



Relief measures under GST in view of COVID 19 pandemic

- CA Vinay Gandhi Billapati

Several relief measures relating to statutory and regulatory compliance matters across sectors in view of COVID-19 outbreak were undertaken by the Government of India. To give effect to those measures, The taxation and other laws (relaxation of certain provisions) ordinance, 2020 was brought in on 31.03.2020 which provides for extension of various time limits under the Taxation and Benami Acts. In this article, I tried to discuss on the relief measures specific to Goods and Services Tax (GST).

To enable the Government to issue such notifications to extend the time limits and give relief measures, the ordinance has inserted a new section in Central Goods and Services Tax 2017 which is reproduced under:-

Power of Government to extend time limit in special circumstances

'168A. (1) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, by notification, extend the time limit specified in, or prescribed or notified under, this Act in respect of actions which cannot be completed or complied with due to force majeure.

(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date not earlier than the date of commencement of this Act.

Explanation.— For the purposes of this section, the expression “force majeure” means a case of war,

epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act.’ .

The following are the relief measures under GST

- **Time to opt for Composition** - Time limit for filing Form GST CMP 02 to be filed by the persons who wish to opt to pay tax under section 10 of CGST Act 2017 i.e. to pay tax under composition scheme for FY 2020-21 onwards is extended to 30.06.2020 and subsequently the time limit to file GST ITC 03 to avail ITC on goods in stock as on date of opting composition to 31.07.2020.
- **Rule 36(4) implementation** - A proviso was added to Rule 36(4) of CGST Rules 2017 to give effect that the rule is applicable cumulatively for the period of February to August 2020 and the adjustment as per this rule to be made in GSTR 3B of September 2020. In simple words, while filing GSTR 3B for the months of February to August 2020, one can avail full eligible ITC though the invoices are not appearing in GSTR 2A. Cumulative effect has to be given in GSTR 3B of September 2020.
- **Concessions & waiver of interest** in certain cases as follows:-

For Taxpayers having aggregate turnover of Rs. 5 Crores in Preceding Financial Year

Month	NO Interest if GSTR 3B is filed by	Interest @ 9% p.a if GSTR 3B is filed between	Interest @ 18% p.a. if GSTR 3B is filed from
February 2020	04.04.2020	05.04.2020 to 24.06.2020	25.06.2020
March 2020	04.05.2020	05.05.2020 to 24.06.2020	25.06.2020
April 2020	04.06.2020	05.06.2020 to 24.06.2020	25.06.2020



For Taxpayers having aggregate turnover of Rs. 1.5 Crores to Rs. 5 Crores in Preceding Financial Year

Month	NO Interest if GSTR 3B filed by	Interest @ 18% p.a. if GSTR 3B filed from
February 2020	29.06.2020	30.06.2020
March 2020	29.06.2020	30.06.2020
April 2020	30.06.2020	01.07.2020

For Taxpayers having aggregate turnover of upto Rs. 1.5 Crores in Preceding Financial Year

Month	NO Interest if GSTR 3B filed by	Interest @ 18% p.a. if GSTR 3B filed from
February 2020	30.06.2020	01.07.2020
March 2020	03.07.2020	04.07.2020
April 2020	06.07.2020	07.07.2020

– **Waiver of late fees in case of delay of filing of GSTR 3B**

Month	NO Late fee if GSTR 3B filed by		
	Aggregate Turnover > Rs. 5 Crores in preceding FY	Aggregate Turnover of Rs. 1.5 Crores to Rs. 5 Crores in preceding FY	Aggregate Turnover upto Rs. 1.5 Crores in preceding FY
February 2020	24.06.2020	29.06.2020	30.06.2020
March 2020	24.06.2020	29.06.2020	03.07.2020
April 2020	24.06.2020	30.06.2020	06.07.2020

- **Waiver of late fee for delay in filing Form GSTR 1** for months of March 2020, April 2020 and May 2020 and for quarter ending 31.03.2020 if filed on or before 30.06.2020
- **For persons opted to pay tax under Section 10 of CGST Act 2017** (For the taxpayers who opted for Composition scheme)
 - o Statement under Form GST CMP 08 for quarter ending 31.03.2020 can be filed till 07.07.2020
 - o Return in Form GSTR 4 for FY 2019-20 can be filed till 15.07.2020



- **Other Time Limits falling between 20.03.2020 to 29.06.2020** - Any time limit for completion or compliance of any action by any person which falls during 20.03.2020 to 29.06.2020 is extended upto 30.06.2020

Extension DOESNOT apply to

- o Provisions relating to Chapter IV i.e. provisions of Time and Value of Supply
 - o Section 10(3) i.e. if limit of Rs. 1.5 Crores exceeds during the said period, the person should opt out of composition and pay tax as applicable to those goods
 - o Section 25 - Procedure for registration
 - o Section 27 - Provisions relating to Casual taxable person and non-resident taxable person
 - o Section 31 - Tax Invoice
 - o Section 37 - Furnishing details of outward Supplies - Since separate time frame prescribed as discussed above
 - o Section 47 - Levy of late fee - Since separate time frame prescribed as discussed above
 - o Section 50 - Interest for delay in payment of tax – Since separate time frame prescribed as discussed above
 - o Section 69 - Power to arrest -
 - o Section 90 - Liability of partners of firm to pay tax – When partners retire from firm, the retiring partner should give an intimation to commissioner within 30 days of retirement failing which the liability continues till the date of receipt of intimation to the commissioner. This time limit is not extended as part of COVID 19 relief measure.
 - o Section 122 - Penalty for certain offences – Certain penalties are prescribed for certain offences viz collects any amount as tax but fails to pay the same within 3 months from due date or collects tax but fails to pay within 3 months from due date which attracts penalty of upto Rs. 25,000. The time limits of this 3 months is not extended as part of COVID 19 relief measure.
 - o Section 129 - Detention, seizure and release of goods and conveyances in transit – Time limits mentioned in this section are also not extended.
 - o Section 39 except 39(3), (4) & (5) i.e. due dates for GSTR 6, GSTR 7 & GSTR 8 are extended upto 30.06.2020
 - o Section 68 in so far as e-way bill is concerned
 - o Rules made under the above sections
- **Extension of validity of Way Bill** - E way bill generated and its period of validity expires during the period 20.03.2020 to 15.04.2020, the validity period of such e-way bill shall be deemed to have been extended till the 30.04.2020
 - **Due date for filing GSTR 3B for May 2020** extended



Category	Due date of GSTR 3B
Aggregate turnover of more than Rs. 5 crore rupees in the previous financial year	27.06.2020
Taxpayers having an aggregate turnover of up to Rs. 5 crore rupees in the previous financial year, whose principal place of business is in <ul style="list-style-type: none">▪ Chhattisgarh,▪ Madhya Pradesh,▪ Gujarat,▪ Maharashtra,▪ Karnataka,▪ Goa, Kerala,▪ Tamil Nadu,▪ Telangana,▪ Andhra Pradesh,▪ Daman and Diu and Dadra and Nagar Haveli,▪ Puducherry,▪ Andaman and Nicobar Islands or▪ Lakshadweep	12.07.2020
Taxpayers having an aggregate turnover of up to Rs. 5 crore rupees in the previous financial year, whose principal place of business is in the <ul style="list-style-type: none">▪ Himachal Pradesh,▪ Punjab,▪ Uttarakhand,▪ Haryana,▪ Rajasthan,▪ Uttar Pradesh,▪ Bihar,▪ Sikkim,▪ Arunachal Pradesh,▪ Nagaland,▪ Manipur,▪ Mizoram,▪ Tripura,▪ Meghalaya,▪ Assam,▪ West Bengal,▪ Jharkhand or	14.07.2020



Please note that

- ❖ Due date for filing the returns of February, March & April 2020 are not extended but only a conditional concession in interest and late fees are given.
- ❖ Concessions in levy of Interest is linked to filing of GSTR 3B and not for payment of tax. Though tax is paid and set off, interest may be levied since the condition for waiver/concession of interest is to file the return.
- ❖ If the conditions for lower interest are not satisfied, interest rate @ 18% is payable for the full period i.e. from actual due date till date of filing the return.
- ❖ Similarly, if the conditions for waiver of late fee is not satisfied, the late fee is payable from actual due date till the filing of the return.

During this unexpected lockdown period, let us learn something new or update our knowledge besides following the government guidelines, maintaining hygiene and cleanliness which is not new to India and which is already prescribed by Manu in his Manu Smriti as follows:-

अहिंसा सत्यम् अस्तेयं शौचम् इन्द्रियनिग्रहः ।

एतं सामासिकं धर्मं चातुर्वर्ण्ये अब्रवीन् मनुः ॥ (10.63)

Meaning - Non-Violence, Truth, Non-Stealing, Cleanliness/Purity and Sense-Control are the duties that are common for all four classes, so declares Manu.