

## Recent Important GST Updates for Taxpayers to Know

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#### Generation of GSTR -2B and claim of Input Tax Credit

Rule 60(7) of CGST Rules-2017 prescribes for generation of auto-drafted statement containing the details of input tax credit in FORM GSTR-2B for counter-party recipients. As per Rule 60(8) of CGST Rules-2017, FORM GSTR-2B shall be made available to the recipients after the Due date of filing GSTR-1/IFF by the suppliers. Notification No. 12/2021-CT and 13/2021-CT, both dated 1st May 2021 extend the Due date of GSTR-1 and IFF for April 2021, to 26th and 28th May 2021, respectively. Consequently, GSTR-2B for April 2021 will be generated after the Due dates, on 29th May 2021.

**Actionable for Taxpayers:** Taxpayers willing to file FORM GSTR-3B for April 2021 before GSTR-2B generation may do so on self-assessment basis. Notification No. 13/2021-CT dated 01.05.2021 prescribes a cumulative limit under Rule-36(4) for ITC claimed in periods April & May 2021.

#### Reporting of 'Rate of Tax' in GSTR -1

In view of **Notification No 79/2020 Central Tax dated 15/10/2020** – Serial Number 7, in table 12 for the words "Total Value" has been substituted by the words "Rates of Tax".

**Actionable for Taxpayers:** Thus, Taxpayers will now be required to report 'rate of tax' along with 'total taxable value' instead of 'invoice value' and 'total taxable value'.

#### E-way Bill system fully linked with FasTag and RFID

Now, E-Way Bill system is successfully integrated with FasTag and RFID, and details of commercial vehicle movements through the state and national highway tolls are received into e-Waybill system on a near real time basis. On an average 25 Lakh goods vehicle movements from more than 800 tolls are reported on a daily basis to the e-Way Bill system. It also includes live RFID data sent by 20+ border check posts of Maharashtra state.

Based on the RFID information received, the following reports are made available in the MIS System and also on the Officer's mobile App.

1. **Live Vigilance:** This report can be used by the Vigilance officers to know the vehicles that have passed the selected tolls without e-Way Bills in the past few minutes. Also, the vehicles

carrying critical commodities specific to the state and have passed the selected toll can be viewed. Any suspicious vehicles and vehicles of EWBs generated by suspicious taxpayer GSTINs , that have passed the selected toll on a near real time basis, can also be viewed in this report.

**2. RFID related report for e-Way Bill:** This report can be used to know the tolls that have passed by the vehicles of a given e-Way bill number. The details are also shown on the google map for better conception. This will help in analyzing the vehicle movement and identifying the deviations in the origin and destination places from that reported in the e-waybill. Also, no vehicle movement can help in identifying bill trading.

**3. RFID related report for Vehicle:** This report can be used to know the last tolls that have been passed by any vehicle.

**4. RFID related report for Vehicle between two dates:** This report can be used to know the tolls that have passed by any vehicle between any two dates.

**Actionable for Taxpayers:** The above reports will give more analytical data for compliance monitoring. The officers can make best use of these reports while conducting vigilance and make the vigilance activity more effective. Also, the officers of audit and enforcement wing can use these reports to identify the fraudulent transactions like bill trading , recycling of EWBs etc.

#### **Filing of fresh refund application after deficiency memo – Period from the date filing of original refund claim to the date of communication of deficiency memo to be excluded for calculation of limitation period**

[Notification No. 15 /2021–Central Tax dated 18<sup>th</sup> May 2021]

As per proviso to rule 90(3), the time period, from the date of filing of the refund claim in FORM GST RFD-01 till the date of communication of the deficiencies in FORM GST RFD-03 by the proper officer, shall be excluded from the period of two years as specified under Section 54(1), in respect of any such fresh refund claim filed by the applicant after rectification of the deficiencies.

**Actionable for Taxpayers:** It is a welcome amendment for the assessee filing refund as in many cases while filing the fresh refund application post receipt of deficiency memo, the time period of 2 years used to expire and the application could not be filed.

#### **Facility for withdrawal of refund application by Filing application in GST RFD -01W**

[Notification No. 15 /2021–Central Tax dated 18<sup>th</sup> May 2021]

As per rule 90(5), the applicant may, at any time before issuance of provisional refund sanction order in FORM GST RFD-04 or final refund sanction order in FORM GST RFD-06 or payment order in FORM GST RFD-05 or refund withhold order in FORM GST RFD-07 or notice in

FORM GST RFD-08, in respect of any refund application filed in FORM GST RFD-01, withdraw the said application for refund by filing an application in FORM GST RFD-01W.

As per rule 90(6), on submission of application for withdrawal of refund in FORM GST RFD-01W, any amount debited by the applicant from electronic credit ledger or electronic cash ledger, as the case may be, while filing application for refund in FORM GST RFD-01, shall be credited back to the ledger from which such debit was made.

### **Haryana First State to Reimburse GST on Covid-Related Donations**

Haryana on Tuesday became the first state in the country to allow reimbursement of goods and services tax (GST) paid on Covid-related donations made to the state and state-run facilities. This will be applicable till June 30. The move is aimed at encouraging efforts by corporations, non-government organisations (NGOs) and individuals and facilitating donations of items such as oxygen concentrators, Covid-19 vaccines, Remdesivir injections, etc. as the country battles the intense second Covid-19 wave. Haryana will reimburse GST already paid on such Covid-19 related items, subject to conditions;

- Such covid related material shall be donated free of cost to the Government of Haryana, hospitals run by State Government, or any Hospital/ Institution permitted by State Government to receive such material through Health & Family Welfare, Department, Government of Haryana.
- This Scheme shall remain in force up to and inclusive of the 30th June, 2021.
- The Health & Family Welfare Department shall issue a certificate of such donation, which shall be submitted by such donors to the Excise and Taxation Department for claiming refund, which shall after verifying the amount of GST paid, sanction the reimbursement of GST

**Actionable for Taxpayers:** It is recommended that in case the taxpayers are willing to avail the above scheme, they may not claim ITC on the above expense even if it is covered under CSR Activity. Thus, in that manner there will not be any contention of unjust enrichment by the department and also envisaged transaction may not come under the purview of deemed supply under clause (1) of Schedule 1 to Section 7 i.e. “permanent transfer or disposal of business assets on which ITC is claimed”

### **Extension of the due date of filing Revocation application of Cancellation**

In view of Notification No. 14/2021 dt. 01.05.2021, the timeline for filing the ‘Application for Revocation of Cancellation’ has been extended for those applicants, for whom the due date to file the same falls between 15 April to 30th May, 2021. Now, they can file the said application till 31st May, 2021.