

Last chance to rectify errors of FY 2017-18 in GST Return & ITC extended

 taxguru.in/goods-and-service-tax/chance-rectify-errors-fy-2017-18-gst-return-itc.html

bvg1988

For the period July 2017 to March 2018,

1. Did your supplier stopped payment for an invoice which is not appearing in his GSTR 2A?
2. Is your turnover as per GSTR 1 and as per books of accounts not matching?
3. Did a B2B invoice entered as B2C invoice?
4. Is there an invoice on which **Input tax credit** is missed to be availed?
5. Are there entries appearing in GSTR 2A on which ITC is missed to be availed?
6. Are the ITC entries passed in Accounts but missed to avail in GST returns?

Here is good news. A New Year gift by way of **Order No. 02/2018 – Central Tax dated 31.12.2018.**

Order No. 02/2018 amended 2 sections of CGST Act, 2017. One amendment pertains to rectification of errors in returns filed for FY 2017-18 and another pertains to availment of Input tax credit on invoices pertaining to FY 2017-18.

Following proviso has been added to Section 16(4) of CGST Act, 2017 granting time till due date for month of March 2019 return i.e. 20th April ,2019 (subject to extensions, if any). Only condition is that the details of invoice on which ITC is being availed should have been uploaded by the supplier in his GSTR 1. In simple words, the invoice on which ITC is being availed should appear in the recipient's GSTR 2A.

"Provided that the registered person shall be entitled to take input tax credit after the due date of furnishing of the return under section 39 for the month of September, 2018 till the due date of furnishing of the return under the said section for the month of March, 2019 in respect of any invoice or invoice relating to such debit note for supply of goods or services or both made during the financial year 2017-18, the details of which have been uploaded by the supplier under sub-section (1) of section 37 till the due date for furnishing the details under sub-section (1) of said section for the month of March, 2019."

Following proviso had been added to Section 37 (3) of **CGST Act, 2017** which allows the assessee to rectify any errors made in already filed GSTR 1 returns of July 2017 – March 2018 till due date for quarter ended January-March 2019 i.e. 30th April,2019 for those assesses who have opted for quarterly filing of GSTR 1 and till due date for filing GSTR 1 of March 2019 i.e. 11th April, 2019 for other assesses. Any omissions in GSTR 1 already filed can also be now added in the GSTR 1 upto above mentioned due dates.

“Provided further that the rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September, 2018 till the due date for furnishing the details under subsection (1) for the month of March, 2019 or for the quarter January, 2019 to March, 2019”

It is advised to prepare ITC as per GSTR 2A Vs ITC as per **GSTR 3B**/Books of accounts reconciliations to dig out any missing ITC. It also helps the assesses to follow up with the suppliers to file their GSTR 1 so that ITC as per GSTR 2A aligns with ITC as per books and ITC as per GSTR 3B. As per proposed so called “simplified” GST Return filing procedure, ITC as per GSTR 2A only is available for paying output tax and no additional ITC can be availed on invoices which are not present in GSTR 2A though the assessee is in possession of a proper invoice. Hence, it is very important for recipients to ensure that their ITC as per GSTR 2A to align with ITC available as per invoices. So, this exercise of GSTR 2A vs ITC as per books reconciliation will help the recipients in future too since the list of non-compliant suppliers will be available once the reconciliation is done and recipient can be cautious while purchasing from non-compliant suppliers which otherwise will put the ITC at stake.

Author may be contacted at ca.vinaygandhi@gmail.com

