

GST Update

Weekly Update
25.08.2018

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 18.08.2018. It supplements the earlier GST Updates.
- This presentation is based on CGST Act/Rules/ Notifications. Similar parallel provisions in State Laws may be referred to as required

- 4 Central Tax Notifications issued. Due dates for filing of GSTR-3B & GSTR-1 extended.
- One circular issued clarifying removal of restriction of refund of accumulated ITC on fabrics.

Due date to file GSTR-3B for the month of July Extended

- http://www.cbic.gov.in/resources//htdocs-cbec/gst/Notification-35-2018-central_tax-English.pdf;jsessionid=65E8D9470EB9687345DAF7DEB8B80BCF
- Notfn no.35/2018-Central Tax issued.
- Due date for filing GSTR-3B for the month of July 2018 extended, by four days, till **24.08.2018**

Due date to file GSTR-3B for the months of July & August for registered persons in Kerala/Mahe/Kodagu Extended

- http://www.cbic.gov.in/resources//htdocs-cbec/gst/Notification-36-2018-central_tax-English.pdf;jsessionid=FD872B99F31C8C2ED38E78F7D7F429A0
- Notfn no.36/2018-Central Tax issued.
- For registered persons in Kerala, Kodagu district of Karnataka & Mahe in the Union Territory of Puducherry - Due date for filing GSTR-3B for the month of July extended till **05.10.2018** & due date for filing GSTR-3B for Aug 2018 extended till **10.10.2018**

Due date to file GSTR-1 for the months of July & August for registered persons in Kerala/Mahe/Kodagu Extended

- http://www.cbic.gov.in/resources//htdocs-cbec/gst/Notification-37-2018-central_tax-English.pdf;jsessionid=A6E3EF81E1A125F540EF9F49D32CF30F
- Notfn no.37/2018-Central Tax issued.
- For registered persons in Kerala, Kodagu district of Karnataka & Mahe in the Union Territory of Puducherry and filing monthly returns i.e. turnover MORE THAN 1.5 CR - Due date for filing GSTR-1 for the month of July extended till **05.10.2018** & due date for filing GSTR-1 for Aug 2018 extended till **10.10.2018**

Due date to file quarterly GSTR-1 for the quarter July 18 to Sep 18 for registered persons in Kerala/Mahe/Kodagu Extended

- http://www.cbic.gov.in/resources//htdocs-cbec/gst/Notification-38-2018-central_tax-English.pdf;jsessionid=1D24005D19FC167C537120DDF1013211
- Notfn no.38/2018-Central Tax dated 24.08.2018 issued.
- For registered persons in Kerala, Kodagu district of Karnataka & Mahe in the Union Territory of Puducherry AND FILING QUARTERLY RETURNS I.E TURNOVER LESS THAN 1.5 CR - Due date for filing GSTR-1 for the quarter July 18 to September 18 extended till **15.11.2018.**

Clarification reg removal of restriction on refund of accumulated ITC on Fabrics

- http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_No.56.pdf;jsessionid=7BBABD3DAAE4F47C6E75E31D6FCDAAC3
- Circular No.56/30/2018-GST dated 24.08.2018 issued. Clarifies intent and applicability of Notfn no.20/2018-CT (Rate) dt 26.7.18
- Circular clarifies that
 - Notfn seeks to lapse ITC of only inputs lying unutilised after payment of tax up to the month of July 2018. Credit of ITC on capital goods and inputs services will not lapse
 - Formula applicable u/r 89(5) of CGST Rules to apply mutatis mutandis to calculate amount of ITC to be reversed/lapsed
 - Notfn not to apply where credit accumulation is not on account of inverted rate structure
 - Notfn not to apply for zero rated supplies

Clarification reg removal of restriction on refund of accumulated ITC on Fabrics (Contd)

- **Whether Notification 20/2018-CT(R) seeks to lapse all ITC lying unutilised after payment of tax upto month of July, 18?**
- *No. ITC of only inputs lying unutilised after payment of tax up to the month of July 2018. Credit of ITC on capital goods and inputs services will not lapse*
- *Formula prescribed in Rule 89(5) of CGST Rules for calculating the amount that would lapse; To be calculated for the relevant period for which refund of unutilised ITC was blocked*
- *The formula itself ensures that ITC relating to capital goods and input services does not lapse*

Clarification reg removal of restriction on refund of accumulated ITC on Fabrics (Contd)

- **Whether ITC relating to closing stock of finished goods and inputs as on 31.07.2018 shall also lapse?**
- *No. ITC involved in the stock may be excluded for determining the net ITC for applying the formula*
- *ITC relating to stock may be calculated as prescribed in S.No. 7 of form GST ITC-01*

Clarification reg removal of restriction on refund of accumulated ITC on Fabrics (Contd)

- **Whether accumulated ITC in respect of exports shall also lapse?**
- *No. Application of formula prescribed in Rule 89(5) of CGST Rules itself ensures that ITC relating to exports does not lapse as zero rated supplies are excluded*
- *Further refund of ITC on exports is separately determined under rule 89(4) of CGST Rules*

Clarification reg removal of restriction on refund of accumulated ITC on Fabrics (Contd)

- **Procedure for lapsing of the unutilised ITC**
- *The amount shall be furnished in column 4B(2) of the return GSTR-3B for the month of August, 2018*
- *Taxable person to submit detailed calculation sheet in respect of accumulated ITC lapsed at the time of filing first refund claim on account of inverted duty structure*
- *Verification of accumulated ITC may be done at that time*



GST Portal Updates

- Refund application filing for multiple tax period is available for below grounds of refund:
 - **Export of Goods & Services-Without payment of Tax**
 - **Supplies made to SEZ Unit/SEZ Developer-Without payment of Tax**
- Refund application can be filed using refund application Form GST-RFD-01A & selecting a particular tax period
- The multiple tax period application has following restrictions:
 - Multiple tax period selection should be within financial year
 - Application has to be filed chronologically for tax periods and in case refund application is not to be filed for any tax period, a declaration of 'No Refund Application is to be provided'

Advisory for Taxpayers to file Refund for Multiple Tax period (Contd)

- *Foreg: April 2018 to June 2018 refund application cannot be filed till application or No refund application declaration is filed for any tax period prior to April 2018*
- For claiming refund, taxpayer would have to upload invoice details mandatorily in the statement template available in the refund application itself
- The statement uploaded by taxpayers will be validated by system from the invoice data declared/provided by the taxpayer at the time of filing return for that period for which refund is claimed
- Only after validating data from system, the taxpayer would be able to file refund application.

Advisory for Taxpayers to file Refund for Multiple Tax period (Contd)

- All the invoice details are to be provided in a single statement. Taxpayer is not required to upload multiple statements for different periods separately.
- After filing refund application, taxpayer would not be able to claim refund for that invoice again in some other refund application as the system will lock the invoice for which refund is claimed in one application. Also, taxpayer would not be able to amend invoice details after claiming refund
- Taxpayer can also attach any other supporting document, if required 4 documents can be uploaded with a single refund application in pdf format. Max size allowed for a document is 5MB
- After filing of refund application by taxpayer, refund application Form GST-RFD-01A along with the statement and documents uploaded shall be available to tax officer for review and processing of refund
- As the functionality for multiple tax period has been made available, therefore to avoid duplication, the refund applications that were SAVED in the GST system will be purged and removed from the system

Any ISSUES/ queries?

- <https://cbec-gst.gov.in/>
- [CBEC MITRA HELPDESK](#)
 - 1800 1200 232
 - cbecmitra.helpdesk@icegate.gov.in
- GSTN Help Desk
 - <https://selfservice.gstsystem.in/> - Grievance redressal portal
 - Help Desk Number: 0120-4888999

Any ISSUES/ queries?

- Twitter Handles
- For General Questions
- https://twitter.com/askGST_GoI
- For technology related issues
- <https://twitter.com/askGSTech>
- NACIN twitter
- https://twitter.com/NACIN_OFFICIAL

THANK YOU