New Delhi: Smooth execution sans technical glitches is critical for the revamped and simplified goods and service tax return filing system, said experts. They also underlined the need to conduct adequate testing of the new facility by the GST Network (GSTN) before its proposed roll out in September.

Since the introduction of GST in July 2017, the return filing system has seen several glitches, forcing deferments of the deadlines multiple times. Businesses would expect that adequate sandbox testing is done by GSTN and there are no perfunctory changes, which ultimately impact their current compliance set-up,” said Harpreet Singh, partner for indirect taxes at KPMG India.

The government plans to link GSTR 1, the form used to fill outward supplies, with GSTR 3B, which is used to provide the returns summary. This is expected to reduce mismatch of information through auto-population. The linking is expected to lead to reduced cases of input tax credit mismatch, unintended errors and also help prevent tax evasion.

A new form, GSTR 2B, will be introduced as a statement for taxpayers providing details on available input tax credit and ineligible credit. A quarterly filing facility of GSTR 3B for taxpayers with less than ₹5 crore of annual turnover is also in the pipeline.

“Linkages of the various pieces of information filed by taxpayers in order to minimise manual data interventions by taxpayers would assist all businesses,” Deloitte India partner MS Mani said.

“...issues related to downloading of returns filed and re-credit in case of refund rejections should be looked into to improve the system further,” PwC India partner Pratik Jain said.

Insiders said the government decided to revamp the existing system, instead of developing a new one, to ensure stability for taxpayers who had been complaining of glitches and errors in the system. The GST Council had also asked the GSTN to beef up the system to reduce the number of complaints.