exempted”
Table 6 – Input bifurcation	If the RP is unable to split the total credit as Inputs/Input Services / Capital goods, then the entire amount can be disclosed as “Inputs” in respective tables
Table 6C & 6D: RCM on supplies from Regd. & Unregistered.	If the RP is unable to split the details b/w RCM credit related to Inward supplies from regd. persons and unregistered persons, then the entire amount can be disclosed in 6D i.e. RCM on inward supplies from Regd. persons
Table 7A to 7E: ITC reversals under different categories	If the RP is unable to split the amount of credit reversals as per the given tables, entire amount can be disclosed as Other reversals. However, Tran-1 and Tran-2 related reversals should be disclosed in the tables i.e. 7F & 7G.
Table 8:2A Reconciliation	For FY 17-18 and FY 18-19, the details of the amounts specified / differences observed can be attached in PDF format as part of 9C. No CA signature required for this.
For FY 17-18 and FY 18-19, following tables made optional.	
Table 12 & 13	ITC Adjustments for current year in next FY
Table 15	Particulars of Demands and Refunds
Table 16	Supplies from Composition / Deemed supplies / Deemed supplies under Sec 143
Table 17 & 18	HSN wise summary for Outward & Inward supplies

Changes in GSTR-9C

General	Few Instructions have been amended to make the forms suitable for FY 17-18 and also for FY 18-19
For FY 17-18 and FY 18-19, following tables were made optional.	
Table 5B to 5N	Split in the Reconciliation of gross turnover, Total of the same can be mentioned in 5O-Residuary.
Table 12B & 12C	Reconciliation of Net ITC
Table 14	Reconciliation of Expense wise ITC total to GSTR-9

Changes in Part-B – Certification

Para 1C-Cash flow statement – Made optional, RP to upload the same, only if the same is available

Para 5 – Expression of Opinion – The wordings have been changed from “True and Correct” to “True and Fair”.

Notification No. 62/2019 Central tax dated 26.11.2019

The Transition plan to split the GSTINs of Jammu & Kashmir state to newly formed UTs has been notified.

Since the state Jammu & Kashmir has been split into two union territories, the GSTINs of the registered persons and the tax structure should also be changed accordingly.

Below is the process prescribed for the same:

Tax period:

For October & November should be considered as followed:

- October, 2019: 1 st October, 2019 to 30th October, 2019;
- November, 2019: 31st October, 2019 to 30th November, 2019;

Type of Tax:

W.e.f. 31st Oct'19, till the transition date, irrespective of the type of tax charged in the invoice, the correct tax should be paid in the returns.

Transfer of ITC to new Registrations:

- ITC shall be transferred on the basis of ratio of turnover of the place of business in the respective UTs
- For transferring the credit, the amount of credit transferred should be specified in Table 4B(2) of the old GSTIN and in Table 4A(5) of the new GSTIN
- The provisions of Sec 24(i) i.e. mandatory registration for making inter-state supplies shall not be applicable for the supplies made from 31-Oct-19, till the date of transition.

Circular No. 122/41/2019 Central tax dated 05.11.2019

CBIC has mandated quoting of Document Identification Number (DIN) on all the communications issued by its officers w.e.f. 8th Nov, 2019.

Objective:

The objective is to have transparency and accountability in indirect tax administration through widespread use of information technology.

This would create a digital directory for maintaining a proper audit trail of such communication.

Further, it would also provide the recipients of such communication a digital facility to ascertain their genuineness.

Applicability:

Following are the cases for which the DIN has been mandated now:

- search authorization,
- summons,
- arrest memo,
- inspection notices and
- letters issued in the course of any enquiry
- by any officer of CBIC, to any tax payer or other person

It is also specified that the DIN shall be mandated for all other communications, and also there is a plan to have the communication itself bearing the DIN generated from the system.

Exceptions

Following are the cases where DIN can be generated on Post-Facto basis:

- i. When there are technical difficulties in generating the electronic DIN, or
- ii. When communication regarding investigation/enquiry, verification etc. is required to be issued at short notice or in urgent situations and the authorized officer is outside the office in the discharge of his official duties.

In such cases, the communications should expressly state that it has been issued without a DIN. The reasons for the same should be recorded in the concerned file.

Regularization of exceptions

- i. The communications issued without DIN, as per above said circumstances, should be regularized within 15 working days, in the following manner:
- ii. Obtaining the post facto approval of the immediate superior officer as regards the justification of issuing the communication without the electronically generated DIN;
- iii. Mandatorily electronically generating the DIN after post facto approval; and
- iv. Printing the electronically generated pro-forma bearing the DIN and filing it in the concerned file.

Format of DIN – “CBIC-YYYY MM ZCDR NNNNNN”:

Various components of the DIN are explained as followed:

- i. YYYY – Calendar year in which the DIN is generated,
- ii. MM – Calendar month in which the DIN is generated,
- iii. ZCDR – Zone-Commissionerate-Division-Range Code of the field formation/Directorate of the authorized user generating the DIN,
- iv. NNNNNN – 6 digit alpha-numeric system generated random number.

Verification of Genuineness

The genuineness of the communication can be ascertained by recipient (public) by entering the CBIC- DIN for that communication in a window VERIFY CBIC-DIN on CBIC’s website cbic.gov.in.

Only in those cases where the DIN entered is valid, information about the office that issued that communication and the date of generation of its DIN would be displayed on the screen.

Circular No. 123/42/2019-GST, dated 11.11.2019

Certain clarifications were provided for applying Rule 36(4) i.e. credit restriction to matching GSTR-2A+20%.

ISSUE	CLARIFICATIONS
<i>What are the credits covered under this rule? And From which date the rule shall be applicable?</i>	The restriction is only in respect of invoices, Debit notes and Credit notes which are required to be uploaded by the supplier in his GSTR-1. The ITC in respect of IGST paid on import, documents issued under RCM, credit received from ISD etc. which are outside the ambit of sub-section (1) of section 37 are not covered under this rule. Further, the restriction is only in respect of the invoices / debit notes on which credit is availed after 09.10.2019.
<i>Whether the said restriction is to be calculated supplier wise or on consolidated basis?</i>	The restriction is for the total eligible credit from all suppliers and not to be applied supplier wise. Further, only those invoices which are otherwise eligible credit should be considered for calculating 20%.
<i>GSTR-2A being dynamic document, what is the date to be considered for ascertaining the credit as per this rule?</i>	Invoices reflecting in GSTR-2A as on the Due date for filing GSTR-1 by the suppliers, should be considered as basis for ascertaining credit as per this rule.
<i>If few of the suppliers had not furnished their GSTR-1, how much ITC a registered tax payer can avail in his FORM GSTR-3B?</i>	The amount of credit to be availed has been explained through different examples. In nutshell, the credit to be availed shall be lower of Eligible credit as per books of accounts and (Value of Invoices/DN/CN in 2A)*120%.

Circular No. 124/43/2019-GST, dated 11.11.2019

Following are the clarifications provided:

The registered persons under composition scheme should file GSTR-9A and with aggregate turnover in a financial year not exceeding 2 cores, should file their GSTR-9 on or before the due date for filing the same, otherwise the same shall not be allowed to file later.

Further, it is also clarified that, in case the registered person has identified any missed liability and would like to pay the same on voluntary basis, same can be paid through DRC-03 at any point of time.

Circular No. 125/44/2019-GST, dated 11.11.2019

Consolidated master circular was issued for new 100% electronic refund processing

Considering the changes in the refund filing mechanism and also to provide a consolidated list of clarifications, the department has issued a circular to provide the guidance on the new refund process and also to provide the clarifications for various issues.

Process flow for the refunds in general:

Step-I: Submission of application and Provisional order

- The Registered person (RP) shall submit Application in RFD-01
- ARN shall be generated by system
- System shall allocate this to the respective jurisdictional officer
- In case of incorrect allocation by the system, Commissioner/Persons authorized by the commissioner can re-allocate to the proper officer
- The officer shall verify the application for its completeness and issue
- Deficiency memo (DM) in RFD-03 for missing information
- Acknowledgement in RFD-02, if there is no missing information
- In case of DM, the RP shall re-file the application with all the relevant information
- The Officer shall verify the same and
- Acknowledgement in RFD-02

Step-II: Provisional Refund

For exports, within 7 days from the date of acknowledgement, the officer should issue Provisional Order in RFD-04 and Payment order in RFD-05

Step-III: Scrutiny of the information & Proposal for rejection, if any

The officer shall scrutinize the information in detail, and, if he believes the claim amount is Partly/Fully ineligible, he shall issue SCN in RFD-08, seeking for the reply from the applicant, as to why the said amount should not be disallowed.

The applicant shall reply for the same in RFD-09.

Step-IV: Final Order

- After receiving the required clarifications, the officer shall decide the amount eligible & ineligible and issue final order in RFD-06 and also payment order in RFD-05.
- Further, in case the officer decides to
 - Adjust part of the amount against outstanding demand or
 - Withhold the part of the amount for any specific reason,

The same shall be mentioned in RFD-06, and RFD-05 shall be issued for the balance amount.

However, if the entire amount to be adjusted against an outstanding demand or to be withheld for any reason, then RFD-07 shall be issued instead of RFD-06.

Circular No. 126/45/2019-GST, dated 11.11.2019

CBIC has clarified that, the supply of Job work services to regd. persons shall be taxable @ 12% and the rest are taxable @ 18%

Issue:

After inserting the new entry in rate notification at item (id) under heading 9988 w.e.f 01-10-2019, to reduce rate of GST on all job work services, which earlier attracted 18 % rate, to 12%, there was a confusion in the trade as to what are covered under Sl.no. i(d)-12% and what are covered under S.No. iv-18%.

Analysis:

The words used in i(d) refers to Job-work and as per definition provided in Sec2 “Job work means any treatment or processing undertaken by a person on goods belonging to another registered person and the expression ‘job worker’ shall be construed accordingly.”

Further, in entry iv, it is specified as “Manufacturing services on physical inputs (goods) owned by others, other than (i), (ia), [(ib), (ic), (id),]125 (ii), (iia) and (iii) above”.

Conclusion:

Since the Job-work definition covers only registered tax payers, The entry i(d)e. 12% shall be applicable only for the case where the recipient is registered and The entry ive. 18% shall be applicable for the residual cases.