



कार्यालय प्रधानआयुक्त,

तकनीकी शाखा (मुख्यालय)

माल एवं सेवाकर, दिल्ली (उत्तर), केंद्रीय राजस्व भवन,

इंद्रप्रस्थ इस्टेट, नई दिल्ली - 110002

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C. No. IV (16) 530 /CGST/Delhi North/Tech/Trade Notice &Office Order/2020/



1388 Dated 22-06-2021

TRADE NOTICE No. 01/ 2021

Kind attention of the Trade & Industries, Field Formations and Departmental Officers is invited to the 43rd meeting of GST Council wherein various trade facilitation measures related to GST rules, law and procedure were taken. The Central Board of Indirect Taxes & Customs (CBIC) vide the following Notifications gave effect to these measures which alone shall have the force of law:

| Sl. No. | Notification No. of Central Tax | Nature of the Concession |
|---------|--------------------------------------|--|
| 1 | 27/2021-Central Tax dated 01.06.2021 | Extension of due date of filing GSTR-1, IFF, GSTR-4 and ITC-04 |
| 2 | 26/2021-Central Tax dated 01.06.2021 | |
| 3 | 25/2021-Central Tax dated 01.06.2021 | |
| 4 | 24/2021-Central Tax dated 01.06.2021 | |
| 6 | 22/2021-Central Tax dated 01.06.2021 | Prospective Rationalization of late fee imposed under section 47 of the CGST Act in FORMS GSTR-1, GSTR-3B, GSTR-4 and GSTR-7 for the tax periods June 2021/ QE June 2021 onward |
| 7 | 21/2021-Central Tax dated 01.06.2021 | |
| 8 | 20/2021-Central Tax dated 01.06.2021 | |
| 9 | 19/2021-Central Tax dated 01.06.2021 | Reduction in Late fee for such pending returns in FORM GSTR3B for the tax periods from July, 2017 to April, 2021 |
| 10 | 18/2021-Central Tax dated 01.06.2021 | Reduction in rate of interest for late payment of tax liability |
| 11 | 16/2021-Central Tax dated 01.06.2021 | Retrospective amendment of section 50 to provide interest payment on net cash basis |
| 12 | 15/2021-Central Tax dated 01.06.2021 | Refund related measures and Relaxations in provisions of blocking of E-way bills |

2. In view of the challenges presented due to the ensuing Covid pandemic, the CBIC has issued these notifications with a view to provide relief to the tax payers by providing extension of time limit in filing of returns, changes related to GST law and procedure which have been notified under afore-referred Notifications. (copies of these Notifications are available on the CBIC website).

3. **Retrospective Amnesty Scheme to provide relief to taxpayers regarding late fee for pending returns:** - The late fee for non-furnishing FORM GSTR3B for the tax periods from July, 2017 to April, 2021 has been reduced /waived (the reduced rate of late fee is applicable if GSTR-3B returns for these tax periods are furnished between 01.06.2021 to 31.08.2021) as under: -

- late fee capped to a maximum of Rs 500/- (Rs. 250/- each for CGST & SGST) per return for taxpayers, for TPs with Nil tax liability for the said tax periods;

- b) late fee capped to a maximum of Rs 1,000/- (Rs. 500/- each for CGST & SGST) per return for taxpayers having an aggregate turnover of up to Rs. 1.5 Crores in the preceding financial year; and
- c) late fee capped to a maximum of Rs 2,500/- (Rs. 500/- each for CGST & SGST) per return for taxpayers having an aggregate turnover of more than Rs. 1.5 Crores and up to Rs. 5 Crores in the preceding financial year;

4. Rationalization of late fee imposed under section 47 of the CGST Act: To reduce burden of late fee on smaller taxpayers, the upper cap of late fee is rationalized to align late fee with tax liability/ turnover of the taxpayers. All the below relaxations have been made applicable for prospective tax periods starting June' 2021:

- a) For taxpayers having nil tax liability in GSTR-3B or nil outward supplies in GSTR-1, the late fee to be capped at Rs 500 (Rs 250 CGST + Rs 250 SGST).
- b) For taxpayers having Annual Aggregate Turnover (AATO) in preceding year up to Rs 1.5 crore, late fee to be capped to a maximum of Rs 2000 (1000 CGST+1000 SGST);
- c) For taxpayers having AATO in preceding year between Rs 1.5 crore to Rs 5 crore, late fee to be capped to a maximum of Rs 5000 (2500 CGST+2500 SGST) and
- d) For taxpayers having AATO in preceding year above Rs 5 crores, late fee to be capped to a maximum of Rs 10000 (5000 CGST+5000 SGST).
- e) The late fee for delay in furnishing of FORM GSTR-4 by composition taxpayers to be capped to Rs 500 (Rs 250 CGST + Rs 250 SGST) per return, if tax liability is nil in the return, and Rs 2000 (Rs 1000 CGST + Rs 1000 SGST) per return for others.
- f) The Late fee payable for delayed furnishing of FORM GSTR-7 to be reduced to Rs.50/- per day (Rs. 25 CGST + Rs 25 SGST) and to be capped to a maximum of Rs 2000/- (Rs. 1,000 CGST + Rs 1,000 SGST) per return.

5. Extension of due date of filing GSTR-1, IFF, GSTR-4 ITC-04 and other Covid relief measures: The due date of filing GSTR-1, IFF, GSTR-4 and ITC-04 has been extended as follows:

- a) Due date of filing FORM GSTR-1 and IFF for the month of April 2021 and May 2021 has been extended by 15 days.
- b) Due date of filing FORM GSTR-4 for FY 2020-21 has been extended from 30th April, 2021 to 31st July, 2021.
- c) Due date of furnishing FORM ITC-04 for Jan-March, 2021 quarter has been extended from 25th April, 2021 to 30th June, 2021
- d) Relaxation in availment of ITC: Rule 36(4) i.e., 105% cap on availment of ITC in FORM GSTR-3B to be applicable on cumulative basis for period April, May and June, 2021 to be applied in the return for tax period June, 2021. Otherwise, rule 36(4) is applicable for each tax period.
- e) The filing of GSTR-3B and GSTR-1/ IFF by companies using electronic verification code (EVC), instead of Digital Signature Certificate (DSC), has been enabled for the period from the 27.04.2021 to 31.08.2021.

- f) The Time limit for completion of various actions, by any authority or by any person, under the GST Act, which falls during the period from 15th April, 2021 to 29th June, 2021, to be extended up to 30th June, 2021, subject to some exceptions as specified in the notification. [Wherever the timelines for actions have been extended by the Hon'ble Supreme Court, the same would apply]

6. Refund related measures: A new form RFD-01W has been provided for filing application of withdrawal of a refund claim, by amendment in Rule 90 of CGST Rules. It will help the taxpayers, who have filed the refund application by mistake or for wrong period or have made any mistake/ omission in the refund claim, to withdraw the refund application rather than to file appeal, once the refund claim is rejected. Further, Rule 90 of CGST Rules has also been amended to exclude the time taken by tax officer in issuing deficiency memo in FORM RFD-03 for purpose of calculating time for filing fresh refund claim after removal of deficiencies. This will help taxpayers in filing such fresh refund claims after removing deficiencies, without getting time barred due to time taken for issuance of deficiencies by the tax officers.

7. Retrospective amendment of Section 50 to provide interest payment on net cash basis: Section 112 of the Finance Act, 2021, relating to retrospective amendment in section 50 of the CGST Act, has been brought into force from 01.06.2021. Accordingly, retrospective amendment has been made in Section 50 of CGST Act, 2017, with effect from 01.07.2017, to provide for payment of interest on the delayed payment of tax on net cash basis. This will facilitate the taxpayers and help in removing ambiguity and disputes regarding payment of interest on gross tax basis or net cash basis. It would also not require taxpayers to pay interest on tax paid through ITC.

8. Relaxations in provisions of blocking of E-way bills: Rule 138E of CGST Rules, 2017 has been amended to provide for restriction on generation of e-way bill only in respect of outward movement of goods of a registered person, who has defaulted in furnishing returns for 2 months or 2 consecutive tax periods. Prior to this amendment, the supplier was not able to generate e-way bill for supply of goods to the defaulting recipient, though there may not have been any default on the part of the supplier himself. With this amendment, issuance of e-way bill by the compliant supplier will not be blocked, in respect of supply made to recipient, including a recipient who has defaulted in furnishing two consecutive returns. This would ensure that business of compliant suppliers is not adversely affected.

9. Annual Return related measures: Amendments in section 35 and 44 of CGST Act Has been made through Finance Act, 2021 to provide for self-certification of reconciliation statement in FORM GSTR-9C, instead of the previous requirement of certification of such statement by a Chartered/Cost Accountant. This amendment would come into effect from 01.08.2021 and would be applicable for the Annual return for the FY 2020-21. It would ease the compliance requirement in furnishing reconciliation statement in FORM GSTR-9C, as taxpayers would be able to self-certify the reconciliation statement, instead of getting it certified by chartered accountants. Further, the filing of annual return in FORM GSTR-9 / 9A for FY 2020-21 is optional for taxpayers having aggregate annual turnover up to Rs 2 Crore and the reconciliation statement in FORM GSTR-9C for the FY 2020-21 is required to be filed by taxpayers with annual aggregate turnover above Rs 5 Crore.

10. All the Field Formations and Departmental Officers working under the jurisdiction of Delhi North Commissionerate are requested to inform the Trade & Industries about the afore-referred measures. Difficulties, if any, faced in implementation of these instructions may be brought to the notice of this office.

11. Hindi version of the above will follow.

12. This issues with the approval of the Principal Commissioner, CGST Delhi North Commissionerate.

Sd/-

Additional Commissioner (Tech)
CGST Delhi North

To:

1. The Trade Associations falling under the jurisdiction of Delhi North CGST Commissionerate (As per mailing list); and
2. Notice Board/Guard File.

Copy for kind information to:

1. PS to Pr. Chief Commissioner, Central Tax, Delhi Zone;
2. PS to Principal Commissioner/Commissioner, Central Tax, Delhi North, Delhi West, Delhi East, Delhi South, Audit I/II, Appeal I/II;
- ✓ 3. AC (Systems) for getting it uploaded on Commissionerate website;
4. All Divisional ACs/DCs of CGST Delhi North;
5. All the officers and staff of CGST, Delhi North Commissionerate.

Lizh 22/6/24

Deputy Commissioner (Tech)
CGST Delhi North