

10 GST DEADLINES COMING UP:

Why September'2020 is important to monitor for GST compliance

September'2020 is considered to be a significant month as it includes major compliances under the Goods & Services Act. Here, we listed down list of activities which should be performed by a registered person under GST:

1. **Avail ITC of FY 2019-20:** ITC on invoices pertaining to 2019-20 or debit notes relating to invoices pertaining to 2019-20 can be availed any time till the due date of filing of the return for the month of September'2020. So, look into your GSTR 2 and GSTR 2A reconciliation and plan to take available tax credit before filing the return for September'2020. Rigorous follow up is needed with the vendors who have not shown or there is a mismatch in the ITC in their GSTR-1. Further, no debit notes and invoices pertaining to FY 2019-20 shall be accepted post September'2020.
2. **Debit note has to be issued:** Where the tax charged or taxable value in a tax invoice is found to be less than the taxable value or tax payable in respect of that supply, the debit note has to be issued for the residual value. Although there is no time limit to issue a debit note, debit note pertaining to any invoice for FY 2019-20 should be issued before the due date of filing GSTR 3B for September'2020 so that the recipient can take ITC on it.
3. **No issuance of credit note post-September:** Credit note pertaining to supplies made in FY 2019-20 can be issued not later than the due date of filing of GSTR-3B for September'2020 month. Hence, if a credit note is issued after September'2020 for any supply made during FY2019-20, then GST liability cannot be reduced.

No GST credit note for any procurements in FY 2019-20 shall be accepted post September'2020. Only a financial credit note shall be accepted.

4. **Rectification in outward supplies pertains to FY2019-20:** For any amendments or rectifications in outward supply pertaining to FY 2019-20, the maximum time limit as permissible by the GST law is due date of filing of monthly return for the month of September'2020. Hence, it is advised to reconcile the books of accounts and data furnished in returns and do all the rectifications and amendments in September'2020 return.
5. **Cumulative adjustment of ITC up to 110% of the eligible credit for Feb'2020 to Aug'2020:** The restriction attached to the ITC up to 110% of the eligible credit available in respect of invoices or debit notes the details of which have been uploaded by the suppliers in GSTR-1 has to be seen cumulatively for the period February 2020 to August 2020 and the adjustments therein have to be made in September'2020 GSTR-3B.
6. **Reversal of input of exempt supplies and supplies used for non- business purposes:** The exercise of computation of reversal of ITC in respect of supplies used for non-business purposes or exempt supplies needs to be done for every tax period on a provisional basis and then finally at the end of the financial year before the due date of the filing of GSTR-3B for September month i.e. 20th Oct or through annual return through DRC-03.

7. **Reversal of ITC on account of Non-Payment of Consideration within 180 Days:** A registered person who has availed ITC could not pay the full value of inward supply along with the tax amount to the supplier within the time period of 180 days then the ITC claimed on such inward supply needs to be reversed and if a part of invoice amount is paid then ITC will be reversed on proportionate basis.

Do a creditor ageing as on 30th September'2020 and ensure that there are no creditors which has not been paid for the supplies made in the year. Any amount pending to be payable to creditors for more than 180 days, the ITC on the same shall be reversed.

8. **Filing of Annual return for FY 2018-19:** The due date of filing of annual return for FY 2018-19 was extended to 30th September'2020. Hence, it shall be filed by the said date to avoid any late fees. The due date of furnishing GSTR-9 & GSTR-9C is as follows:

GSTR-9	
Turnover up to Rs. 2 Crore	Optional to file
Turnover Above 2 Crore	Mandatory to File by 30th September'2020
GSTR-9C	
Turnover up to Rs. 5 Crore	Optional to file
Turnover Above Rs. 5 Crore	Mandatory to file by 30th September'2020

9. **Filing of GSTR-3B for previous tax periods for late fee waiver:** A taxpayer having turnover more than INR 5 crore shall file GSTR-3B for tax periods Feb'2020 till July'2020 (if not filed till date) by 30th September'2020 to save late fees (it will be Nil in case of Nil return and will be INR 500 in case there is a liability).

Further, in case GSTR-3B has not been filed from July'2017 to Jan'2020 by any taxpayer, it shall be filed before 30th September'2020 to save late fees (it will be Nil in case of nil return and will be INR 500 in case there is a liability).

10. **Filing of GSTR-3B for previous tax periods with reduced rate of interest:** A taxpayer having turnover up to INR 5 crore shall file GSTR-3B for tax periods Feb'2020 till July'2020 (if not filed to date) by 30th September'2020 to avail the benefit of reduced interest rate @9% p.a.

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