

Electronic Cash/Credit Ledgers and Liability Register in GST

Introduction:

On the common portal each registered taxpayer will have one electronic register called the Electronic liability register and two electronic ledgers namely Electronic Cash Ledger and Electronic Credit Ledger. These register and ledgers will reflect the amount of tax payable, the amount available to settle the tax liability online, and input credit balance. This is a handy tool provided in the GST system wherein the registered taxpayer can have information about his liabilities and credits at a single location which can be viewed from any place by simply logging into the common portal. Electronic liability register, electronic cash ledger and electronic credit ledger of taxpayer will be updated on generation of GSTR-3 by the taxpayer. A unique identification number shall be generated at the common portal for each debit or credit to the electronic cash or credit ledger. The unique identification number relating to discharge of any liability shall be indicated in the corresponding entry in the electronic

liability register. In case of any discrepancy in his electronic liability ledger, electronic cash ledger or electronic credit ledger the registered person has to communicate the same to the officer exercising jurisdiction in the matter, through the common portal in **FORM GST PMT-04**.

Electronic liability register:

The electronic liability register is maintained in **FORM GST PMT-01** for each person liable to pay tax, interest, penalty, late fee or any other amount on the common portal and all amounts payable by him shall be debited to the said register. The electronic liability register will be maintained in two parts at the common portal.

Part I will be for maintaining the return related liabilities. All liabilities accruing due to return and payments made against the same will be recorded in this part of the register. Liabilities due to opting for composition and cancellation of registration will also be covered in this part. Such liabilities shall be populated in the liability register of the tax period in which the date of application or order falls, as the case may be.

Part II will be for maintaining the complete description of the transactions of all liabilities accruing, other than return related liabilities. Such other liabilities may include the following:

- Liabilities due to reduction or enhancement in the amount payable due to decision of appeal, rectification, revision, review etc.;

- Refund of pre-deposit that can be claimed for a particular demand if appeal is allowed;
- Payment made against the show cause notice or any other payment made voluntarily;
- Reduction in amount of penalty (which would be automatically shown) based on payment made after show cause notice or within the time specified in the Act or the rules.

The electronic liability register of the person shall indicate the following-

- the amount payable towards tax, interest, late fee or any other amount payable as per the return furnished by the said person;
- the amount of tax, interest, penalty or any other amount payable as determined by a proper officer in pursuance of any proceedings under the Act or as ascertained by the said person;
- the amount of tax and interest payable as a result of mismatch of input tax credit
- or any amount of interest that may accrue from time to time;
- the amount deducted by the Government authorities from the payment made or credited to the supplier of taxable goods or services or both, where the total value of such supply, under a contract, exceeds two lakhs and fifty thousand

rupees;

- the amount required to be collected by every electronic commerce operator on the net value of taxable supplies made through it by other suppliers where the consideration with respect to such supplies is to be collected by the operator;
- the amount payable on reverse charge basis;
- the amount payable under the Composition levy scheme;
- amount payable towards interest, penalty, fee;
- Any other amount under the GST Act.

Any amount of demand debited in the electronic liability register shall stand reduced to the extent of relief given by the appellate authority or Appellate Tribunal or court and the electronic liability register shall be credited accordingly.

The amount of penalty imposed or liable to be imposed shall stand reduced partly or fully, as the case may be, if the taxable person makes the payment of tax, interest and penalty specified in the show cause notice or demand order and the electronic liability register shall be credited accordingly.

Electronic cash ledger:

Every deposit made by a person by internet banking or by using credit or debit cards or National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS)

or by over the counter deposit will be credited to the electronic cash ledger. The amount available in the electronic cash ledger may be used for making any payment towards tax, interest, penalty, fees or any other amount payable.

The electronic cash ledger shall be maintained in **FORM GST PMT-05** for each person, liable to pay tax, interest, penalty, late fee or any other amount, on the common portal for crediting the amount deposited and debiting the payment therefrom towards tax, interest, penalty, fee or any other amount. The payment required to be made by an unregistered person, can be made on the basis of a temporary identification number generated through the common portal.

A **challan** in **FORM GST PMT-06** can be generated on the common portal in which the details of the amount to be deposited towards tax, interest, penalty, fees or any other amount is to be entered. This challan will be valid for a period of fifteen days.

The deposit can be made through any of the following modes, namely: -

- i. Internet Banking through authorised banks;
- ii. Credit card or Debit card through the authorised bank;
- iii. NEFT or RTGS from any bank; or
- iv. Over the Counter payment through authorised banks for deposits up to Rs 10,000/- per challan per tax period, by cash, cheque or demand draft.

When the payment is made by way of NEFT or RTGS mode from any bank, the mandate form shall be generated along with the challan on the common portal and the same shall be submitted to the bank from where the payment is to be made. The mandate form shall be valid for a period of fifteen days from the date of generation of challan.

On successful credit of the amount to the concerned government account maintained in the authorised bank, a **Challan Identification Number** (CIN) shall be generated by the collecting bank and the same shall be indicated in the challan.

On receipt of the CIN from the collecting bank, the said amount shall be credited to the electronic cash ledger of the person on whose behalf the deposit has been made and the common portal shall make available a receipt to this effect.

In case the bank account is debited but CIN has not been generated or generated but not communicated to the common portal, then the person has to represent electronically in **FORM GST PMT-07** through the common portal to the bank or electronic gateway through which the deposit was initiated.

The amount deducted under section 51 or collected under section 52 and claimed in **FORM GSTR-2** by the registered person from whom the said amount was deducted or, as the case may be, collected will be credited to his electronic cash ledger.

Refund from cash ledger can only be claimed only when all the return related liabilities for that tax period have been

discharged. A registered person, claiming refund of any balance in the electronic cash ledger can claim such refund in Part B of the return in **FORM GSTR-3** and such return shall be deemed to be an application filed under section 54 of the CGST Act, 2017.

Electronic credit ledger:

The electronic credit ledger shall be maintained in FORM GST PMT-02 for each registered person eligible for input tax credit on the common portal and every claim of input tax credit will be credited to this ledger. The amount available in the electronic credit ledger can be used for making any payment towards output tax.

In case a registered person has claimed refund of any unutilized amount from the electronic credit ledger in accordance with the provisions of section 54, the amount to the extent of the claim shall be debited in the said ledger.

If the refund so filed is rejected, either fully or partly, the amount debited to the extent of rejection, shall be re-credited to the electronic credit ledger by the proper officer by an order made in FORM GST PMT-03.

Unless otherwise allowed, entries will not be allowed to be made directly in the electronic credit ledger under any circumstance.
