

# **GST**

## **New GST Return Forms**

# Statutory Provisions

**Section - 43A, Central Goods And Services Tax Act, 2017 :  
Procedure for furnishing return and availing input tax credit.**

**Notwithstanding anything contained in section 16(2), section 37 or section 38, every registered person shall in the returns furnished under sub-section (1) of section 39 verify, validate, modify or delete the details of supplies furnished by the suppliers.**

**Please note that section 43A has not yet notified by the Government**

# Statutory Provisions

## Section – 16(2), Central Goods And Services Tax Act, 2017

Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,—

- (a) he is in possession of a tax invoice or debit note
- (b) he has received the goods or services or both
- (c) the tax charged in respect of such supply has been actually paid to the Government and
- (d) he has furnished the return

# Relation between Section - 43A & Section 16(2)

- Lets go through section 16(2)(c) for content of bare Act:

*“subject to the provisions of section 41 or section 43A, the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilization of input tax credit admissible in respect of the said supply;”*

**Please note that section 43A has not yet notified by the Government**

# Conclusion

So basically although now even if you have a Tax Invoice, but the ultimate thing for getting ITC (After insertion of 43 A) is the details as shown in the return u/s 43 A!!!!)

# Sec 37 & 38

- Furnishing details of Outward Supplies (Sec 37)
- Furnishing Details of Inward Supplies (Sec 38)
- Return u/s 43A shall be deemed to be return U/s 39.
- The new return system shall have no change in filling return for Composition Registered Person, Input Service distributors, Non Resident Taxable Person and persons liable for TDS and TCS.

# Controversy : 20% Restriction on ITC Availment

- **Section 43A** empowers to limit ITC in respect of ITC not showing in GSTR- 2A to 20% of ITC reflecting in GSTR-2A. The procedure for availing input tax credit in respect of outward supplies not furnished under sub-section (3) shall be such as may be prescribed and such procedure may include the maximum amount of the input tax credit which can be so availed, not exceeding twenty per cent of the input tax credit available, on the basis of details furnished by the suppliers under the said sub-section.
- **Rule 36(4)** has been inserted in the CGST Rules, 2017- "Input tax credit to be availed by a registered person in respect of invoices or debit notes, the details of which have not been uploaded by the suppliers in their GSTR-1 under section 37(1), shall not exceed 20 per cent of the eligible credit available in respect of invoices or debit notes the details of which have been uploaded by the suppliers under section 37(1)"
- **Section 43A is never made applicable and probably waiting for new return filing system. The applicability of such rule, in view of section 43A not made effective is in itself questionable.**

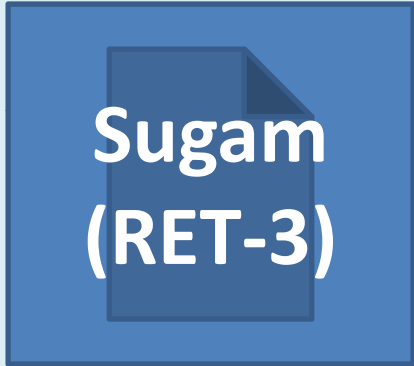
# New GST Return Forms

A blue square icon with a white document symbol and the text "Normal (RET-1)" in white.

**Normal  
(RET-1)**

A blue square icon with a white document symbol and the text "Sahaj (RET-2)" in white.

**Sahaj  
(RET-2)**

A blue square icon with a white document symbol and the text "Sugam (RET-3)" in white.

**Sugam  
(RET-3)**





**If your Turnover is  
more than 5 Crore**



**Normal  
(RET-1)**

**If your Turnover is Less  
than 5 Crore**

**Quarterly**

**Normal  
(RET-1)**

**Sahaj  
(RET-2)**

**Sugam  
(RET-3)**

# **GST Sahaj Form (RET-2)**

# Who can file GST Sahaj Form (RET-2)

- Taxpayers whose aggregate turnover in the preceding Financial year was upto Rs.5 Crore
- Supplies only to consumers and unregistered persons (B2C supplies)

# What to file?

- Taxpayers opting to file Sahaj can declare outward supply under B2C category and inward supplies attracting reverse charge only.
- FORM GST ANX – 1 and FORM GST ANX – 2 on quarterly basis - **by 20<sup>th</sup> of the month succeeding the quarter**
- Payment of tax to be done on monthly basis through FORM GST PMT-08.

# Points to Remember!

- E-commerce operators are ineligible to file Sahaj.
- Credit ITC allowed only for uploaded invoice, i.e. you cannot take ITC if your supplier has not uploaded invoice

# Who can file GST Sugam Form (RET-3)

- Taxpayers whose aggregate turnover in the preceding Financial year was upto Rs.5 Crore
- Supplies to consumers and un-registered persons (B2C) and to registered persons (B2B)

# What to file?

- Taxpayers opting to file Sugam can declare outward supply under B2C and B2B category and inward supplies attracting reverse charge only.
- FORM GST ANX – 1 and FORM GST ANX – 2 on quarterly basis – by 20<sup>th</sup> of the month succeeding the quarter
- Payment of tax to be done on monthly basis through FORM GST PMT-08.



# Points to Remember!

- E-commerce operators are ineligible to file Sugam.
- Credit ITC allowed only for uploaded invoice, i.e. you cannot take ITC if your supplier has not uploaded invoice

# Who can file GST RET-1 or Normal Quarterly form

- Taxpayers whose aggregate turnover in the preceding Financial year was upto Rs.5 Crore

# What to file?

- FORM GST ANX – 1 and FORM GST ANX – 2 on quarterly basis – by 20<sup>th</sup> of the month succeeding the quarter
- Payment of tax to be done on monthly basis through FORM GST PMT-08.

# Points to Remember!

- Credit ITC allowed for missing invoice as well.

# Form & Filing Procedure!

- Update your profile and select the Option of GST Form
- **File Annexure for Invoice Details**



**Annexure of Supplies (Details of outward supplies, imports and inward supplies attracting reverse charge)**

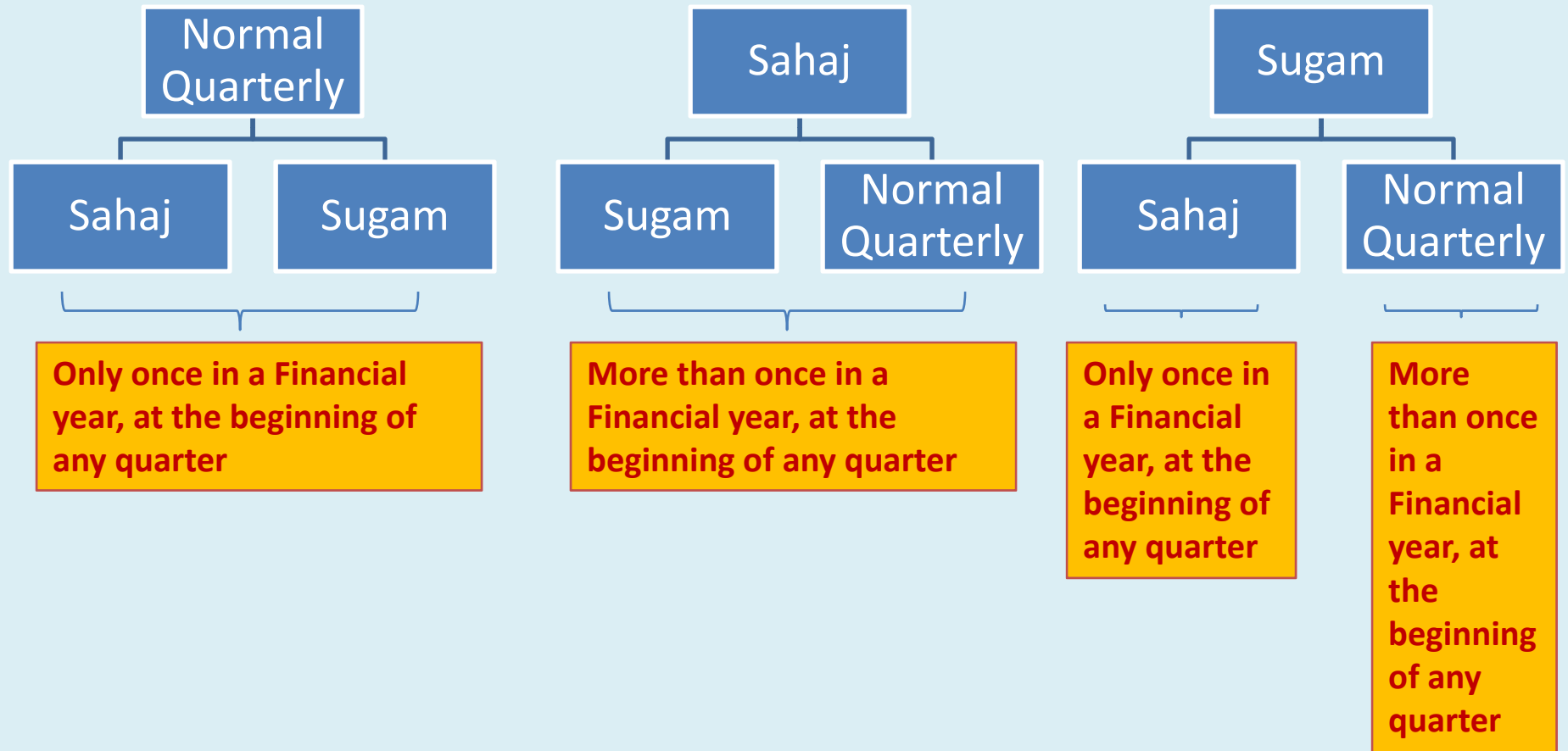


**Annexure of Inward Supplies (Details of auto drafted inward supplies)**

# Form & Filing Procedure!

- Auto populated details in GST Form RET-1/RET-2/RET-3
- GST Anx-1A-Amendments to Anx-1
- GST Form RET-1A/RET-2A/RET-3A-Amendments to GST Form RET-1/RET-2/RET-3

# Switching from One Return to Another!



# Normal return in detail

- The details can be uploaded on real time basis.
- This details can be uploaded till the due date of return of September month of next financial year or till furnishing of annual return.
- Monthly return fillers will not be able to upload details from 18<sup>th</sup> to 20<sup>th</sup> of the month following tax period.
- Quarterly return fillers will not be able to upload details from 23<sup>rd</sup> to 25<sup>th</sup> of the month following tax period.



# Normal return in detail

- Recipient shall get credit of documents uploaded by the supplier till 10<sup>th</sup> of the month following the tax period.
- Supplies attracting reverse charge shall only be declared by the recipient. Now no liability of the supplier to disclose the same.
- HSN mandatory only for Large tax payers. (Most welcome Change)

# Normal return in detail

- Tax amount shall be auto calculated by system, up to 2 decimals.
- However Cess shall have to be inserted manually.
- Place of supply shall be mandatory to be reported.

# Details of old system of return

- Document which has been mistakenly left out or are to be amended for returns pertaining to old returns shall be allowed to be amended in new returns.
- If the transaction has not been reported in 3B and also in GSTR 1, the tax is to be paid and is to be reported in ANX 1 and Ret 1/2/3.

# Details of old system of return

- If the transaction is accounted in 3B and failed to be reported in GSTR 1, it is only to be reported in ANX 1 and adjustment has to be done in Colum 3C(5) of Return.
- If the transaction is reported in GSTR 1, but not accounted in 3B, the tax liability shall be adjusted in Colum 3A(8)

# Edit and amendment of Anx 1

- Documents can be edited only up to 10<sup>th</sup> of the following tax period.
- Amendment-Edit only available if the recipient has not accepted by the recipient.
- If the recipient has accepted the same edit and amendment only possible if the recipient has reset/unlocked the said transaction.

# **Amendment only to be done by supplier**

- Only the supplier can edit or amend the details
- Only recipient can reset/unlock the details.
- Recipient has no option to amend or edit.

# Anx 2: Details of inward supplies

- The recipient can view the transaction on real time basis. (If uploaded by the supplier on real time!!!)
- Recipient can taken action on the details showing till 10<sup>th</sup> of the month following tax period.
- Recipient has 3 main options in Annx 2:
  - Accept
  - Reject
  - Keep pending

# Anx 2: Details of inward supplies

- The transactions that can not be corrected through financial credit or debit note has to be rejected.
  - Transaction like mistake in bill no, date, HSN etc.
- Keep pending is an action which is neither a acceptance nor a rejection, but is an option to keep the decision of the particular credit pending.
- ITC of pending invoice shall not be available and the said shall be carry forward to next period.



# Anx 2: Details of inward supplies

- Pending invoice also not available to supplier for amendment. Though he would have to pay the tax on it.
- Any invoice on which no action has been take shall be deemed to be accepted.
- The status of return filling of supplier shall be made known to the recipient.
- Trade name of the supplier will also be shown along with legal name. (Rare welcome Change)

# Anx 2: Details of inward supplies

- The details of supplier returns status shall be mentioned in as M-1 and M-2. The credit of 2 return defaults by the supplier shall be blocked.

# Anx 1A: Instructions

- Amendment shall be possible for invoice entered during the previous returns.
- Amendment permissible till the September of the next FY or date of filling annual return whichever is earlier.
- Providing of original details of invoices shall be mandatory.
- Missing document of prior period can not be added in this ANX 1A but has to be reported in ANX 1 itself.

# Anx 1A: Instructions

- The invoice which is accepted by the recipient shall not be eligible for amendment.
- For amendment in such invoice, the recipient needs to reset/unlock such invoice.

# Anx RET 01A

- Entries which were not auto populated from ANX 1 & 2 and which were entered manually are to be amended in this form.
- Payment can be made if liability arises due to amendment in RET 01A.
- However if refund arises, no refund shall be paid but the same shall be carried forward to next tax period.
- Full revised value has to be reported in the amendment. If the original amount was shown as 100 but the correct amount is 120, 120 is to be shown.

# PMT 08

- Tax payer opting to file return on quarterly basis shall be required to file PMT 08 for the first 2 months.
- In PMT 08 only eligible ITC shall be allowed to be claimed. (ITC available as per ANX 2)
- Payment has to be still done by PMT 05 as challan. This is a set off form.
- Last date of payment through PMT 08 is 20<sup>th</sup> of the next month.
- Even NIL PMT 08 to be filled.
- Late payment will attract interest u/s 50.

# Contact us

## **Deepak A Gupta & CO.**

**Chartered Accountants**

**B-107, Green Field Colony**

**Sector 42,**

**Faridabad**

**Haryana- 121001**

**Mobile: +91 8860779306**

**Email : [Contact@studycafe.in](mailto:Contact@studycafe.in)**