DEADLINE EXTENDED

Clear picture of GST mop-up in April to come by June-end

Taxpayers with turnover up to ₹5 crore have got more time due to lockdown

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FINANCE SECRETARY AJAY Bhushan Pandey on Wednesday said the clear picture regarding GST collections for April would emerge only by June 30 — the deadline by which businesses with up to ₹5 crore turnover can file returns without any late fee and interest.

The government had in March extended the deadline to file GST returns for taxpayers with turnover of over ₹5 crore by 15 days till May 5 from the due date of April 20 without payment of any late fee and interest. However, a reduced rate of 9% interest will be levied if the return is filed after May 5 till June 30.

For taxpayers with turnover up to ₹5 crore, there would be no interest and late fee would be waived if filed within the stipulated deadline set in June.

Conventionally, the government releases GST revenue mop-up numbers on the basis of collections in a particular month. Hence, the collection in April was due to be released on May 1.

To a query on why the April GST number has not been released, Pandey said, “You know that the GST filing dates has been extended. If it will be extended, we have said that returns can be filed till June, people who have turnover of more than ₹5 crore they also got more time.”

“So after giving these extensions, a clear picture about the revenue collection we will get only by June 30. That’s why we have not yet released the figure. People who are able to file returns have paid GST and rest have time till June 30. It is only after June 30 that we will have a clear idea of the revenue collected,” he said.

In the 2019-20 fiscal, the Goods and Services Tax (GST) collection remained above the key ₹1 lakh crore-mark for seven months out of 12. The collection stood at ₹97,597 crore in March.

The real impact of the coronavirus lockdown on GST revenue will be reflected in the revenue collections of May (for business activity in April) as the country was in complete lockdown last month with only essential services permitted.

Experts said the GST mop-up in May would mainly come from sectors like telecom, FMCG, food processing and pharma.

Pandey, who is also the revenue secretary, further said about ₹11,000 crore GST refunds have been issued during April.

The Central Board of Indirect Taxes and Customs (CBIC) had launched a Special Refund Drive in April to clear pending GST and drawback refunds to help businesses tide over the liquidity crunch amid the Covid-19 crisis.