

Gist of recent GST Notification, Circular & Orders

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Central Tax Notifications:

Notification No. 20/2019-CT dt. 23-04-2019

Revocation of cancellation of registration & Quarterly Statement

- All Returns due
- for the Period from the date of order of cancellation of registration till date of the order of revocation of cancellation (from the effective date of cancellation of registration in case registration is cancelled retrospectively)
- has to be filed within 30 days from from the date of order of revocation of cancellation of registration

Quarterly statement and return annually

- Composite registered person or
- Person availing benefit of notification No. 02/2019-Central Tax (Rate) dated 07-03-2019, (tax @ 6% with conditions)
- Shall furnish
- Quarterly statement along with payment of self assessed tax in Form GST CMP-08
- Return in Form GSTR-4 to be furnished annually on or before 30th day of April

Format of form CMP -08 (quarterly payment of self assed tax) has been notified(negative values may be reported) Option to avail benefit of notification no 2/2019-Central tax (rate) at time of registration has been given in Form REG-01

Notification No. 21/2019-CT dt. 23-04-2019

Notify procedure for quarterly tax payment and annual filing of return for taxpayers availing the benefit of Notification No. 02/2019-Central Tax (Rate), dated the 7th March, 2019.

Seeks to notify procedure for quarterly tax payment and annual filing of return for taxpayers availing the benefit of Notification No. 02/2019- Central Tax (Rate), dated the 7th March, 2019 i.e. for dealers who opted 6%

Composition Scheme vide Notification No. 21/2019 - Central Tax Dated 23rd April, 2019.

From the FY-2019-2020 and onward all taxpayers under composition scheme (Traders, Manufacturers, Restaurant Owners, Service Providers etc) need to file two GST returns as below:-

GST Return	Frequency	Due Date	Late Fees
CMP-8 Payment of self assessed tax	Quarterly	Within 18 th of next month ending the quarter	Re 20 Per day (10+10) for NIL Return Rs 50 per day (25+25) for taxable
GSTR-4	Annually	Within 30 April after ending FY	Re 20 Per day (10+10) for NIL Return Rs 50 per day (25+25) for taxable

Notification No. 22/2019-CT dt. 23-04-2019

Non-Filers / Return defaulters shall not be able to file E-way bill

Rule 138E is being made applicable w.e.f. 21st June 2019, accordingly E-way Bill facility shall not be available to registered person who has not furnished his GST return for last two tax periods consecutively.

Important Circulars:

No. 99/2019 dated 23-04-2019 (F. No. CBEC- 20/16/04/2018 - GST)

CBIC clarified the extension in time under sub-section (1) of section 30 of the Act to provide a one time opportunity to apply for revocation of cancellation of registration on or before the 22nd July, 2019 for the specified class of persons for whom cancellation order has been passed up to 31st March, 2019.

No. 98/2019 dated 23-04-2019 (F. No. CBEC-20/16/04/2018 - GST)

CBIC has clarified the manner of utilization of input tax credit post insertion of the rule 88A of the CGST Rules. The newly inserted rule 88A in the CGST Rules allows utilization of input tax credit of Integrated tax towards the payment of Central tax and State tax, or as the case may be, Union territory

tax, in any order subject to the condition that the entire input tax credit on account of Integrated tax is completely exhausted first before the input tax credit on account of Central tax or State / Union territory tax can be utilized. It is clarified that after the insertion of the said rule, the order of utilization of input tax credit will be as per the illustrations given in the circular.

If the month would have been after 01.04.2019

Option 1					
Particulars	IGST	CGST	SGST	Total	Closing Balance
Output tax	1,000.00	300.00	300.00	1,600.00	–
ITC for:					
CGST		200.00		200.00	–
SGST			100.00	100.00	100.00
IGST	1,000.00	100.00	200.00	1,300.00	–
Total ITC	1,000.00	300.00	300.00	1,600.00	100.00
Cash payment to be made	NIL	NIL	NIL	NIL	

Option 2					
Particulars	IGST	CGST	SGST	Total	Closing Balance
Output tax	1,000.00	300.00	300.00	1,600.00	–
ITC for:					
CGST		100.00		100.00	100.00
SGST			200.00	200.00	–
IGST	1,000.00	200.00	100.00	1,300.00	–
Total ITC	1,000.00	300.00	300.00	1,600.00	100.00
Cash payment to be made	NIL	NIL	NIL	NIL	

Hence we can conclude that in 2nd phase (i.e after insertion of section 49A) payment of SGST of Rs 100 was required to be made. But by way of insertion of Rule 88A, this payment of SGST has been dispensed with.

No. 95/2019 dated 28.03-2019 (F. No. 20/16/04/ 2018 - GST)

To clarify verification for grant of new registration. The circular has been issued to guide the departmental officers to cross check the registration applications properly, to ensure that no such tax payers (whose registration was cancelled due to non-compliance and failed to discharge all the pending liabilities) are provided with a new GSTIN.

No. 94/2019 dated 28.03-2019 (F. No. 20/16/04/ 2018 GST)

This circular has been issued to clarify certain refund related issues under GST

Sl. No.	Issue	Clarification
1.	<p>Certain registered persons have reversed, through return in FORM GSTR-3B filed for the month of August, 2018 or for a subsequent month, the accumulated input tax credit (ITC) required to be lapsed in terms of notification No. 20/2018-Central Tax (Rate) dated 26.07.2018 read with circular No. 56/30/2018-GST dated 24.08.2018 (hereinafter referred to as the "said notification"). Some of these registered persons, who have attempted to claim refund of accumulated ITC on account of inverted tax structure for the same period in which the ITC required to be lapsed in terms of the said notification</p>	<p>a) As a one-time measure to resolve this issue, refund of accumulated ITC on account of inverted tax structure, for the period(s) in which there is reversal of the ITC required to be lapsed in terms of the said notification, is to be claimed under the category "any other" instead of under the category "refund of unutilized ITC on account of accumulation due to inverted tax structure" in FORM GST RFD-01A. It is emphasized that this application for refund should relate to the same tax period in which such reversal has</p>
2.	<p>The clarification at Sl. No. 1 above applies to registered persons who have already reversed the ITC required to be lapsed in terms of the said notification through return in FORM GSTR-3B. What about those registered persons who are yet to perform this reversal?</p>	<p>It is hereby clarified that all those registered persons required to make the reversal in terms of the said notification and who have not yet done so, may reverse the said amount through FORM GST DRC-03 instead of through FORM GSTR-3B.</p>
3.	<p>What shall be the consequence if any registered person reverses the amount of credit to be lapsed, in terms the said notification, through the return in FORM GSTR-3B for any month subsequent to August, 2018 or through FORM GST DRC-03 subsequent to the due date of filing of the return in FORM GSTR-3B for the month of August, 2018?</p>	<p>a) As the registered person has reversed the amount of credit to be lapsed in the return in FORM GSTR-3B for a month subsequent to the month of August, 2018 or through FORM GST DRC-03 subsequent to the due date of filing of the return in FORM GSTR-3B for the month of August, 2018, he shall be liable to pay interest under sub-section (1) of section 50 of the CGST Act on the amount which has been reversed belatedly. Such interest shall be calculated starting from the due date of filing of return in FORM GSTR-3B for the month of August, 2018 till the date of reversal of said amount through</p>

		<p>FORM GSTR-3B or through FORM GST DRC-03, as the case may be.</p> <p>b) The registered person who has reversed the amount of credit to be lapsed in the return in FORM GSTR-3B for any month subsequent to August, 2018 or through FORM GST DRC-03 subsequent to the due date of filing of the return in FORM GSTR-3B for the month of August, 2018 would remain eligible to claim refund of unutilized ITC on account of accumulation due to inverted tax structure w.e.f. 01.08.2018. However, such refund shall be granted only after the reversal of the amount of credit to be lapsed, either through FORM GSTR-3B or FORM GST DRC-03, along with payment of interest, as applicable.</p>
<p>4.</p>	<p>How should a merchant exporter claim refund of input tax credit availed on supplies received on which the supplier has availed the benefit of the Government of India, Ministry of Finance, notification No. 40/2017-Central Tax (Rate), dated the 23rd October, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1320 (E), dated the 23rd October, 2017 or notification No. 41/2017-Integrated Tax (Rate), dated the 23rd October, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1321(E), dated the 23rd October, 2017 (hereinafter referred to as the “said notifications”)?</p>	<p>a) Rule 89(4B) of the CGST Rules provides that where the person claiming refund of unutilized input tax credit on account of zero-rated supplies without payment of tax has received supplies on which the supplier has availed the benefit of the said notifications, the refund of input tax credit, availed in respect of such inputs received under the said notifications for export of goods, shall be granted.</p> <p>b) This refund of accumulated ITC under rule 89(4B) of the CGST Rules shall be applied under the category “any other” instead of under the category “refund of unutilized ITC on account of exports without payment of tax” in FORM GST RFD-01A and shall be accompanied by all supporting documents required for substantiating the refund claim under the category</p>

		<p>“refund of unutilized ITC on account of exports without payment of tax”.</p> <p>After scrutinizing the application for completeness and eligibility, if the proper officer is satisfied that the whole or any part of the amount claimed is payable as refund, he shall request the taxpayer, in writing, to debit the said amount from his electronic credit ledger through FORM GST DRC-03. Once the proof of such debit is received by the proper officer, he shall proceed to issue the refund order in FORM GST RFD-06 and the payment advice in FORM GST RFD-05.</p>
4.	<p>Vide Circular No. 59/33/2018-GST dated 04.09.2018, it was clarified that after issuance of a deficiency memo, the input tax credit is required to be re-credited through FORM GST RFD-01B and the taxpayer is expected to file a fresh application for refund. Accordingly, in several cases, the ITC amounts were re-credited after issuance of deficiency memo. However, it was later represented that the common portal does not allow a taxpayer to file a fresh application for the same period after issuance of a deficiency memo. Therefore, the matter was re-examined and it was subsequently clarified, vide Circular No. 70/44/2018-GST dated 26.10.2018 that no re-credit should be carried out in such cases and taxpayers should file the rectified application, after issuance of the deficiency memo, under the earlier ARN only. It was also further clarified that a suitable clarification would be issued separately for cases in which such</p>	<p>In such cases, the claimant may re-submit the refund application manually in FORM GST RFD-01A after correction of deficiencies pointed out in the deficiency memo, using the same ARN. The proper officer shall then proceed to process the refund application as per the existing guidelines. After scrutinizing the application for completeness and eligibility, if the proper officer is satisfied that the whole or any part of the amount claimed is payable as refund, he shall request the taxpayer, in writing, to debit the said amount from his electronic credit ledger through FORM GST DRC-03. Once the proof of such debit is received by the officer, he shall proceed to issue the refund order in FORM GST RFD-06 and the payment advice in FORM GST RFD-05</p>

	re-credit has already been carried out. However, no such clarification has yet been issued and several refund claims are pending on this account.	
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No. 92/2019 dated 07.03-2019 (F. No. CBEC-20/16/04/2018 - GST)

CBIC has issued the circular clarifying various doubts related to treatment of sales promotion scheme under GST. There are several promotional schemes which are offered by taxable persons to increase sales volume and to attract new customers for their products. Some of these schemes have been examined and clarification has been made by CBIC, on the aspects of taxability, valuation, availability or otherwise of Input Tax Credit in the hands of the supplier in relation to the said schemes.

Important Orders:

Order No. 5/2019 - CT dt. 23-04-2019

This order has been issued to extend the time limit for filing an application for revocation of cancellation of registration for specified taxpayers.

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