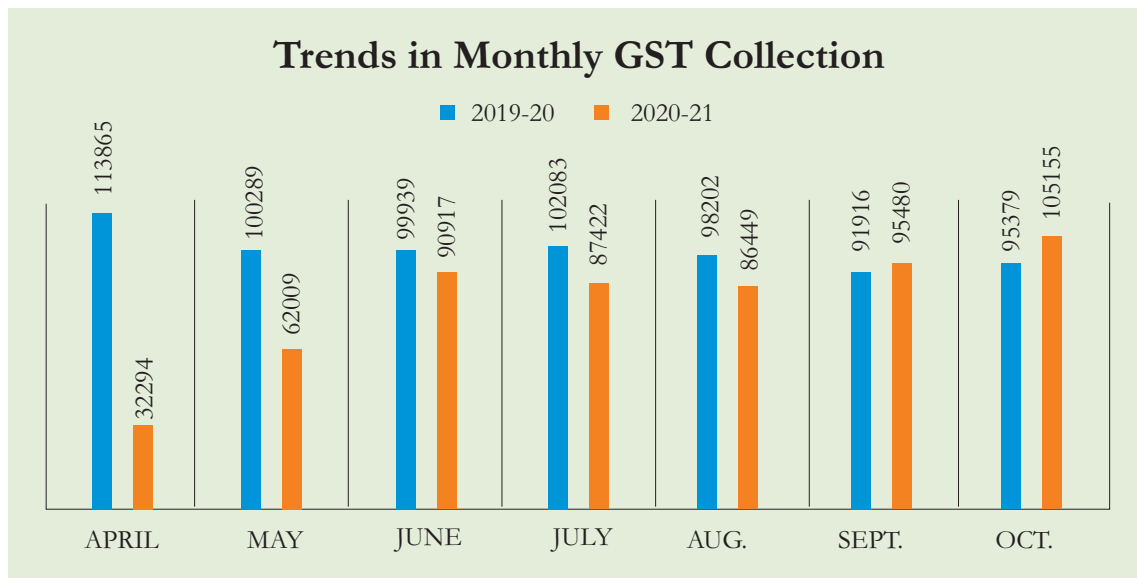


GST Revenue for September, 2020

The gross GST revenue collected in the month of October, 2020 was Rs. 1,05,155 crores of which CGST is Rs.19,193 crore, SGST is Rs. 25,411 crores, IGST is Rs. 52,540 crores (including Rs. 23375 crores collected on import of goods) and Cess is Rs. 8,011 crore (including Rs. 932 crores collected on import of goods). The total revenue after regular settlement in this month was Rs. 44,285 crores for Central Government and Rs. 44,839 crores for State Government. The chart shows the trends in monthly GST collection during the current financial year and its comparison with financial year 2019-20.

The revenues for October 2020 are 10% higher than the GST revenues in the same month last year. During the month, revenues from import of goods was 9% higher and the revenues from domestic transaction (including import of services) are 11% higher than the revenues from these sources during the same month last year.



The growth in GST revenue in 2020-21 as compared to that in months of July, August and September, 2019-20 of -14%, -8% and 5% respectively clearly shows the trajectory of recovery of the economy and, correspondingly, of the revenues.

Source: PIB Press Release, dated 01.11.2020

Highlights of 42nd GST Council Meeting

The 42nd GST Council Meeting was held under the Chairpersonship of Hon'ble Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman through video conferencing on 5th October 2020. The meeting was also attended by Hon'ble Union Minister of State for Finance & Corporate Affairs Shri Anurag Thakur besides Finance Ministers of States and UTs and senior officers of the Ministry of Finance and States/UTs. The Council deliberated upon Compensation Cess to states, enhancement in features of return filing, reducing compliance burden on small taxpayers, revising HSN Code requirements, refunds to go in bank accounts etc. The major recommendations of the meeting are as follows:



1. Levy of Compensation Cess to be extended beyond the transition period of five years i.e. beyond June, 2022, for such period as may be required to meet the revenue gap.
2. Centre has released compensation of Rs. 20,000 crores to States towards loss of revenue during 2020-21. Centre is also expected to release an amount of Rs 25,000 crores towards IGST of 2017-18.
3. Enhancement in features of return filing: The Council has approved the future roadmap for return filing under GST. The approved framework aims to simplify return filing and further reduce the taxpayer's compliance burden in this regard significantly, such as the timely

furnishing of details of outward supplies (GSTR-1) by a taxpayer and his suppliers would – (i) allow him to view the ITC available in his electronic credit ledger from all sources i.e. domestic supplies, imports and payments on reverse charge etc. prior to the due date for payment of tax, and (ii) enable the system to auto-populate return (GSTR-3B) through the data filed by the taxpayer and all his suppliers. In other words, the timely filing of GSTR-1 statement alone would be sufficient as the return in FORM GSTR-3B would get auto prepared on the common portal. To this end the Council recommended / decided the following:

- a. Due date of furnishing quarterly GSTR-1 by quarterly taxpayers to be revised to 13th of the month succeeding the quarter w.e.f. 01.01.2021;
 - b. Roadmap for auto-generation of GSTR-3B from GSTR-1 by:
 - i. Auto-population of liability from own GSTR-1 w.e.f. 01.01.2021; and
 - ii. Auto-population of input tax credit from suppliers' GSTR-1 through the newly developed facility in FORM GSTR-2B for monthly filers w.e.f. 01.01.2021 and for quarterly filers w.e.f. 01.04.2021;
 - c. In order to ensure auto population of ITC and liability in GSTR-3B as detailed above, FORM GSTR-1 would be mandatorily required to be filed before FORM GSTR-3B w.e.f. 01.04.2021.
 - d. The present GSTR-1/3B return filing system to be extended till 31.03.2021 and the GST laws to be amended to make the GSTR-1/3B return filing system as the default return filing system.
4. As a further step towards reducing the compliance burden particularly on the small taxpayers having aggregate annual turnover less than Rs. 5 crores, the Council's earlier recommendation of allowing filing of returns on a quarterly basis with monthly payments by such taxpayers to be implemented w.e.f. 01.01.2021. Such quarterly taxpayers would, for the first two months of the quarter, have an option to pay 35% of the net cash tax liability of the last quarter using an auto generated challan.
5. Revised requirement of declaring HSN for goods and SAC for services in invoices and in FORM GSTR1 w.e.f. 01.04.2021 as under:
 - a. HSN/SAC at 6 digits for supplies of both goods and services for taxpayers with aggregate annual turnover above Rs. 5 crores;
 - b. HSN/SAC at 4 digits for B2B supplies of both goods and services for taxpayers with aggregate annual turnover up to Rs. 5 crores;
 - c. Government to have power to notify 8-digit HSN on notified class of supplies by all taxpayers.
 6. Various amendments in the CGST Rules 2017 and FORMS have been recommended which include provision for furnishing of Nil FORM CMP-08 through SMS.
 7. Refund to be paid/disbursed in a validated bank account linked with the PAN & Aadhaar of the registrant w.e.f. 01.01.2021.
 8. To encourage domestic launching of satellites particularly by young start-ups, the satellite launch services supplied by ISRO, Antrix Corporation Ltd. and NSIL would be exempted.

Source: PIB Press Release, dated 05/10/2020

Concluding Session: 42nd GST Council Meeting

Since, the GST Council in its 42nd meeting held on 05th October 2020 could not reach any consensus on compensation to States, a concluding session of the Council was held on 12th October 2020 for exclusively discussing the borrowing options recommended by the GST Council in its 41st meeting held on 27th August 2020. There were two options before States; Option 1- Shortfall of Rs.1.1 lakh crores (with growth rate @ 7%) arising out of GST implementation would be borrowed by States through issue of debt under a 'Special Window' coordinated by the Ministry of Finance. Option 2- Entire shortfall of Rs 2,35,000 crore (including the Covid-19 impact portion) may be borrowed by States through issue of market debt. Twenty-one States and three UTs had opted for Option 1. The remaining 7 States were yet to exercise any options, including 3 States (Kerala, Rajasthan & Telangana) which have raised certain issues / sought clarification but didn't opt for any option. The concluding session also ended with no unanimity on the borrowing issue.



Source: Press briefing by FM on 12.10.2020

Notifications

Due date of return under Section 44, extended till 31st December 2020

The Government has extended under Section 44 of CGST Act 2017 the due date of annual return (GSTR-9) and reconciliation statement (GSTR-9C) for the Financial Year 2018-19, till 31st December, 2020.

Source: Notification No. 80/2020-Central Tax, dated 28.10.2020

Twelfth amendment (2020) to the CGST Rules 2017

The Government has made following amendments to CGST Rules, 2017:

- (i) The 1st Proviso to Rule 46 of CGST Rules 2017 has been amended to make HSN code of specified No. of digits mandatory for a class of registered persons. For specified class of supply of goods or services, specified number of digits of HSN code shall be required to be mentioned by all registered taxpayers.
- (ii) As per existing Rule 67A, a registered taxpayer can file a Nil return under section 39 in FORM GSTR-3B or under section 37 in FORM

GSTR-1 by SMS facility. The Rule has been amended to file a Nil statement in FORM CMP-08 for a tax period also by SMS. The details of outward supplies or statement sent through the registered number will be verified by an OTP.

- (iii) As per the existing Proviso to Rule 80(3), the taxpayers with turnover above Rs. 5 crores shall get their accounts audited as per Section 35(5) of CGST Act 2017 for FY 2018-19. The Proviso has been amended to make it applicable for FY 2019-20 also.
- (iv) The FORM GSTR-1 has been amended: against serial number 12, in the Table, in column 6, in the heading, for the words "Total value", the words "Rate of Tax" shall be substituted.
- (v) The Rule 138E (blocking of e-way bill) has been amended so as to provide relaxation in cases where e-way bills are generated during the period from 20th March 2020 till 15th October 2020, for all such class of person who have not furnished return in FORM GSTR-3B or

FORM GSTR-1 or the statement in FORM GST CMP-08 for the tax period from February 2020 to August 2020.

Source: Notification No. 79/2020-Central Tax, dated 15.10.2020

HSN Code mandatory irrespective of turnover from 01.04.2021

The 1st Proviso to Rule 46 of CGST Rules 2017 has been amended, vide Notification No.79/2020-CT dated 15-10-2020, for declaration of HSN code in invoice. Under this amended Proviso, *Notification No. 78/2020 – Central Tax, dated 15.10.2020* has been issued to make HSN code mandatory up to 4 digits in the B2B invoices with effect from 01.04.2021 issued by taxpayers whose aggregate turnover in the preceding financial year is upto Rs. 5 crores. For the taxpayers whose turnover in the preceding financial year is more than Rs. 5 crores, HSN code is mandatory up to 6 digits in invoices with effect from 01.04.2021.

Source: Notification No. 78/2020 – Central Tax, dated 15.10.2020

Optional filing of Annual Return extended to FY 2019-20

The Government extends optional filing of annual return for registered persons whose aggregate turnover in a FY does not exceed Rs 2 crore, for FY 2019-20 as well along with that for FY 2017-18 and 2018-19. This means that such taxpayers are not required to furnish Annual Return for 2019-20 and they can choose to not to file such return.

Source: Notification No. 77/2020-Central Tax dated 15.10.2020

GSTR -3B due date for October 2020 to March 2021

The Government notified that GSTR-3B for the period from October 2020 to March 2021. The due date is on or before 22nd day of the month succeeding such month if the taxpayers having an aggregate turnover of up to Rs. 5 crores in the previous FY, whose principal place of business is in the specified States/UTs. Similarly, it is on or before 24th day of the succeeding month if the taxpayers having an aggregate turnover of up to Rs. 5 crores in the previous financial year, whose principal place of business is in certain other States/UTs.

Source: Notification No. 76/2020-Central Tax dated 15.10.2020

GSTR-1 due date for taxpayers with turnover above Rs.1.5 crore

Vide notification No. 75/2020-CT, the due date for furnishing FORM GSTR-1 for each of the months from October, 2020 to March, 2021 by tax payers having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or the current financial year has been extended till the eleventh day of the month succeeding such month.

Source: Notification No. 75/2020-Central Tax, dated 15.10.2020

GSTR-1 due date for taxpayers with turnover below Rs.1.5 crore

The Government has prescribed the due date for furnishing FORM GSTR-1 for the tax payers having aggregate turnover of up to 1.5 crore rupees in the preceding financial year or the current financial year., for quarter October, 2020 to December, 2020 to be 13th January, 2021 and for the quarter January, 2021 to March, 2021 to be 13th April 2021.

Source: Notification No. 74/2020-Central Tax dated 15.10.2020

Special procedure for issuance of E-invoice till 31.10.2020

The Government has notified special procedure under Sec 148 of CGST Act 2017 to the registered persons who have prepared tax invoice in a manner other than the manner specified under sub-rule (4) of rule 48 of the CGST Rules 2017. As per this special procedure, during the period from the 1st day of October, 2020 to the 31st day of October, 2020, the said persons shall obtain an Invoice Reference Number (IRN) for such invoice by uploading specified particulars in FORM GST INV-01 on the Common Goods and Services Tax Electronic Portal, within thirty days from the date of such invoice, failing which the same shall not be treated as an invoice.

Source: Notification No. 73/2020-Central Tax, dated 01.10.2020

Exemption on Satellite launch services

The Government has exempted Satellite launch services supplied by ISRO, Antrix Corporation Limited or New Space India Limited vide Notifications dt. 16-10-2020 given below

Source: Notification No. 05/2020 – Central Tax (Rate), Notification No. 05/2020-Integrated Tax (Rate),

Notification No. 05/2020 – Union Territory Tax (Rate) all dated 16.10.2020

Circular

Clarification on availment of ITC under Rule 36 (4)

CBIC has issued clarification of issues relating to application of sub-rule (4) of rule 36 of the CGST Rules, 2017, cumulatively for the months of February, 2020 to August, 2020. It is re-iterated that the clarifications issued earlier vide Circular No. 123/42/2019 – GST dated 11.11.2019 shall still remain applicable, except for the cumulative application as prescribed in proviso to sub-rule (4) of rule 36 of the CGST Rules. It is re-iterated that the clarifications issued earlier vide Circular No. 123/42/2019 – GST dated 11.11.2019 shall still remain applicable, except for the cumulative application as prescribed in proviso to sub-rule (4) of rule 36 of the CGST Rules. Accordingly,

- (1) all the taxpayers are advised to ascertain the details of invoices uploaded by their suppliers under subsection (1) of section 37 of the CGST Act for the periods of February, March, April, May, June, July and August, 2020, till the due date of furnishing of the statement in FORM GSTR-1

for the month of September, 2020 as reflected in GSTR-2As. (2) Taxpayers shall reconcile the ITC availed in their FORM GSTR-3Bs for the period February, 2020 to August, 2020 with the details of invoices uploaded by their suppliers of the said months, till the due date of furnishing FORM GSTR-1 for the month of September, 2020. (3) The cumulative amount of ITC availed for the said months in FORM GSTR-3B should not exceed 110% of the cumulative value of the eligible credit available in respect of invoices or debit notes the details of which have been uploaded by the suppliers under sub-section (1) of section 37 of the CGST Act, till the due date of furnishing of the statements in FORM GSTR-1 for the month of September, 2020. (4) The excess ITC availed arising out of reconciliation during this period, if any, shall be required to be reversed in Table 4(B)(2) of FORM GSTR-3B, for the month of September, 2020.

Source: Circular No.142/12/2020, dated 09.10.2020

Press Releases

Clarification issued: Annual Return (GSTR-9) and Reconciliation Statement (GSTR 9C) for FY 2018-19:-

CBIC in the press release has stated that certain representations have been received stating that the auto populated GSTR 9 for the year 2018-19 (Tables 4, 5, 6 and 7) also includes the data for FY 2017-18. However, this information for FY 2017-18 has already been furnished by the taxpayers in the annual return (GSTR9) filed for FY 2017-18 and there is no mechanism to show the split of two years (2017-18 & 2018-19) in FORM GSTR-9 for 2018-19. 3. In this regard, it is clarified that the taxpayers are required to

report only the values pertaining to Financial Year 2018-19 and the values pertaining to Financial Year 2017-18 which may have already been reported or adjusted are to be ignored. No adverse view would be taken in cases where there are variations in returns for taxpayers who have already filed their GSTR-9 of Financial Year 2018-19 by including the details of supplies and ITC pertaining to Financial Year 2017-18 in the Annual return for FY 2018-19.

Source: CBIC Press Release, dated 09.10.2020

GST Portal Updates

➤ Filing NIL Form CMP-08 statement through SMS on GST Portal

A Composition taxpayer may now file NIL statement in Form GST CMP-08 for a quarter, through an SMS, apart from filing it through online mode, on GST Portal. To file this through SMS, the taxpayer must fulfil following conditions:

- ◆ Taxpayer must be registered as composition taxable person (by filing Form GST REG-01) or the taxpayer might have opted for composition levy (by filing Form GST CMP-02).
- ◆ Taxpayer must have filed all the applicable statement(s) in Form GST CMP-08 for the previous quarter(s).
- ◆ Authorized signatory and his/ her phone number must be registered on the GST Portal.
- ◆ There must not be any data in save stage, in online version of Form GST CMP-08, on the GST Portal.

Portal updated on 26.10.2020

➤ Withdrawal of EVC facility extended to companies for filing GSTR-1 and GSTR-3B.

The facility to file GSTR 3B and GSTR-1 with the Electronic Verification Code (EVC) in lieu of Digital Signature Certifications (DSC) extended to the registered person, who are also registered under the Companies Act, 2013, shall be withdrawn w.e.f. 1st November 2020.

Portal updated on 23.10.2020

➤ Blocking of e-way bill for taxpayers with AATO over Rs 5 crore, after 15th October, 2020

In terms of Rule 138E (b) of the CGST Rules, 2017, the e-way bill generation facility of a person is liable to be restricted, in case the person fails to file their GSTR-3B returns, for a consecutive period of two months or more. The GST Council has decided that this provision will be made applicable for the taxpayers whose Aggregate Annual Turn Over (AATO) is more than Rs 5 crore. The e-way bill generation facility for such GSTINs (whether as consignor or consignee or by transporter) will be blocked on portal after 15th October, 2020.

Portal updated on 10.10.2020

➤ E-invoicing – Relaxation and latest changes

Keeping in view the hardships faced by the taxpayers due to COVID-19, the Government had given relaxation that invoices raised by notified taxpayers during October, 2020 without following e-invoice procedure (i.e. uploading invoice details on e-invoice portal (IRP), obtaining IRN and issuing invoice with QR Code) will be deemed to be valid and no penalty will be there if the IRN for such invoices is obtained within 30 days of date of invoice.

Portal updated on 01.10.2020

Vacancies

The GST Council Secretariat is looking for filling up the following vacancies from the Officers of the State/UTs:

S. No.	Name of the Post	Level in the revised Pay Matrix	of Posts Number
1.	Director	13	01
2.	Deputy Secretary	12	01
3.	Under Secretary	11	02

Interested officers may apply through proper channel to the Director (Admn.), GST Council Secretariat, 5th Floor, Tower-II, Jeevan Bharti Building, Connaught Circus, New Delhi-110001 within 60 days of the date of publication of vacancy circular in the edition of 10-16 October, 2020 Employment News/Rozgar Samachar i.e. till 15th December, 2020. More details along with eligibility conditions, recruitment rules, terms and conditions of appointment are available on the website of the GST Council Secretariat (www.gstcouncil.gov.in/ recruitment-rules)



GOVERNMENT OF INDIA
GOODS AND SERVICES TAX COUNCIL
5th Floor, Tower-II, Jeevan Bharti Building
Connaught Circus, New Delhi – 110001

F. No. 427/T&P(Gr.A)/GSTC/2020/4208-4298-

Dated: 20.10.2020

To,

The Chief Secretaries of all States / UTs with Legislature

Madam / Sir,

Subject: Posting of Officers in the office of GST Council Secretariat on deputation basis-regarding.

The Goods & Services Tax Council (GSTC) Secretariat is entrusted with the work of organizing meetings of the GST Council including the drawing up of the agenda notes and preparing minutes of the GST Council meetings, assisting different Committees / Group of Ministers (GoM) constituted by the GST Council, examining various representations relating to GST Laws / Rules / Rates, administration and Logistics etc. It also has the mandate to carry out tax research, printing, publication and documentation relating to GST.

2. In the Goods & Services Tax Council Secretariat, officers from both the Central Government and the State Government are taken on deputation to work. In this regard, the Goods and Services Tax Council Secretariat invites nominations for appointment on deputation basis in the Secretariat at New Delhi for the below mentioned posts from the officers of the State Governments / Union Territories with Legislature of the rank equivalent to the ones mentioned below:

S.No.	Name of the Post	Level in the revised Pay Matrix	Number of Posts
1.	Director	13	01
2.	Deputy Secretary	12	01
3.	Under Secretary	11	02

3. The Recruitment Rules alongwith terms and conditions of appointment in case of Director, Deputy Secretary and Under Secretary are available on the website of the GST Council Secretariat (www.gstcouncil.gov.in/recruitment-rules).

4. In view of the above, it is requested to kindly forward the applications of willing officers for appointment in the GST Council Secretariat at New Delhi on deputation basis at the earliest, last date being 15th December, 2020 to the GST Council, 5th Floor, Tower-II, Jeevan Bharti Building, Connaught Circus, New Delhi-110001.

Yours faithfully,

(Signature)
20/10.2020
(S.K. Rahman)

Joint Secretary, GST Council