

CGA Legal
Your GST Knowledge Partner

The GST Bulletin

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About The GST Bulletin

The GST Bulletin is a Fortnightly Newsletter from Team CGA Legal, a leading Indirect Tax Consultancy firm . The Newsletter is intending to keep its readers updated with all important changes in Goods & Services Tax including latest Notifications, Circular and Technical updates if any. The Newsletter also has a special column of GST Compliance Calendar for the Month. Along with it, CGA also sends various legal recommendations which have immense implications in improving the compliance of GST in your business.

All editions of our newsletters can be referred from below link below;
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Other Offerings from Team CGA Legal

- **CGA Legal Judicial Precedent:** A Fortnightly Publication of various important judgments which can have huge impact on your business decisions.
- **CGA Legal GST Compliance Calendar:** Our Monthly Calendar detailing all GST related compliances for the month so that you never miss of any of the compliances.
- **CGA Legal Meet :** Our Monthly Webinar series discussing various trending GST legal and compliance issues

All the previous editions can be accessed on our website
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GST Updates - Notifications

S. No.	Notification No.	Summary of Notifications
1.	28/2021- CT dt. 30.06.2021	<p>Seeks to waive the penalty payable for non-compliance of provisions of Dynamic QR Code</p> <p>Seeks to waive the amount of penalty payable by any registered person under section 125 of the CGST Act for non-compliance of the provisions of Dynamic Quick Response (QR) Code on B2C Invoices between the period from the 01.12.2020 to 30.09.2021.</p>

GST Updates – CBIC Circulars

Clarification regarding extension of limitation under GST Law in terms of Hon'ble Supreme Court's Order dated 27.04.2021.

Circular No. 157/13/2021-GST Date: 20-07-2021

The Circular clarified as under in this regard;

a) Proceedings that need to be initiated or compliances that need to be done by the taxpayers

These actions would continue to be governed only by the statutory mechanism and time limit provided/ extensions granted under the statute itself. Various Orders of the Hon'ble Supreme Court would not apply to the said proceedings/ compliances on part of the taxpayers.

b) Quasi-Judicial proceedings by tax authorities

The tax authorities can continue to hear and dispose off proceedings where they are performing the functions as quasi-judicial authority. This may inter alia include disposal of application for refund, application for revocation of cancellation of registration, adjudication proceedings of demand notices, etc.

Similarly, appeals which are filed and are pending (i.e. ongoing appeals), can continue to be heard and disposed off and the same will be governed by those extensions of time granted by the statutes or notifications, if any.

(c) Appeals by taxpayers/ tax authorities against any quasi- judicial order

Wherever any appeal is required to be filed before Joint/ Additional Commissioner (Appeals), Commissioner (Appeals), Appellate Authority for Advance Ruling, Tribunal and various courts against any quasi-judicial order or where a proceeding for revision or rectification of any order is required to be undertaken, the time line for the same would stand extended as per the Hon'ble Supreme Court's order.

In other words, the extension of timelines granted by Hon'ble Supreme Court vide its Order dated 27.04.2021 is applicable in respect of any appeal which is required to be filed before Joint/ Additional Commissioner (Appeals), Commissioner (Appeals), Appellate Authority for Advance Ruling, Tribunal and various courts against any quasi-judicial order or where proceeding for revision or rectification of any order is required to be undertaken, and is not applicable to any other proceedings under GST Laws.

GST Updates – CBIC Circulars

Clarification regarding applicability of IGST on repair cost, insurance and freight, on goods re-imported after being exported for repairs

Circular No. 16/2021-Customs Date: 19-07-2021

Notification Nos. 45/2017-Customs and 46/2017-Customs, both dated 30th June, 2017, issued at the time of implementation of GST, prescribe certain concession from duty/taxes on reimport of goods exported for repair outside India. These notifications clearly specify that goods exported (other than those exported under claim of benefits listed), when re-imported into India, are exempt from so much of the duty of customs leviable thereon which is specified in the said First Schedule of the Customs Act, 1962, and the integrated tax, compensation cess leviable there on respectively under sub-section (7) and (9) of section 3 of the said Customs Tariff Act, 1975 as is in excess of the duty of customs which would be leviable if the value of re-imported goods after repairs were made up of the fair cost of repairs carried out including cost of materials used in repairs (whether such costs are actually incurred for not), insurance and freight charges, both ways.

Therefore, the said notification prescribes that duties or taxes (including BCD, IGST, etc) at the applicable rates will be payable on such imports, calculated on the value of repairs, insurance and freight, instead of the value of the goods itself.

GST rate and exemptions are prescribed on the recommendation of the GST Council. The Council, at the time of roll out of GST decided to continue the concession as were available under the said notification No. 94/96-Cus, with only consequential amendment, i.e, replacing additional duties of customs with IGST and Compensation cess, as discussed in the 14th Meeting of the GST Council. Accordingly, under GST, IGST and Compensation cess were made applicable on the value of repairs, insurance and freight on re-import of goods sent abroad for repair.

Recently, in the matter of M/s Interglobe Aviation Limited versus Commissioner of Customs, in its Final Order Nos. 51226-51571/2020 dated the 2nd November, 2020 {2020 (43) G.S.T.L. 410 (Tri. - Del.)}, the Hon'ble CESTAT Principal Bench, New Delhi on analysis of notification No. 45/2017-Customs, has interpreted that intention of legislation was only to impose basic customs duty on the fair cost of repair charges, freight and insurance charges on such imports of goods after repair.

GST Updates – CBIC Instructions

Clarification regarding applicability of IGST on repair cost, insurance and freight, on goods re-imported after being exported for repairs

Circular No. 16/2021-Customs Date: 19-07-2021

Accordingly, as recommended by the GST Council 43rd Meeting held on the 28th May, 2021, it is clarified that notification Nos. 45/2017-Customs and 46/2017-Customs, both dated the 30th of June, 2017 were issued to implement the decision of the GST Council taken earlier, that re-import of goods sent abroad for repair attracts IGST on a value equal to the repair value, insurance and freight. Further, in the light of the recommendations of the GST Council in its 43rd Meeting, a clarificatory amendment has been made in the said notifications, vide notification Nos. 36/2021-Customs and 37/2021-Customs, both dated 19th July, 2021, without prejudice to the leviability of IGST, as above, on such imports as it stood before the amendment.

GST Technical Updates – GSTN

Functionality to register complaint on misuse of PAN in GST Registration

Date: 29-06-2021

To address the complaint related to misuse of PAN for obtaining GST registration, a functionality to register such complaints on GST Portal has been introduced. It will check the misuses, control the frauds and help officers in enquiry and cancellation of such registration. Once complaint is registered, it will be sent to the concerned jurisdictional authority where the registration is claimed to be fraudulently taken, for necessary enquiry and suitable action.

The process of registering complaint is given below:-

1. A search functionality is given at the GST Common Portal to find out whether any GSTIN is issued on a particular PAN or not, under Search taxpayer > Search by PAN. The System displays details of the GST registration available on that PAN. In case, no registration is available on that PAN then the message is shown as “No records found”.
2. Any person aggrieved of having his PAN misused, may directly or through an authorized representative, register a complaint at GST Portal. He may search the GSTIN based on PAN and the registration(s) which are not taken by him, may be selected and reported to the jurisdictional officer.
3. On clicking of “Report” button following Pop-up is displayed. In case of Individual PAN (Where 4th letter in PAN is “P”) Legal Name as per PAN will be auto populated. While registering the complaint, the complainant has to provide the e-mail and Mobile Number for validation and the other information like D.O.B. and Address etc. mandatorily. For the GSTIN registered under category, other than Proprietor, complainants have to enter the personal details, which would be followed by Aadhaar Authentication.
4. Once the request is submitted, ARN will be generated. In case multiple GSTNs are selected for such complaints, ARN for each GSTIN shall be generated separately and will be assigned to their respective jurisdictional officers on their dashboard for further necessary action.
5. The complaints so registered, shall be made available to the competent authorities at their dashboard under – “Application for Reporting Fake GSTIN’s for further necessary action. The officers shall have a new Role of “PAN Vigilance officer” in the Back Office for this purpose.

GST Technical Updates – GSTN

Important changes related to QRMP Scheme implemented on the GST Portal for the taxpayers

Date: 06-07-2021

1. Auto population of GSTR-3B liability from IFF and Form GSTR 1: A taxpayer under QRMP Scheme can declare their liability through optional IFF for Month 1 and Month 2 of a quarter & Form GSTR-1 for Month 3 of that quarter. Declaration of liability in these forms would now be auto-populated in their Form GSTR-3B (Quarterly) for that quarter, based on their filed Form GSTR-1 and IFF. These fields are editable and in case their values are revised upwards or downwards, the edited field(s) would be highlighted in red colour and a warning message will be displayed to the taxpayer. However, the system would not prevent taxpayer from filing of Form GSTR-3B with edited values.

2. Nil filing of Form GSTR-1 (Quarterly) through SMS: Nil filing of Form GSTR-1 (Quarterly) through SMS has been enabled for taxpayers under QRMP Scheme. They can now file it by sending a message in specified format to 14409. The format of the message is < NIL > space < Return Type (R1) > space < GSTIN > space < Return Period (mmyyyy) > .

However, NIL filing through SMS can't be done in following scenarios:

- If IFF for Month 1 or 2 of a quarter is in Submitted stage, but not Filed.
- If invoices are Saved in IFF for Month 1 or 2 of a quarter, which was not submitted or filed by due date.

3. Impact of cancellation of registration on liability to file Form GSTR-1: In case registration of a taxpayer under QRMP Scheme is cancelled, with effective date of cancellation being any date after 1st day of Month 1 of a quarter, they would be required to file Form GSTR-1 for the complete quarter, as the last applicable return. For example, if the taxpayer's registration is cancelled w.e.f. 1st of April, he/she is not required to file Form GSTR-1 for Apr-June quarter and Form GSTR-1 for Jan-Mar Quarter shall become the last applicable return. However, if the registration is cancelled on a later date during the quarter, the taxpayer would be required to file Form GSTR-1 for Apr-June quarter. In such cases the filing will become open on 1st of month following the month with cancellation date i.e. if cancellation has taken place on 20th May, Form GSTR-1 for Quarter Apr-June can be filed anytime on or after 1st of June.

GST Technical Updates – GSTN

Upcoming functionalities to be deployed on GST Portal for the Taxpayers in the month of July, 2021

Date: 09-07-2021

Timelines for filing of Application for Revocation of Cancellation of Registration in Form GST REG-21:

- In view of the spread of pandemic COVID-19 across many parts of India, vide Notification No 14/2021-CT, dated 1st May, 2021, read with vide Notification No 24/2021-CT, dated 1st June, 2021, the Government had extended the date for filing of various applications falling during the period from the 15th April, 2021 to 29th June, 2021, till 30th June, 2021.
- In addition to this, timeline for filing of Application for Revocation of Cancellation of Registration, which were due on 15th of April 2021, had also been extended till 30th June 2021 on the GST Portal.
- Accordingly, these extensions have now ceased to be effective w.e.f. 1st July, 2021, and timelines for filing of application for revocation of cancellation is now changed to 90 days (as was earlier) on the GST Portal, from date of Order of Cancellation of Registration in Form GST REG-19.

Information regarding late fee payable provided in Form GSTR-10:

- Taxpayers whose registration is cancelled, at the time of filing of last return in Form GSTR-10, will now be provided with details of late fee payable by them, for the delayed filing of any of the previous returns/ statements in a table, for their assistance in filing of said return by them.
- This information can be viewed by clicking on a hyperlink provided under the column “Late Fee Payable” in the online Form GSTR- 10.

Auto-population of data in Form GSTR-11 on basis of Forms GSTR-1 / 5 filed by their suppliers:

- The UIN holders file details of their inward supplies in Form GSTR-11 on a quarterly basis. They can subsequently file for refund (if required) in Form GST RFD- 10, for the quarter, in which summary of the documents is auto-populated from their Form GSTR-11, in an editable mode
- Form GSTR-11 of the UIN holder would be generated with details of their inward supplies, on basis of Forms GSTR-1 / 5 filed by their suppliers, which will subsequently help them in filing their refund claims

Press Release – Ministry of Finance

GST Revenue collection for June 2021

Date: 06-07-2021

The gross GST revenue collected in the month of June' 2021 is ₹92,849 crore of which CGST is ₹16,424 crore, SGST is ₹20,397, IGST is ₹49,079 crore (including ₹25,762 crore collected on import of goods) and Cess is ₹6,949 crore (including ₹809 crore collected on import of goods). The above figure includes GST collection from domestic transactions between 5th June to 5th July'2021 since taxpayers were given various relief measures in the form of waiver/reduction in interest on delayed return filing for 15 days for the return filing month June'21 for the taxpayers with the aggregate turnover upto Rs. 5 crore in the wake of Covid pandemic second wave.

During this month the government has settled ₹ 19,286 crore to CGST and ₹ 16,939 crore to SGST from IGST as regular settlement.

The revenues for the month of June 2021 are **2% higher** than the GST revenues in the same month last year.

GST collection after posting above Rs. 1 lakh crore mark for eight months in a row, the collection in June' 2021 dropped below Rs. 1 lakh crore. The GST collection for June' 2021 is related to the business transactions made during May' 2021. During May' 2021, most of the States/UTs were under either complete or partial lock down due to COVID. The e-way bill data for the month of May 2021 shows that during the month, 3.99 crore e-way bills were generated as compared to 5.88 crore in the month of April 2021, down by more than 30%.

However, with reduction in caseload and easing of lockdowns, the e-way bills generated during June 2021 is 5.5 crore which indicates recovery of trade and business. The daily average generation of e-way bill for the first two weeks of April 2021 was 20 lakh, which came down to 16 lakh in last week of April 2021 and further to 12 lakh in the two weeks between 9th to 22nd May. Thereafter, the average generation of e-way bills has been increasing and has reached again to 20 lakh level since week beginning 20th June. Therefore, it is expected that while the GST revenues have dipped during the month of June, the revenues will see an increase again from July 2021 onwards.



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