

## GOODS & SERVICES TAX / IDT UPDATE - 109

### Amendment in section 39 of the CGST Act, 2017

The Central Government vide [Notification No. 81/2020- Central Tax dated 10<sup>th</sup> November, 2020](#) has appointed the **10<sup>th</sup> day of November, 2020**, as the date on which the provisions of section 97 of the Finance (No. 2) Act, 2019 (23 of 2019) shall come into force-which reads as under:-

“In section 39 of the Central Goods and Services Tax Act,—

(a) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

“(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52 shall, for every calendar month or part thereof, furnish, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars, in such form and manner, and within such time, as may be prescribed:

Provided that the Government may, on the recommendations of the Council, notify certain class of registered persons who shall furnish a return for every quarter or part thereof, subject to such conditions and restrictions as may be specified therein.

(2) A registered person paying tax under the provisions of section 10, shall, for each financial year or part thereof, furnish a return, electronically, of turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, tax paid and such other particulars in such form and manner, and within such time, as may be prescribed.”;

(b) for sub-section (7), the following sub-section shall be substituted, namely:—

“(7) Every registered person who is required to furnish a return under sub-section (1), other than the person referred to in the proviso thereto, or sub-section (3) or sub-section (5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return:

Provided that every registered person furnishing return under the proviso to sub-section (1) shall pay to the Government, the tax due taking into account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other particulars during a month, in such form and manner, and within such time, as may be prescribed:

Provided further that every registered person furnishing return under sub-section (2) shall pay to the Government, the tax due taking into account turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, and such other particulars during a quarter, in such form and manner, and within such time, as may be prescribed.”.

[[Notification No. 81/2020- Central Tax dated 10<sup>th</sup> November, 2020](#)]

*Thirteenth amendment (2020) to the CGST Rules, 2017*

The Central Government vide [Notification No.82/2020-Central Tax dated 10<sup>th</sup> November, 2020](#) has made the following amendments in the **Central Goods & Services Tax Rules, 2017 :-**

<u>Rule</u>	<u>Amendments</u>
<b>Rule 59:</b>  (Form and manner of furnishing details of outward supplies)	<p><b><u>Substitution of Rule 59 w.e.f. from the 1st day of January, 2021:-</u></b></p> <p><b>“59. Form and manner of furnishing details of outward supplies.-</b> (1) Every registered person, other than a person referred to in section 14 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), required to furnish the details of outward supplies of goods or services or both under section 37, shall furnish such details in <b>FORM GSTR-1</b> for the month or the quarter, as the case may be, electronically through the common portal, either directly or through a Facilitation Centre as may be notified by the Commissioner.</p> <p>(2) The registered persons required to furnish return for every quarter under proviso to subsection (1) of section 39 may furnish the details of such outward supplies of goods or services or both to a registered person, as he may consider necessary, for the first and second months of a quarter, up to a cumulative value of fifty lakh rupees in each of the months,- using invoice furnishing facility (hereafter in this notification referred to as the “IFF”) electronically on the common portal, duly authenticated in the manner prescribed under rule 26, from the 1st day of the month succeeding such month till the 13th day of the said month.</p> <p>(3) The details of outward supplies furnished using the IFF, for the first and second months of a quarter, shall not be furnished in <b>FORM GSTR-1</b> for the said quarter.</p> <p>(4)The details of outward supplies of goods or services or both furnished in <b>FORM GSTR-1</b> shall include the–</p> <p>(a) invoice wise details of all –</p> <p>(i) inter-State and intra-State supplies made to the registered persons; and</p> <p>(ii) inter-State supplies with invoice value more than two and a half lakh rupees made to the unregistered persons;</p>

	<p>(b) consolidated details of all –</p> <p>(i) intra-State supplies made to unregistered persons for each rate of tax; and</p> <p>(ii) State wise inter-State supplies with invoice value upto two and a half lakh rupees made to unregistered persons for each rate of tax;</p> <p>(c) debit and credit notes, if any, issued during the month for invoices issued previously.</p> <p>(5) The details of outward supplies of goods or services or both furnished using the IFF shall include the –</p> <p>(a) invoice wise details of inter-State and intra-State supplies made to the registered persons;</p> <p>(b) debit and credit notes, if any, issued during the month for such invoices issued previously.”</p>
<p><b>Rule 60:</b>  (Form and manner of ascertaining details of inward supplies.)</p>	<p><b><u>Substitution of Rule 60 w.e.f. from the 1st day of January, 2021:-</u></b></p> <p><b>“60. Form and manner of ascertaining details of inward supplies.-</b> (1)The details of outward supplies furnished by the supplier in <b>FORM GSTR-1</b> or using the IFF shall be made available electronically to the concerned registered persons (recipients) in <b>Part A</b> of <b>FORM GSTR-2A</b>, in <b>FORM GSTR-4A</b> and in <b>FORM GSTR-6A</b> through the common portal, as the case may be.</p> <p>(2)The details of invoices furnished by an non-resident taxable person in his return in <b>FORM GSTR-5</b> under rule 63 shall be made available to the recipient of credit in <b>Part A</b> of <b>FORM GSTR 2A</b> electronically through the common portal.</p> <p>(3)The details of invoices furnished by an Input Service Distributor in his return in <b>FORM GSTR-6</b> under rule 65 shall be made available to the recipient of credit in <b>Part B</b> of <b>FORM GSTR 2A</b> electronically through the common portal.</p> <p>(4)The details of tax deducted at source furnished by the deductor under sub-section (3) of section 39 in <b>FORM GSTR-7</b> shall be made available to the deductee in <b>Part C</b> of <b>FORM GSTR-2A</b> electronically through the common portal</p> <p>(5)The details of tax collected at source furnished by an e-</p>

commerce operator under section 52 in **FORM GSTR-8** shall be made available to the concerned person in **Part C** of **FORM GSTR 2A** electronically through the common portal.

(6) The details of the integrated tax paid on the import of goods or goods brought in domestic Tariff Area from Special Economic Zone unit or a Special Economic Zone developer on a bill of entry shall be made available in **Part D** of **FORM GSTR-2A** electronically through the common portal.

(7) An auto-drafted statement containing the details of input tax credit shall be made available to the registered person in **FORM GSTR-2B**, for every month, electronically through the common portal, and shall consist of –

(i) the details of outward supplies furnished by his supplier, other than a supplier required to furnish return for every quarter under proviso to sub-section (1) of section 39, in **FORM GSTR-1**, between the day immediately after the due date of furnishing of **FORM GSTR-1** for the previous month to the due date of furnishing of **FORM GSTR-1** for the month;

(ii) the details of invoices furnished by a non-resident taxable person in **FORM GSTR-5** and details of invoices furnished by an Input Service Distributor in his return in **FORM GSTR-6** and details of outward supplies furnished by his supplier, required to furnish return for every quarter under proviso to sub-section (1) of section 39, in **FORM GSTR-1** or using the IFF, as the case may be,-

(a) for the first month of the quarter, between the day immediately after the due date of furnishing of **FORM GSTR-1** for the preceding quarter to the due date of furnishing details using the IFF for the first month of the quarter;

(b) for the second month of the quarter, between the day immediately after the due date of furnishing details using the IFF for the first month of the quarter to the due date of furnishing details using the IFF for the second month of the quarter;

(c) for the third month of the quarter, between the day immediately after the due date of furnishing of details using the IFF for the second month of the quarter to the due date of furnishing of **FORM GSTR-1** for the quarter;

(iii) the details of the integrated tax paid on the import of goods or

	<p>goods brought in the domestic Tariff Area from Special Economic Zone unit or a Special Economic Zone developer on a bill of entry in the month.</p> <p>(8) The Statement in FORM GSTR-2B for every month shall be made available to the registered person,-</p> <p>(i) for the first and second month of a quarter, a day after the due date of furnishing of details of outward supplies for the said month, in the IFF by a registered person required to furnish return for every quarter under proviso to sub-section (1) of section 39, or in <b>FORM GSTR-1</b> by a registered person, other than those required to furnish return for every quarter under proviso to sub-section (1) of section 39, whichever is later;</p> <p>(ii) in the third month of the quarter, a day after the due date of furnishing of details of outward supplies for the said month, in <b>FORM GSTR-1</b> by a registered person required to furnish return for every quarter under proviso to sub-section (1) of section 39.”</p>
<p><b>Rule 61:</b></p> <p>(Form and manner of submission of monthly return)</p>	<p><b><u>Insertion of Sub-Rule (6) :-</u></b></p> <p>“(6) Every registered person other than a person referred to in section 14 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) or an Input Service Distributor or a non-resident taxable person or a person paying tax under section 10 or section 51 or, as the case may be, under section 52 shall furnish a return in <b>FORM GSTR-3B</b>, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner, on or before the twentieth day of the month succeeding such tax period:</p> <p>Provided that for taxpayers having an aggregate turnover of up to five crore rupees in the previous financial year, whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep, the return in FORM GSTR-3B of the said rules for the months of October, 2020 to March, 2021 shall be furnished electronically through the common portal, on or before the twenty-second day of the month succeeding such month:</p> <p>Provided further that for taxpayers having an aggregate turnover of up to five crore rupees in the previous financial year, whose principal place of business is in the States of Himachal Pradesh,</p>

	<p>Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi, the return in FORM GSTR-3B of the said rules for the months of October, 2020 to March, 2021 shall be furnished electronically through the common portal, on or before the twenty-fourth day of the month succeeding such month.”</p>											
<p><b>Rule 61:</b>  (Form and manner of submission of monthly return)</p>	<p><b><u>Substitution of Rule 61 w.e.f. from the 1st day of January, 2021:-</u></b></p> <p>“61. Form and manner of furnishing of return.-(1) Every registered person other than a person referred to in section 14 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) or an Input Service Distributor or a non-resident taxable person or a person paying tax under section 10 or section 51 or, as the case may be, under section 52 shall furnish a return in FORM GSTR-3B, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner, as specified under –</p> <p>(i) sub-section (1) of section 39, for each month, or part thereof, on or before the twentieth day of the month succeeding such month:</p> <p>(ii) (ii) proviso to sub-section (1) of section 39, for each quarter, or part thereof, for the class of registered persons mentioned in column (2) of the Table given below, on or before the date mentioned in the corresponding entry in column (3) of the said Table, namely:–</p> <p style="text-align: center;"><b>Table</b></p> <table border="1" data-bbox="472 1536 1390 2007"> <thead> <tr> <th data-bbox="472 1536 700 1619"><b>S. No.</b></th> <th data-bbox="700 1536 1050 1619"><b>Class of registered persons</b></th> <th data-bbox="1050 1536 1390 1619"><b>Due Date</b></th> </tr> <tr> <th data-bbox="472 1619 700 1666"><b>(1)</b></th> <th data-bbox="700 1619 1050 1666"><b>(2)</b></th> <th data-bbox="1050 1619 1390 1666"><b>(3)</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="472 1666 700 2007">1.</td> <td data-bbox="700 1666 1050 2007">Registered persons whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union</td> <td data-bbox="1050 1666 1390 2007">twenty-second day of the month succeeding such quarter.</td> </tr> </tbody> </table>			<b>S. No.</b>	<b>Class of registered persons</b>	<b>Due Date</b>	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	1.	Registered persons whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union	twenty-second day of the month succeeding such quarter.
<b>S. No.</b>	<b>Class of registered persons</b>	<b>Due Date</b>										
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>										
1.	Registered persons whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union	twenty-second day of the month succeeding such quarter.										

	territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep.	
2.	Registered persons whose principal place of business is in the States of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi.	twenty-fourth day of the month succeeding such quarter.
<p>(2) Every registered person required to furnish return, under sub-rule (1) shall, subject to the provisions of section 49, discharge his liability towards tax, interest, penalty, fees or any other amount payable under the Act or the provisions of this Chapter by debiting the electronic cash ledger or electronic credit ledger and include the details in the return in <b>FORM GSTR-3B</b>.</p> <p>(3) Every registered person required to furnish return, every quarter, under clause (ii) of sub-rule (1) shall pay the tax due under proviso to sub-section (7) of section 39, for each of the first two months of the quarter, by depositing the said amount in <b>FORM GST PMT-06</b>, by the twenty fifth day of the month succeeding such month:</p> <p>Provided that the Commissioner may, on the recommendations of the Council, by notification, extend the due date for depositing the said amount in <b>FORM GST PMT-06</b>, for such class of taxable persons as may be specified therein:</p> <p>Provided further that any extension of time limit notified by the Commissioner of State tax or Union territory tax shall be deemed to be notified by the Commissioner:</p> <p>Provided also that while making a deposit in <b>FORM GST PMT-06</b>, such a registered person may-</p> <p>(a) for the first month of the quarter, take into account the balance in the electronic cash ledger.</p> <p>(b) for the second month of the quarter, take into account the balance in the electronic cash ledger excluding the tax due for</p>		

	<p>the first month.</p> <p>(4) The amount deposited by the registered persons under sub-rule (3) above, shall be debited while filing the return for the said quarter in <b>FORM GSTR-3B</b>, and any claim of refund of such amount lying in balance in the electronic cash ledger, if any, out of the amount so deposited shall be permitted only after the return in <b>FORM GSTR-3B</b> for the said quarter has been filed."</p>
<p><b>Rule 61A:</b></p> <p>(Manner of opting for furnishing quarterly return)</p>	<p><b><u>Insertion of Rule 61A :-</u></b></p> <p><b>“61A. Manner of opting for furnishing quarterly return.-</b> (1) Every registered person intending to furnish return on a quarterly basis under proviso to sub-section (1) of section 39, shall in accordance with the conditions and restrictions notified in this regard, indicate his preference for furnishing of return on a quarterly basis, electronically, on the common portal, from the 1st day of the second month of the preceding quarter till the last day of the first month of the quarter for which the option is being exercised:</p> <p>Provided that where such option has been exercised once, the said registered person shall continue to furnish the return on a quarterly basis for future tax periods, unless the said registered person,—</p> <p>(a) becomes ineligible for furnishing the return on a quarterly basis as per the conditions and restrictions notified in this regard; or</p> <p>(b) opts for furnishing of return on a monthly basis, electronically, on the common portal:</p> <p>Provided further that a registered person shall not be eligible to opt for furnishing quarterly return in case the last return due on the date of exercising such option has not been furnished.</p> <p>(2) A registered person, whose aggregate turnover exceeds 5 crore rupees during the current financial year, shall opt for furnishing of return on a monthly basis, electronically, on the common portal, from the first month of the quarter, succeeding the quarter during which his aggregate turnover exceeds 5 crore rupees.</p>
<p><b>Rule 62:</b></p> <p>(Form and manner of submission of statement and return)</p>	<p><b><u>Amendment in Rule 62 :-</u></b></p> <p>(i) in sub-rule (1), the words, figures, letters and brackets “or paying tax by availing the benefit of notification of the Government of India, Ministry of Finance, Department of Revenue No. 02/2019– Central Tax (Rate), dated the 7th March, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i)</p>



	<p>vide number G.S.R.189 (E), dated the 7th March, 2019” shall be omitted;</p> <p>(ii) in sub-rule (4), the words, figures, letters and brackets “or by availing the benefit of notification of the Government of India, Ministry of Finance, Department of Revenue No. 02/2019– Central Tax (Rate), dated the 7th March, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.189 (E), dated the 7th March, 2019” shall be omitted;</p> <p>(iii) in the explanation to sub-rule (4), the words, figures, letters and brackets “or opting for paying tax by availing the benefit of notification of the Government of India, Ministry of Finance, Department of Revenue No. 02/2019– Central Tax (Rate), dated the 7th March, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.189 (E), dated the 7th March, 2019.” shall be omitted;</p> <p>(iv)sub-rule (6) shall be omitted.</p>
<b>Form GSTR-1</b>	<p>In <b>FORM GSTR-1</b>, in the Instructions, after serial number 17, the following instruction shall be inserted, namely:-</p> <p>“18. It will be mandatory to specify the number of digits of HSN code for goods or services that a class of registered persons shall be required to mention as may be specified in the notification issued from time to time under proviso to rule 46 of the said rules.</p>
<b>Form GSTR-2B</b>	<p>After <b>FORM-2A</b>, the following FORM shall be inserted, namely: –</p> <p style="text-align: center;"><b>“FORM-2B</b></p> <p style="text-align: center;"><b>[See rule 60(7)]</b></p> <p style="text-align: center;"><b>Auto-drafted ITC Statement</b></p> <p style="text-align: center;">(From FORM GSTR-1, GSTR-5, GSTR-6 and Import data received from ICEGATE)</p> <p style="text-align: center;"><i><b>Comment:-</b> For detailed Form, the notification may be referred</i></p>

*[Notification No.82/2020-Central Tax dated 10<sup>th</sup> November,2020]*

***Due date for FORM GSTR-1***

The Central Government vide [Notification No.83/2020-Central Tax dated 10<sup>th</sup> November, 2020](#) has notified the due dates for filing of **Form-GSTR-1** w.e.f. **1<sup>st</sup> January, 2021** as under:-

Sl. No.	Form GSTR-1	Due Date
1.	For Monthly Return Filers	11th day of the month succeeding such tax period
2.	For the class of registered persons required to furnish return for every quarter under proviso to sub-section (1) of section 39 of the said Act	13th day of the month succeeding such tax period.

*[Notification No.83/2020-Central Tax dated 10<sup>th</sup> November,2020]*

**Notification of class of persons under proviso to section 39(1).**

The Central Government vide [Notification No.84/2020-Central Tax dated 10<sup>th</sup> November,2020](#) has notified the registered persons, other than a person referred to in section 14 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), **having an aggregate turnover of up to five crore rupees in the preceding financial year, and who have opted to furnish a return for every quarter, under sub-rule (1) of rule 61A of the CGST Rules, 2017** as the class of persons who shall, subject to the following conditions and restrictions, **furnish a return for every quarter from January, 2021 onwards, and pay the tax due every month in accordance with the proviso to sub-section (7) of section 39** of the said Act, namely: -

- (i) the return for the preceding month, as due on the date of exercising such option, has been furnished:
  - (ii) where such option has been exercised once, they shall continue to furnish the return as per the selected option for future tax periods, unless they revise the same.
- A registered person whose **aggregate turnover crosses five crore rupees** during a quarter in a financial year shall not be eligible for **furnishing of return on quarterly basis** from the first month of the succeeding quarter.
  - For the registered person falling in the class specified in column (2) of the Table below, who have furnished the return for the tax period October, 2020 on or before 30th November, 2020, **it shall be deemed** that they have opted under sub-rule (1) of rule 61A of the said rules **for the monthly or quarterly furnishing of return as mentioned in column (3)** of the said Table:-

**TABLE**

Sl. No.	Class of registered person	Deemed Option
(1)	(2)	(3)
1.	Registered persons having aggregate turnover of up to 1.5 crore rupees, who have furnished <b>FORM GSTR-1</b> on	Quarterly return

	quarterly basis in the current financial year	
2.	Registered persons having aggregate turnover of up to 1.5 crore rupees, who have furnished <b>FORM GSTR-1</b> on monthly basis in the current financial year	Monthly return
3.	Registered persons having aggregate turnover more than 1.5 crore rupees and up to 5 crore rupees in the preceding financial year	Quarterly return

- The registered persons referred to in column (2) of the said Table, **may change the default option electronically**, on the common portal, during the period **from the 5th day of December, 2020 to the 31st day of January, 2021.**

*[Notification No.84/2020-Central Tax dated 10<sup>th</sup> November,2020]*

**Notification of special procedure for making payment of 35% as tax liability in first two month**

The Central Government vide [Notification No.85/2020-Central Tax dated 10<sup>th</sup> November,2020](#) has notified the registered persons under proviso to section 39 (1) of the CGST Act, **who have opted to furnish a return for every quarter or part thereof**, as the class of persons who may, in first month or second month or both months of the quarter, **w.e.f. 1<sup>st</sup> January,2021, follow the special procedure** such that the said persons may pay the tax due under proviso to section 39 (7) of the said Act, **by way of making a deposit of an amount in the electronic cash ledger equivalent to, -**

- (i) **35 % of the tax liability** paid by debiting the **electronic cash ledger** in the return **for the preceding quarter** where the return is furnished quarterly; or
- (ii) **the tax liability** paid by debiting the **electronic cash ledger** in the return **for the last month** of the immediately preceding quarter where the return is furnished monthly:

Provided that no such amount may be required to be deposited-

(a) for the first month of the quarter, where the balance in the electronic cash ledger or electronic credit ledger is adequate for the tax liability for the said month or where there is nil tax liability ;

(b) for the second month of the quarter, where the balance in the electronic cash ledger or electronic credit ledger is adequate for the cumulative tax liability for the first and the second month of the quarter or where there is nil tax liability:

Provided further that registered person shall not be eligible for the said special procedure unless he has furnished the return for a complete tax period preceding such month.

Explanation- For the purpose of this notification, the expression “a complete tax period” means a tax period in which the person is registered from the first day of the tax period till the last day of the tax period.

*[Notification No.85/2020-Central Tax dated 10<sup>th</sup> November,2020]*

**Rescindment of Notification 76/2020-Central tax dated 15.08.2020.**

The Central Government vide [Notification No.86/2020-Central Tax dated 10<sup>th</sup> November,2020](#) has rescinded Notification 76/2020-Central tax dated 15.08.2020 wherein the due dates of furnishing the return in FORM GSTR-3B for October, 2020 to March, 2021 was prescribed.

*[Notification No.86/2020-Central Tax dated 10<sup>th</sup> November,2020]*

**Extension of due date for furnishing of FORM ITC-04 for the period July- September 2020 till 30th November, 2020.**

The CBIC vide [Notification No.87/2020-Central Tax dated 10<sup>th</sup> November,2020](#) has extended the time limit for furnishing the declaration in **FORM GST ITC-04**, in respect of goods dispatched to a job worker or received from a job worker, during the **period from July, 2020 to September, 2020 till the 30<sup>th</sup> day of November, 2020.**

This notification shall be deemed to have come into force with effect from the 25<sup>th</sup> day of October, 2020.

*[Notification No.87/2020-Central Tax dated 10<sup>th</sup> November,2020]*

**Implementation of e-invoicing for the taxpayers having aggregate turnover exceeding Rs. 100 Cr from 01st January 2021.**

The Central Government vide [Notification No.88/2020-Central Tax dated 10<sup>th</sup> November,2020](#) has amended Notification No-13/2020- Central Tax, dated the 21<sup>st</sup> March, 2020 to **implement e-invoicing for the taxpayers having aggregate turnover exceeding Rs. 100 Crores from 1<sup>st</sup> January 2021** instead of Rs.500 Crores.

*[Notification No.88/2020-Central Tax dated 10<sup>th</sup> November,2020]*

**Quarterly Return Monthly Payment Scheme**

The CBIC vide [Circular No.143/13/2020- GST dated 10<sup>th</sup> November,2020](#) has issued the following clarification regarding **Quarterly Return Monthly Payment ( QRMP) Scheme:-**

- **Eligibility for the Scheme**

In terms of notification No. **84/2020- Central Tax**, dated 10.11.2020, a registered person who is required to furnish a return in **FORM GSTR-3B**, and who has an **aggregate turnover of up to 5 crore rupees in the preceding financial year**, is eligible for the QRMP Scheme. It is clarified that the aggregate annual turnover for the preceding financial year shall be calculated in the common portal taking into account the details furnished in the returns by the taxpayer for the tax periods in the preceding financial year. This new Scheme will be effective from 01.01.2021. Further, in case the aggregate turnover exceeds 5 crore rupees during any quarter in the current financial year, the registered person shall not be eligible for the Scheme from the next quarter.

- **Exercising option for QRMP Scheme**

- **Facility to avail the Scheme on the common portal would be available throughout the year.** In terms of rule 61A of the Central Goods and Services Tax Rules, 2017 (hereinafter referred as CGST Rules), a registered person can opt in for any quarter from first day of second month of preceding quarter to the last day of the first month of the quarter. In order to exercise this option, the registered person must have furnished the last return, as due on the date of exercising such option.

*For example: A registered person intending to avail of the Scheme for the quarter 'July to September' can exercise his option during 1st of May to 31st of July.*

*If he is exercising his option on 27th July for the quarter (July to September), in such case, he must have furnished the return for the month of June which was due on 22/24th July.*

- **Registered persons are not required to exercise the option every quarter.** Where such option has been exercised once, they shall continue to furnish the return as per the selected option for future tax periods, unless they revise the said option.
- **For the first quarter of the Scheme** i.e. for the quarter January, 2021 to March, 2021, in order to facilitate the taxpayers, it has been decided that all the registered persons, whose aggregate turnover for the FY 2019-20 is up to 5 crore rupees and who have furnished the return in FORM GSTR-3B for the month of October, 2020 by 30th November, 2020, shall be migrated on the common portal as below. Therefore, taxpayers are advised to furnish the return of October, 2020 in time so as to be eligible for default migration. The taxpayers who have not filed their return for October, 2020 on or before 30th November, 2020 will not be migrated to the Scheme. They will be able to opt for the Scheme once the **FORM GSTR-3B** as due on the date of exercising option has been filed.

Sl. No.	Class of registered person	Default Option
1	Registered persons having aggregate turnover of up to 1.5 crore rupees who have furnished <b>FORM GSTR-1</b> on quarterly basis in the current financial year	Quarterly return
2	Registered persons having aggregate turnover of up to 1.5 crore rupees who have furnished <b>FORM GSTR-1</b> on monthly basis in the current financial year	Monthly Return
3	Registered persons having aggregate turnover more than 1.5 crore rupees and up to 5 crore rupees in the preceding financial year	Quarterly return

Above default option has been provided for the convenience of registered persons based on their anticipated behaviour. **However, such registered persons are free to change the option as above, if they so desire, from 5th of December, 2020 to 31st of January, 2021. It is re-iterated that any taxpayer whose aggregate turnover has exceeded 5 crore rupees in the financial year 2020-21, shall opt**

**out of the Scheme.**

- Similarly, the facility for opting out of the Scheme for a quarter will be available from first day of second month of preceding quarter to the last day of the first month of the quarter.
- All persons who have obtained registration during any quarter or the registered persons opting out from paying tax under Section 10 of the CGST Act during any quarter shall be able to opt for the Scheme for the quarter for which the opting facility is available on the date of exercising option.
- It is also clarified that such registered person, whose aggregate turnover crosses 5 crore rupees during a quarter in current financial year, shall opt for furnishing of return on a monthly basis, electronically, on the common portal, from the succeeding quarter. In other words, in case the aggregate turnover exceeds 5 crore rupees during any quarter in the current financial year, the registered person shall not be eligible for the Scheme from the next quarter.
- It is further clarified that **the option to avail the QRMP Scheme is GSTIN wise** and therefore, distinct persons as defined in Section 25 of the CGST Act (different GSTINs on same PAN) have the option to avail the QRMP Scheme for one or more GSTINs. In other words, some GSTINs for that PAN can opt for the QRMP Scheme and remaining GSTINs may not opt for the Scheme.

• **Furnishing of details of outward supplies under section 37 of the CGST Act.**

- The registered persons opting for the Scheme would be required to furnish the details of outward supply in **FORM GSTR-1** quarterly as per the rule 59 of the CGST Rule.
- For each of the first and second months of a quarter, such a registered person will have the facility (Invoice Furnishing Facility- IFF) to furnish the details of such outward supplies to a registered person, as he may consider necessary, between the 1st day of the succeeding month till the 13th day of the succeeding month. The said details of outward supplies shall, however, not exceed the value of fifty lakh rupees in each month. It may be noted that after 13th of the month, this facility for furnishing IFF for previous month would not be available. As a facilitation measure, continuous upload of invoices would also be provided for the registered persons wherein they can save the invoices in IFF from the 1st day of the month till 13th day of the succeeding month. The facility of furnishing details of invoices in IFF has been provided so as to allow details of such supplies to be duly reflected in the **FORM GSTR-2A** and **FORM GSTR-2B** of the concerned recipient.

*For example, a registered person who has availed the Scheme wants to declare two invoices out of the total ten invoices issued in the first month of quarter since the recipient of supplies covered by those two invoices desires to avail ITC in that month itself. Details of these two invoices may be furnished using IFF. The details of the remaining 8 invoices shall be furnished in FORM GSTR-1 of the said quarter. The two invoices furnished in IFF shall be reflected in FORM GSTR-2B of the concerned recipient of the first month of the quarter and remaining eight invoices furnished in FORM GSTR-1 shall be reflected in FORM GSTR-2B of the concerned recipient of the last month of the quarter. The said facility would however be available, say for the month of July, from 1st August till 13th August.*

Similarly, for the month of August, the said facility will be available from 1st September till 13th September.

**It is re-iterated that said facility is not mandatory and is only an optional facility made available to the registered persons under the QRMP Scheme.**

- The details of invoices furnished using the said facility in the first two months are not required to be furnished again in FORM GSTR-1. Accordingly, the details of outward supplies made by such a registered person during a quarter shall consist of details of invoices furnished using IFF for each of the first two months and the details of invoices furnished in FORM GSTR-1 for the quarter. At his option, a registered person may choose to furnish the details of outward supplies made during a quarter in **FORM GSTR-1** only, without using the IFF.

- **Monthly Payment of Tax**

- The registered person under the QRMP Scheme would be required to pay the tax due in each of the first two months of the quarter by depositing the due amount in FORM GST PMT-06, by the twenty fifth day of the month succeeding such month. While generating the challan, taxpayers should select "Monthly payment for quarterly taxpayer" as reason for generating the challan. The said person can use any of the following two options provided below for monthly payment of tax during the first two months –

**(a) Fixed Sum Method:** A facility is being made available on the portal for generating a pre-filled challan in **FORM GST PMT-06** for an amount equal to **thirty five per cent.** of the tax paid in cash in the preceding quarter where the return was furnished quarterly; or equal to the tax paid in cash in the last month of the immediately preceding quarter where the return was furnished monthly. For easy understanding, the same is explained by way of illustration in table below:

- i. In case the last return filed was on quarterly basis for Quarter Ending March, 2021:

Tax paid in Cash in Quarter (January - March, 2021)		Tax required to be paid in each of the months - April and May, 2021	
CGST	100	CGST	35
SGST	100	SGST	35
IGST	500	IGST	175
Cess	50	Cess	17.5

- ii. In case the last return filed was monthly for tax period March, 2021:

Tax paid in Cash in March, 2021		Tax required to be paid in each of the months - April and May, 2021	
CGST	50	CGST	50
SGST	50	SGST	50
IGST	80	IGST	80
Cess	-	Cess	-

Monthly tax payment through this method would not be available to those registered persons who have not furnished the return for a complete tax period

preceding such month. A complete tax period means a tax period in which the person is registered from the first day of the tax period till the last day of the tax period.

**(b) Self-Assessment Method:** The said persons, in any case, can pay the tax due by considering the tax liability on inward and outward supplies and the input tax credit available, in **FORM GST PMT-06**. In order to facilitate ascertainment of the ITC available for the month, an auto-drafted input tax credit statement has been made available in FORM GSTR- 2B, for every month.

- The said registered person is free to avail either of the two tax payment method above in any of the two months of the quarter.
- It is clarified that in case the balance in the electronic cash ledger and/or electronic credit ledger is adequate for the tax due for the first month of the quarter or where there is nil tax liability, the registered person may not deposit any amount for the said month. Similarly, for the second month of the quarter, in case the balance in the electronic cash ledger and/or electronic credit ledger is adequate for the cumulative tax due for the first and the second month of the quarter or where there is nil tax liability, the registered person may not deposit any amount.
- Any claim of refund in respect of the amount deposited for the first two months of a quarter for payment of tax shall be permitted only after the return in FORM GSTR-3B for the said quarter has been furnished. Further, this deposit cannot be used by the taxpayer for any other purpose till the filing of return for the quarter.

- **Quarterly filing of FORM GSTR-3B**

Such registered persons would be required to furnish **FORM GSTR-3B**, for each quarter, **on or before 22nd or 24th day of the month succeeding such quarter**. In **FORM GSTR-3B**, they shall declare the supplies made during the quarter, ITC availed during the quarter and all other details required to be furnished therein. The amount deposited by the registered person in the first two months shall be debited solely for the purposes of offsetting the liability furnished in that quarter's **FORM GSTR-3B**. However, any amount left after filing of that quarter's **FORM GSTR-3B** may either be claimed as refund or may be used for any other purpose in subsequent quarters. In case of cancellation of registration of such person during any of the first two months of the quarter, he is still required to furnish return in FORM GSTR-3B for the relevant tax period.

- **Applicability of Interest**

- For registered person making payment of tax by opting Fixed Sum Method
  - i. No interest would be payable in case the tax due is paid in the first two months of the quarter by way of depositing auto-calculated fixed sum amount as detailed in para above by the due date. In other words, if while furnishing return in **FORM GSTR-3B**, it is found that in any or both of the first two months of the quarter, the tax liability net of available credit on the supplies made /received was higher than the amount paid in challan, then, no interest would be charged provided they deposit system calculated amount for each of the first two months and discharge their entire liability for the quarter in the **FORM GSTR-3B** of



the quarter by the due date.

- ii. In case such payment of tax by depositing the system calculated amount in **FORM GST PMT-06** is not done by due date, interest would be payable at the applicable rate, from the due date of furnishing **FORM GST PMT-06** till the date of making such payment.
- iii. Further, in case FORM GSTR-3B for the quarter is furnished beyond the due date, interest would be payable as per the provisions of Section 50 of the CGST Act for the tax liability net of ITC.

#### **Illustration 1 –**

*A registered person, who has opted for the Scheme, had paid a total amount of Rs. 100/- in cash as tax liability in the previous quarter of October to December. He opts to pay tax under fixed sum method. He therefore pays Rs. 35/- each on 25th February and 25th March for discharging tax liability for the first two months of quarter viz. January and February. In his return for the quarter, it is found that liability, based on the outward and inward supplies, for January was Rs. 40/- and for February it was Rs. 42/-. No interest would be payable for the lesser amount of tax (i.e. Rs. 5 and Rs. 7 respectively) discharged in these two months provided that he discharges his entire liability for the quarter in the FORM GSTR-3B of the quarter by the due date.*

#### **Illustration 2 –**

*A registered person, who has opted for the Scheme, had paid a total amount of Rs. 100/- in cash as tax liability in the previous quarter of October to December. He opts to pay tax under fixed sum method. He therefore pays Rs. 35/- each on 25th February and 25th March for discharging tax liability for the first two months of quarter viz. January and February. In his return for the quarter, it is found that total liability for the quarter net of available credit was Rs. 125 but he files the return on 30th April. Interest would be payable at applicable rate on Rs. 55 [Rs. 125 - Rs. 70 (deposit made in cash ledger in M1 and M2)] for the period between due date of quarterly GSTR 3B and 30th April*

- For registered person making payment of tax by opting Self-Assessment Method Interest amount would be payable as per the provision of Section 50 of the CGST Act for tax or any part thereof (net of ITC) which remains unpaid / paid beyond the due date for the first two months of the quarter.
- Interest payable, if any, shall be paid through **FORM GSTR-3B**.
- **Applicability of Late Fee** - Late fee is applicable for delay in furnishing of return / details of outward supply as per the provision of Section 47 of the CGST Act. As per the Scheme, the requirement to furnish the return under the proviso to sub-section (1) of Section 39 of the CGST Act is quarterly. Accordingly, late fee would be the applicable for delay in furnishing of the said quarterly return / details of outward supply. It is clarified that no late fee is applicable for delay in payment of tax in first two months of the quarter.

*[Circular No.143/13/2020- GST dated 10<sup>th</sup> November,2020]*

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