



GOODS & SERVICE TAX



RETURNS UNDER GST

WHO NEEDS TO FILE RETURN IN GST REGIME?

- Every Registered Person [RTP]
- Tax payer can file return either by himself or through a facilitation centre. For filing of return, Taxpayer can also authorise a GST Practitioner to furnish the returns.

WHAT IS THE PURPOSE OF THE RETURN?

A return is a statement of specified particulars relating to business activity undertaken by a taxable person during a prescribed period. Following are the various purposes of furnishing returns:

- Mode for transfer of information to tax administration.
- Compliance verification program of tax administration.
- Finalization of the tax liabilities of the taxpayer within stipulated period of limitation, to declare tax liability for a given period.
- Providing necessary inputs for taking policy decision.
- Management of audit and anti-evasion programs of tax administration.

LIST OF RETURNS / DETAILS IN GST

Form No.	Particulars
Form GSTR-1	Details of <u>outward supplies</u>
Form GSTR-2	Details of <u>inward supplies</u>
Form GSTR-3	<u>Monthly return</u> on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax
Form GSTR-4	Quarterly Return for <u>Composition Supplier</u> .
Form GSTR-5	Return for <u>Non-Resident taxable person</u>
Form GSTR-6	<u>ISD return</u>
Form GSTR-7	Return for authorities <u>deducting tax at source</u> (TDS)
Form GSTR-8	Details of supplies effected through <u>e-commerce operator</u> on which TCS is collected by the operator.
Form GSTR-9	<u>Annual return</u>
Form GSTR-10	<u>Final return</u>

FURNISHING DETAILS OF OUTWARD SUPPLIES

[Section 37]

Persons who have to file	Every registered person, other than: Input Service Distributor Non-resident taxable person A person paying tax under the provisions of section 10 (Composition scheme) or section 51 (TDS) or section 52 (TCS)
Form no.	GSTR-1
Time Limit	By 10 th of succeeding month.
Details to mention in Outward Supply	Invoice wise details of all – 1. inter-state and intra-state supplies made to registered persons; 2. inter-state supplies with invoice value more than two and a half lakh rupees made to unregistered persons;

Details to mention in Outward Supply	Consolidated details of all - (i) intra-state supplies made to unregistered persons for each rate of tax; and (ii) state wise inter-state supplies with invoice value less than two and a half lakh rupees made to unregistered persons for each rate of tax; and Debit and credit notes, if any issued during the month for invoices issued previously
Time limit for correction	Earlier of- 1. Furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or 2. Furnishing of the relevant annual return

FURNISHING DETAILS OF INWARD SUPPLIES

[Section 38]

Persons who have to file	<p>Every registered person, other than:</p> <ol style="list-style-type: none"> 1. Input Service Distributor 2. Non-resident taxable person 3. A person paying tax under the provisions of section 10 or section 51 or section 52
Form no.	<ol style="list-style-type: none"> 1. GSTR-2
Time Limit	After the 10 th day but on or before the 15 th day of the month succeeding the tax period
Details to mention in Inward Supply	<ol style="list-style-type: none"> 1. Details of inward supplies of taxable goods or services or both, including inward supplies of services or goods on which the tax is payable on reverse charge basis under this Act. 2. Inward supplies of goods or services or both taxable under the IGST Act or on which IGST is payable under section 3 of the Customs Tariff Act, 1975 3. Credit or debit notes received in respect of such supplies during a tax period. 4. Invoice wise details of all inter-State and intra-State supplies received from registered persons or unregistered persons 5. Import of goods and services made

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Time limit for correction	<p>Earlier of-</p> <ol style="list-style-type: none"> 1. Furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or 2. Furnishing of the relevant annual return
Procedural Matters	<p>If Invoices in GSTR-2 don't match with invoices of counter party in GSTR-1, such mismatch shall be communicated to both the parties. If mismatch continues even after communication, ITC of recipient shall be reversed by adding the amount to the output tax liability.</p>

MONTHLY RETURNS

[Section 39(1)]

Persons who have to file	Every registered person, other than: 1. Input Service Distributor 2. Non-resident taxable person 3. A person paying tax under the provisions of section 10 or section 51 or section 52
Form no.	1. GSTR-3
Time limit	On or before the 20 th day of the month succeeding the calendar month or part thereof.
Details required to be mentioned in Return	1. Details of inward and outward supplies of taxable goods or services or both 2. Input tax credit availed 3. Tax Payable 4. Tax Paid 5. Other particulars as may be prescribed

Payment of tax	Every registered person, who is required to file GSTR-3, shall pay to the credit of the government the tax due as per such return not later than the last date [20th of the succeeding month] on which he is required to furnish the return.
Time limit for correction	<p>Earlier of-</p> <ul style="list-style-type: none"> a) Due date for furnishing of the return for the month of September or second quarter following the end of the financial year, or b) Actual date of furnishing of relevant annual return
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COMPOSITION DEALER RETURN

[Section 39(2)]

Form no.	GSTR-4
Time limit	Within 18 days after the end of such quarter
Details required to be mentioned in Return	<ol style="list-style-type: none">1. Invoice wise inter-State and intra-State inward supplies received from registered and un-registered persons;2. Import of goods and services made;3. Consolidated details of outward supplies made; and4. Debit and credit notes issued and received

NON-RESIDENT TAXABLE PERSON RETURN

[Section 39(5)]

Form no.	GSTR-5
Time limit	By 20th of succeeding month or within 7 days after the last day of the period of registration specified under section 27(1), whichever is earlier.
Details required to be mentioned in Return	Details of outward supplies and inward supplies

INPUT SERVICE DISTRIBUTOR RETURN

[Section 39(4)]

Persons who have to file	Taxable persons registered as Input Service Distributors
Form no.	GSTR-6
Time limit	Within 13 days from the end of the month.
Details required to be mentioned in Return	Details of outward supplies and inward supplies

RETURN FOR TDS DEDUCTORS

[Section 39(3)]

Persons who have to file	Registered person required to deduct tax at source under the provisions of section 51
Form no.	GSTR-7
Time limit	Within 13 days from the end of the month.
TDS Certificate	The TDS certificate, referred to in section 51(3), mentioning therein the contract value, rate of deduction, amount deducted, amount paid to the Government and such other particulars in such manner as may be prescribed, shall be made available electronically to the deductee on the Common Portal in FORM GSTR-7A.

E-COMMERCE OPERATOR

LIABLE TO COLLECT TCS - Return [Section 52(4)]

Persons who have to file	E-commerce operators required to collect tax at source under the provisions of section 52
Form no.	GSTR-8
Time limit	Within 10 days from the end of the month in which collection of tax is made.
Time limit for correction	Earlier of- <ol style="list-style-type: none"> 1. Due date for furnishing of the return for the month of September following the end of the financial year, or 2. Actual date of furnishing of relevant annual statement

ANNUAL RETURN [Section 44]

Persons who have to file	<p>Every registered person, other than:</p> <ol style="list-style-type: none"> 1. Input Service Distributor 2. Casual taxable person 3. Non-resident taxable person 4. A person paying tax under the provisions of section 51 or section 52
Form no.	<ol style="list-style-type: none"> 1. Form GSTR-9 2. FORM GSTR-9A: For person paying tax under Composition scheme section 10
Time limit	On or before the 31 st day of December following the end of such financial year.
Audit	<p>Every registered person, whose aggregate turnover during a financial year exceeds Rs. 1 crore [GST Return Rules] shall get his accounts audited by a chartered accountant or a cost accountant and he shall furnish, electronically, following details-</p> <ol style="list-style-type: none"> 1. Annual Return [GSTR-9] 2. Audited annual accounts and reconciliation statement [GSTR-9B] 3. Other particulars as may be prescribed.

FINAL RETURN [Section 44]

Persons who have to file	Every registered person who is required to furnish a return under section 39(1) and whose registration has been cancelled
Form no.	1. Form GSTR-10
Due date	Within 3 months of- 1. Date of cancellation. 2. Date of cancellation order whichever is later.

Matching, Reversal and Reclaim of Input Tax Credit

[Section 42]

Matching of details of Inward supplies [Section 42(1)]	<p>Details of every inward supply furnished by a registered person (“recipient”) for a tax period shall be matched (Refer Rule 10 of Return Rules)—</p> <ol style="list-style-type: none"> 1. with the corresponding details of outward supply furnished by the corresponding registered person (“supplier”) in his valid return for the same tax period or any preceding tax period; 2. with the IGST paid under section 3 of the Customs Tariff Act, 1975 in respect of goods imported by him; and 3. for duplication of claims of input tax credit.
Relevant Rule 10 of Return Rules	<p>The following details relating to the claim of input tax credit on inward supplies including imports, provisionally allowed under section 41, shall be matched under section 42 after the due date for furnishing the return in FORM GSTR-3:</p> <ol style="list-style-type: none"> (a) GSTIN of the supplier; (b) GSTIN of the recipient; (c) Invoice/ or debit note number; (d) Invoice/ or debit note date; (e) Taxable value; and (f) Tax amount

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Relevant Rule 10 of Return Rules	Note: <ol style="list-style-type: none"> 1. Where the time limit for furnishing FORM GSTR-1 and FORM GSTR-2 has been extended, the date of matching relating to claim of input tax credit shall also be extended accordingly. 2. The claim of ITC in respect of invoices and debit notes in FORM GSTR-2 that were accepted by the recipient on the basis of FORM GSTR-2A without amendment shall be treated as matched if the corresponding supplier has furnished a valid return. 3. The claim of input tax credit shall be considered as matched, where the amount of input tax credit claimed is equal to or less than the output tax paid on such tax invoice or debit note by the corresponding supplier.
Duplication/ discrepancy/ mismatch in details [Section 42(3) and 42(4)]	<p>The following issues found while matching of details shall be communicated,-</p> <ol style="list-style-type: none"> 1. to both the recipient and supplier, where the input tax credit claimed by recipient in respect of an inward supply is in excess of the tax declared by the supplier for the same supply or the outward supply is not declared by the supplier in his valid returns, and 2. to the recipient, where there is duplication of claims of input tax credit.

Consequence of non-rectification of discrepancies [Section 42(5) and 42(6)]	<ol style="list-style-type: none"> 1. The amount in respect of which any discrepancy is communicated and which is not rectified by the supplier in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the recipient, in such manner as may be prescribed (Refer Rule 12 of Return Rules), in his return for the month succeeding the month in which the discrepancy is communicated. 2. The amount claimed as input tax credit that is found to be in excess on account of duplication of claims shall be added to the output tax liability of the recipient in his return for the month in which the duplication is communicated.
Reduction from output tax liability [Section 42(7)]	<p>The recipient shall be eligible to reduce the amount so added, from his output tax liability, if the supplier declares the details of the invoice or debit note in his valid return within the time as specified in Section 39(9), i.e.:</p> <p>Earlier of-</p> <ol style="list-style-type: none"> 1. Due date for furnishing of the return for the month of September or second quarter following the end of the financial year, or 2. Actual date of furnishing of relevant annual return

Liability to pay interest	<ol style="list-style-type: none"> 1. Amount added in the output tax liability of the recipient under section 42(5) or 42(6): Recipient shall be liable to pay interest at the rate specified under section 50(1) on the amount so added from the date of availing of credit till the corresponding additions are made under the said sub-sections.[Section 42(8)] 2. Amount reduced from the output tax liability in contravention of the provisions of section 42(7):Such amount shall be added to the output tax liability of the recipient in his return for the month in which such contravention takes place and such recipient shall be liable to pay interest on the amount so added at the rate specified in section 50(3). [Section 42(10)]
Refund of Interest [Section 42(9)]	<p>Interest paid under section 42(8) shall be refunded to the recipient by crediting the amount in the corresponding head of his electronic cash ledger, if any reduction in output tax liability is accepted under section 42(7).</p>

Matching, Reversal and Reduction in Output Tax Liability [Section 43]

Matching of details of Outward supplies [Section 43(1)]	<p>Details of every outward supply furnished by a registered person (“supplier”) for a tax period shall be matched (Refer Rule 14 of Return Rules)—</p> <ol style="list-style-type: none"> 1. with the corresponding reduction in the claim for input tax credit by the corresponding registered person (“recipient”) in his valid return for the same tax period or any subsequent tax period; and 2. for duplication of claims for reduction in output tax liability.
Relevant Rule 14 of Return Rules	<p>The following details relating to the claim of reduction in output tax liability shall be matched under section 43 after the due date for furnishing the return in FORM GSTR-3:</p> <ol style="list-style-type: none"> (a) GSTIN of the supplier; (b) GSTIN of the recipient; (c) Credit note number; (d) Credit note date; (e) Taxable value; and (f) Tax amount

Relevant Rule 14 of Return Rules	<p><u>Note:</u> Where the time limit for furnishing FORM GSTR-1 and FORM GSTR-2 has been extended, the date of matching of claim of reduction in the output tax liability shall be extended accordingly.</p> <p>The claim of reduction in output tax liability due to issuance of credit notes in FORM GSTR-1 that were accepted by the recipient in FORM GSTR-2 without amendment shall be treated as matched if the corresponding recipient has furnished a valid return.</p> <p>The claim of reduction in the output tax liability shall be considered as matched, where the amount of reduction claimed is equal to or less than the claim of reduction in input tax credit admitted and discharged on such credit note by the corresponding recipient in his valid return.</p>
Duplication/ discrepancy/ mismatch in details [Section 43(3) and 43(4)]	<p>The following issues found while matching of details shall be communicated,-</p> <ol style="list-style-type: none"> 1. to both the recipient and supplier, where the reduction in output tax liability in respect of outward supplies exceeds the corresponding reduction in the claim for input tax credit or the corresponding credit note is not declared by the recipient in his valid returns, and 2. to the recipient, where there is duplication of claims for reduction in output tax liability.

Consequence of non-rectification of discrepancies [Section 43(5) and 43(6)]	<ol style="list-style-type: none"> 1. The amount in respect of which any discrepancy is communicated and which is not rectified by the recipient in his valid return for the month in which discrepancy is communicated, shall be added to the output tax liability of the supplier, in such manner as may be prescribed (Refer Rule 16 of Return Rules), in his return for the month succeeding the month in which the discrepancy is communicated. 2. The amount in respect of any reduction in output tax liability that is found to be on account of duplication of claims shall be added to the output tax liability of the supplier in his return for the month in which such duplication is communicated.
Reduction from output tax liability [Section 43(7)]	<p>The supplier shall be eligible to reduce the amount so added, from his output tax liability, if the recipient declares the details of the credit note in his valid return within the time as specified in Section 39(9), i.e.:</p> <p>Earlier of-</p> <p>Due date for furnishing of the return for the month of September or second quarter following the end of the financial year, or</p> <p>Actual date of furnishing of relevant annual return</p>

Liability to pay interest	<p>Amount added in the output tax liability of the recipient under section 43(5) or 43(6): Supplier shall be liable to pay interest at the rate specified under section 50(1) on the amount so added from the date of such claim for reduction in output tax liability till the corresponding additions are made under the said sub-sections.[Section 43(8)]</p> <p>Amount reduced from the output tax liability in contravention of the provisions of section 43(7):Such amount shall be added to the output tax liability of the supplier in his return for the month in which such contravention takes place and such supplier shall be liable to pay interest on the amount so added at the rate specified in section 50(3). [Section 43(10)]</p>
Refund of Interest [Section 43(9)]	<p>Interest paid under section 43(8) shall be refunded to the supplier by crediting the amount in the corresponding head of his electronic cash ledger, if any reduction in output tax liability is accepted under section 43(7).</p>

SUMMARY OF FORMS OF RETURNS

GSTR-1	Details of <u>outward supplies</u> of taxable goods or services or both effected
GSTR-1A	Details of inward supplies added, corrected or, deleted by recipient in GSTR-2 u/s 38 or GSTR-4 & GSTR-6 u/s 39 shall be communicated to supplier
GSTR-2	Details of <u>inward supplies</u> of taxable goods or services or both
GSTR-2A	Details of supplies furnished in GSTR-1 or GSTR-5 shall be communicated to recipient
GSTR-3	<u>Monthly return</u> on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax

SUMMARY OF FORMS OF RETURNS

GSTR-3A	Notice to a registered taxable person who fails to furnish return under section 39 or section 44 or section 45 or section 52
GSTR-3B	Return furnished on extension of time limit for furnishing of details under Form GSTR-1 or GSTR-2
GSTR-4	Quarterly Return for <u>Composition Supplier</u> .
GSTR-4A	Auto drafted details for registered persons opting composition levy
GSTR-5	Return for Registered <u>Non-Resident taxable person</u>
GSTR-5A	Details of supplies of online information and database access or retrieval services by a person located outside India made to non-taxable persons in India

SUMMARY OF FORMS OF RETURNS

GSTR-6	<u>ISD return</u>
GSTR-6A	Details of supplies auto drafted from GSTR-1 or GSTR-5 to ISD
GSTR-7	Return for authorities <u>deducting tax at source</u> (TDS) under section 51
GSTR-7A	TDS Certificate
GSTR-8	Statement of supplies effected through <u>e-commerce operator</u> and the amount of tax collected under Section 52(1)
GSTR-9	<u>Annual return</u>
GSTR-9A	Simplified Annual return by compounding taxable persons registered under section 10
GSTR-9B	Annual Statement furnished by e-commerce operator under Section 52(5)