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Who has to file a GST Return?

GST RETURNS

Every registered person (whether or not he has opted for composition scheme) is required to file a return under GST Law.

2

What are the different types of returns to be filed under GST Law and when do they have to be filed?

Below is a table which provides details of the returns required to be filed under GST Law.

Types of GST Returns

Form	Particulars	Who will File?	Due Date
GSTR-1	Details of outward supplies	Registered Taxable Supplier	10 th of the next month
GSTR-2	Details of inward supplies	Registered Taxable Recipient	15 th of the next month
GSTR-3	Monthly return on the basis of finalization of details of outward and inward supplies	Registered Taxable Person	20 th of the next month
GSTR-4	Quarterly return for compounding taxable person.	Composition Supplier	18 th of the month succeeding quarter
GSTR-9	Annual Return	Registered Taxable Person	31 st December of next financial year

Delay in Filing of GSTR1, GSTR2, GSTR3 and GSTR4

A registered person who files return beyond the prescribed date will have to pay late fees of rupees one hundred for every day of delay subject to a maximum of rupees five thousand.

For example A, who is a businessman fails to file a return on or before the prescribed due date. Then after 10 days of the due date, A files the required return, therefore due to late filing of the return, a charge of Rs. 1000 (10 x Rs 100) will be levied on A. Also, this late fee is subject to a maximum of Rs. 5000.

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What are the consequences of not filing returns by the due date?

3 Delay in Filing of GSTR9 (Annual Return)

For failure to furnish annual returns by due date, late fee of Rs. one hundred for every day during which such failure continues subject to a maximum of an amount calculated at a quarter percent [0.25%] of his turnover in a state, shall be levied.

For example B, who is a businessman having a turnover of Rs 1 crore yearly, fails to furnish the annual return on or before the due date. Then after 20 days of the due date, B files the annual return. Therefore, due to late filing of the annual return, a charge of Rs. 2000 (20 x Rs 100) shall be levied on B. Also, the late fee is subject to a maximum amount of 0.25% of Rs. 1,00,00,000 = Rs. 25000.

A person registered under the Composite Scheme shall furnish a return for each quarter within eighteen days after the end of relevant quarter. GSTR-4 has been prescribed by the government as a tax return form to be filed by a dealer under Composition Scheme.

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Do I have to file a return under Composition Scheme?

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What is form GSTR-3B?

In order to address the concerns of small taxpayers who are still maintaining manual records, a relaxation in return filing for the month of July and August, 2017 has been provided. A simple form GSTR-3B needs to be filed on self-assessment basis for the first two months i.e. July and August, 2017. These return forms have to be filed by 20th of next month. September onwards, every taxpayer has to strictly follow the regular provisions of filing returns. Also, there will be no late fee or penalty levied for the initial two months.

After the completion of first two months, GSTR-3 will be matched against GSTR-3B and any difference will be refunded or needs to be paid as the case may be. However, no penalty or late fees will be charged on the difference.

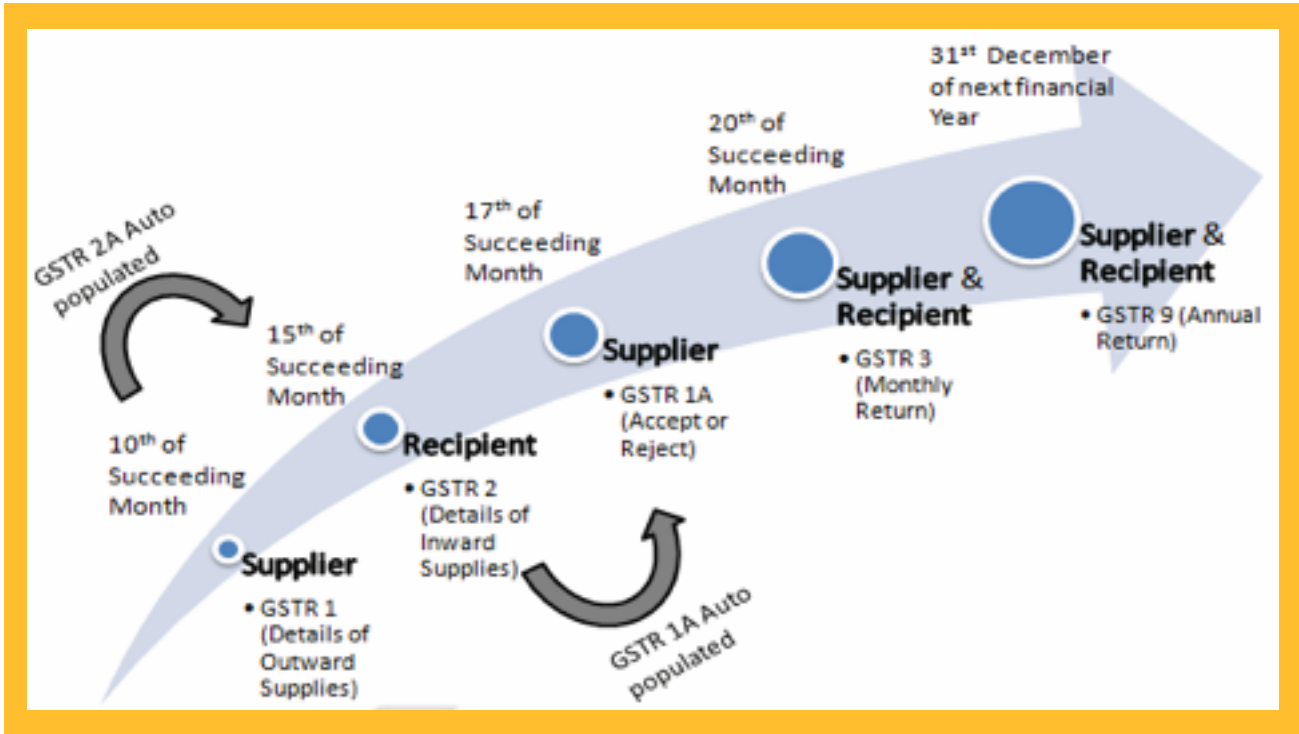
6 When do I need to file form GSTR-3B and other returns for the first two months?

Form GSTR-3B needs to be filed on self-assessment basis for the first two months i.e July and August. These return forms have to be filed by 20th of next month. Consider the following table to understand the due dates of GSTR-3B:

For the month of JULY		For the month of AUGUST	
GST Return		GST Return	
GSTR-1	5 th September	GSTR-1	20 th September
GSTR-2	10 th September	GSTR-2	25 th September
GSTR-3	15 th September	GSTR-3	30 th September
GSTR-3B	20 th August	GSTR-3B	20 th September

7 Explain the process of return filing under GST?

The diagrammatic representation below briefly explains the GST returns process:



8 What is invoice matching?

Invoice matching is a mechanism under which all the taxable supplies made under GST will be matched against all the taxable supplies received by the buyer.

For example, A is a supplier of services to B. Therefore, all the invoices raised by A under GST will be matched with the invoices received by B.

9 Why is invoice matching important?

Invoice matching is important as input tax credit of purchases will be available only if details of outward supply (GSTR 1) [of supplier] match with details of inward supply (GSTR-2) [of recipient].

For example, A is a supplier of services to B. Therefore, all the invoices raised by A under GST will be matched with the invoices received by B. These invoices as received and reflected in the GSTR2 of B should match with the invoices reflected in the GSTR1 of A. B can claim input tax credit on the payments made to A only if this matching takes place.

In case of mismatch, the communication of mismatch would be made to both parties. If the mismatch is not rectified, then the amount will be added to the output liability of recipient in the return for the month succeeding the month in which discrepancy is communicated. For example, A is a supplier of services to B. In the month of July 2017, A supplied services to B. Then in the month of August 2017, A furnished the details of outward supplies and B furnished details of inward supplies. But the inward details furnished by B did not match with the valid details of outward supplies furnished by A. Therefore, this mismatch was communicated to both A and B. If the mismatch is not rectified, then the amount will be added to the output liability of B in the return for the month of September.

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What happens where the details of inward supplies furnished by the recipient do not match with the outward supply details furnished by the supplier in his valid return?

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Is the scanned copy of invoices to be uploaded along with GSTR-1?

No scanned copy of invoice is to be uploaded. Only certain prescribed fields of information from invoices need to be uploaded.

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Can a recipient feed information in his GSTR-2 which has been missed by the supplier?

Yes, the recipient can himself feed the invoices not uploaded by his supplier. The credit on such invoices will also be given provisionally but will be subject to matching. On matching, if the invoice is not uploaded by the supplier, both of them will be intimated. If the mismatch is rectified, provisional credit will be confirmed. But if the mismatch continues, the amount will be added to the output tax liability of the recipient in the returns for the month subsequent to the month in which such discrepancy was communicated.

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If a return has been filed, how can it be revised if some changes are required to be made?

Under GST, there is no provision for filing a revised return. However, a need to revise a return may arise due to the need to change a set of invoices or debit/credit notes. Instead of revising the return already submitted, the system will allow changing the details of those transactions (invoices or debit/credit notes) that are required to be amended. They can be amended in any of the future GSTR-1/2 returns.

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Would you have to feed anything in the GSTR-2 or everything is auto-populated from GSTR-1?

While a large part of GSTR-2 will be auto-populated, there are some details that only recipient can fill like details of imports, details of purchases from non-registered or composition suppliers and exempt/non-GST/nil GST supplies etc.

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How can you file your returns?

You will have various alternative modes to file returns under GST.

- **GST common portal:** You can file returns online directly on the Common Portal provided by GSTN by accessing gst.gov.in
- **Offline Utility:** An offline utility is provided for taxpayers with large number of invoices. This offline utility can be used for preparing the statements offline after downloading the auto-populated details and uploading them on the Common Portal
- **GST Suvidha Providers:** GSTN has also developed an ecosystem of GST Suvidha Providers (GSP) that will integrate taxpayer with the Common Portal

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What is 'Offline Utility'?

The GST Network (GSTN) has launched an Offline Tool, where data on invoices (business to business), exports and supplies to consumers that are required to create GSTR-1 (Outward Supply Return), can be entered in an excel sheet without being connected to the Internet.

In the Excel template, comprising of eight worksheets, the businesses have to give details of transaction, like supply invoices issued to registered tax payers, export invoice details, consolidated details of supplies to consumers, credit/debit note details to registered/unregistered taxpayers and details of documents issued.

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Who are GST Suvidha Providers (GSPs) and how can they help you?

GST Suvidha Providers ('GSP') are special entities authorized to develop a platform to enable the taxpayer to undertake compliances under GST law.

GSPs will enable taxpayers to meet the requirements of GST, such as uploading invoices, filing returns, through their own platform — be it web- or app-based. GSPs will connect with the GST system via a secure application program interface. Thus, there will be two sets of interactions — one between the taxpayer and GSP, and the second between the GSP and the GST system. GSPs will directly bill the taxpayer for their services.

Application Service Providers (ASP) act as a link between the taxpayers and the GSPs. ASPs focus on taking taxpayer's raw data on sales and purchases and converting it into the GST returns (in case of multiple registrations, it is a huge task manually). These GST returns, or GSTRs, will then be filed on behalf of the taxpayer with GSTN via the GSP. ASPs will act as a link between the taxpayers and the GSPs.

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Who are Application Service Providers (ASPs) and how can they help you?