



Returns in GST (Goods & Services Tax)

The basic features of the return mechanism in GST includes electronic filing of returns, uploading of invoice level information, auto-population of information relating to input tax credit from returns of supplier to that of recipient, invoice level information matching and auto-reversal of input tax credit in case of mismatch. The returns mechanism is designed to assist the taxpayer to file returns and avail ITC.

Under GST, a regular taxpayer needs to furnish monthly returns and one annual return. There are separate returns for a taxpayer registered under the composition scheme, non-resident taxpayer, taxpayer registered as an Input Service Distributor, a person liable to deduct or collect the tax (TDS/TCS), a person granted Unique Identification Number. It is important to note that a taxpayer is NOT required to file all the types of returns. In fact, taxpayers are required to file returns depending on the activities they undertake. The GST Council has however recommended to ease the compliance requirements for small tax payers by allowing taxpayers with annual aggregate turnover up to Rs. 1.5 Crore to file details of outward supplies in FORM GSTR-1 on a quarterly basis and on monthly basis by taxpayers with annual aggregate turnover greater than Rs. 1.5 Crore. Further, GST Council has recommended to postpone the date of filing of Forms GSTR-2 and GSTR-3 for all normal tax payers, irrespective of turnover, till further announcements are made in this regard.

All the returns are to be filed online. Returns can be filed using any of the following methods:

1. GSTN portal (www.gst.gov.in)
2. Offline utilities provided by GSTN
3. GST Suvidha Providers (GSPs). If a tax payer is already using the services of an ERP providers such as Tally, SAP, Oracle etc, there is a high likelihood that these ERP providers would provide inbuilt solutions in the existing ERP systems.



Following table lists the various types of returns under GST Law.

Return	Description	Who Files?	Standard Date for filing
GSTR-1*	Statement of Outward supplies of Goods or Services	Normal Registered Person	10th of the next month
GSTR-2*	Statement of Inward supplies of Goods or services	Normal Registered person	15th of the next month
GSTR-3*	Return for a normal taxpayer	Normal Registered Person	20th of the next month
GSTR-3B	Simple Monthly Return for the period Jul 2017 to March 2018	Normal Registered Person	20th of the next month
GSTR-4	Quarterly Return	Taxable Person opting for Composition Levy	18th of the month succeeding the quarter
GSTR-5	Monthly return for a non-resident taxpayer	Non-resident taxpayer	20th of the month succeeding tax period & within 7 days after expiry of registration
GSTR-5A	Monthly return for a person supplying OIDAR services from a place outside India to a non-taxable online recipient	Supplier of OIDAR Services	20th of the next month
GSTR-6	Monthly return for an Input Service Distributor (ISD)	Input Service Distributor	13th of the next month
GSTR-7	Monthly return for authorities deducting tax at source	Tax Deductor	10th of the next month
GSTR-8	Monthly statement for E-Commerce Operator depicting supplies effecting through it.	E-Commerce Operator	10th of the next month
GSTR-9	Annual Return	Registered Person other than an ISD, TDS/TCS Taxpayer, casual taxable person and Non-resident taxpayer.	31st December of next Financial Year
GSTR-9A	Simplified Annual Return under Composition Scheme	Taxable Person opting for Composition Levy	31st December of next Financial Year
GSTR-10	Final Return	Taxable person whose registration has been surrendered or cancelled.	Within three months of the date of cancellation or date of order of cancellation, whichever is later.



Directorate General of Taxpayer Services
CENTRAL BOARD OF EXCISE & CUSTOMS
www.cbec.gov.in



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GSTR-11	Details of inward supplies to be furnished by a person having UIN	Taxable Person opting for Composition Levy	31st December of next Financial Year

* Registered persons having aggregate turnover of up to 1.5 Crore rupees in the preceding financial year or the current financial year shall furnish GSTR-11 on a quarterly basis. Other Registered persons having aggregate turnover of more than 1.5 Crore rupees shall furnish these returns on a monthly basis. Filing of GSTR-2 and GSTR-3 has been postponed till a further announcement in this regard is made.

Calendar for Return filing

The due dates for filing various GST returns may vary from the Standard dates mentioned in the table above. Various notifications are issued from time to time in this regard and as per the notifications issued till 29/12/2017.

Return	Category of Taxpayer	Time Period	Due Date
GSTR-3B	All taxpayers to file along with payment of tax	Every month till March 2018	20th of the succeeding month
GSTR-1	Taxpayers with annual aggregate turnover up to Rs 1.5 Crore to file on Quarterly basis	July-Sep 2017	10th Jan 2018
		Oct-Dec 2017	15th Feb 2018
		Jan-Mar 2018	30th April 2018
	Taxpayers with annual aggregate turnover of more than Rs 1.5 Crore to file on Monthly basis	July-Oct 2017	10th Jan 2018
		Nov 2017	10th Jan 2018
		Dec 2017	10th Feb 2018
		Jan 2018	10th Mar 2018
GSTR-4	Taxpayers who have opted for Composition scheme to file every quarter	Jul-Sep 2017	24th Dec 2017
GSTR-5	Non Resident Taxable Person to file every month	Jul-Dec 2017	31st Jan 2018
GSTR-5A	Taxpayers supplying OIDAR services from a place outside India to a non-taxable online recipient	Jul-Dec 2017	31st Jan 2018
GSTR-6	Input Service Distributor	Jul 2017	31st Dec 2017

Note: Due dates have not been notified for GSTR-2 and GSTR-3 for any of the months. That is, a taxpayer need not file GSTR-2 and GSTR-3 for any of the months from July 2017 until a notification is issued in this regard mentioning the due dates. Till such time, Form GSTR-3B is required to be filed by tax payers instead of Form GSTR-3.

Revision of Returns:

The mechanism of filing of revised returns for any correction of errors/ omissions has been done away with. The rectification of errors/omissions is allowed in the return for subsequent month(s). However, no rectification is allowed after furnishing of the return 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.

Interest on Late GST Payment

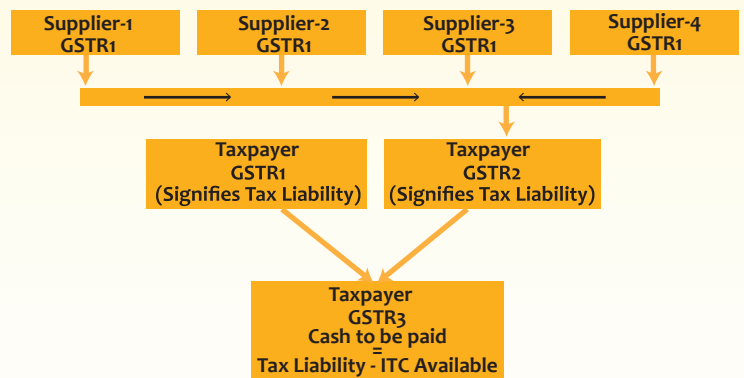
An interest of 18 percent is levied on the late payment of taxes under the GST regime. The interest would be levied for the days for which tax was not paid after the due date.

Penalty for non-filing of GST Returns

In case a taxpayer does not file his/her return within the due dates, he/she shall have to pay a late fee of Rs. 200/- i.e. Rs.100/- for CGST and Rs.100/- for SGST per day (up to a maximum of Rs. 5,000/-) from the due date to the date when the returns are actually filed.

Note: In case of GSTR-3B,

- For the months July to September, 2017, the late fee payable for failure to furnish the return has been waived completely.
- From the month of October 2017 onwards, the GST Council has recommended that the amount of late fee payable by a taxpayer whose tax liability for that month is 'NIL' is Rs. 20/- per day (Rs. 10/- per day each under CGST & SGST Acts). However, if the tax liability for that month is not 'NIL', the amount of late fee is Rs 50/- per day (Rs. 25/- per day each under CGST & SGST Acts)



Prepared by: National Academy of Customs, Indirect Taxes & Narcotics

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An overview of GSTR-1, GSTR-2 and GSTR-3

The population of these returns is explained by the following graphic:

NOTE:

1. Taxpayer's GSTR2 is auto-populated from the Suppliers' GSTR-1s
2. Taxpayer's GSTR3 is significantly auto-populated from his/her's GSTR1 and GSTR2

Return Filing Milestones

1. Taxpayer's GSTR2 is auto-populated from the Suppliers' GSTR-1s
2. Taxpayer's GSTR3 is significantly auto-populated from his/her's GSTR1 and GSTR2

GSTR1

- File via GSTN/ Easy upload tools provided by GSTN/ GSPs
- Periodical Uploading Allowed.
- Filed By 10th
- Frozen after 10th

GSTR2

- Auto-populated from GSTR1s filed by a Tax Payer's Suppliers.
- Changes allowed between 10th and 15th.
- Filed By 15th.

Reconciliation

- Occurs Between 15th and 17th. Tax Payer can add additional invoices.
- Supplier has the option to accept/reject additional invoices. Supplier's GSTR1 gets amended to that effect.

GSTR3

- Auto-populated from GSTR1 and GSTR2
- Filed by 20th.
- Payment can be made anytime before or on 20th.

ITC Matching and Auto-Reversal:

1. It is a mechanism to prevent revenue leakage and to facilitate availment of eligible and rightful ITC by taxpayers .
2. The process of ITC Matching begins after the due date for filing of the return (20th). This is carried out by GSTN.
3. The details of every inward supply furnished by the taxable person (i.e. the "recipient" of goods and/or services) in form GSTR-2 shall be matched with the corresponding details of outward supply furnished by the corresponding taxable person (i.e. the "supplier" of goods and / or services) in his valid return. A return may be considered to be a valid return only when the appropriate GST has been paid in full by the taxable person as shown in such return for a given tax period.

4. In case the details match, then the ITC claimed by the recipient in his valid returns shall be considered as finally accepted and such acceptance shall be communicated to the recipient. Failure to file valid return by the supplier may lead to denial of ITC in the hands of the recipient.
5. In case the ITC claimed by the recipient is in excess of the tax declared by the supplier or where the details of outward supply are not declared by the supplier in his valid returns, the discrepancy shall be communicated to both the supplier and the recipient. Similarly, in case, there is duplication of claim of ITC, the same shall be communicated to the recipient.
6. The recipient will be asked to rectify the discrepancy of excess claim of ITC and in case the Supplier has not rectified the discrepancy communicated in his valid returns for the month in which discrepancy is communicated then such excess ITC as claimed by the recipient shall be added to the output tax liability of the recipient in the succeeding month.
7. Similarly, duplication of ITC claimed by the recipient shall be added to the output tax liability of the recipient in the month in which such duplication is communicated.
8. The recipient shall be liable to pay interest on the excess or duplicate ITC added back to the output tax liability of the recipient from the date of availing of ITC till the corresponding additions are made in their returns.
9. Re-claim of ITC refers to taking back the ITC reversed in the Electronic Credit Ledger of the recipient by way of reducing the output tax liability. Such re-claim can be made by the recipient only in case the supplier declares the details of invoice and/or Debit Notes in his valid return within the prescribed timeframe. In such case, the interest paid by the recipient shall be refunded to him by way of crediting the amount to his Electronic Cash Ledger.

Note: It may be noted that the return process is being examined by a Committee of officers and has not been finalised so far.

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