



Week of 3rd June, 2019

A. CHANGES IN THE GST REGIME

Clarification on filing of GSTR 9

The trade and industry had raised certain queries with respect to filing of the GSTR 9. The GST department has vide press release dated 4th June, 2019 issued a clarification on the filing of annual return under GSTR 9. This clarification includes information on transactions which will be auto-populated in the return, transactions which should be declared, transactions where there may be mismatch between auto populated data and books of accounts data, etc. This return is to be filled by the taxpayers for financial year 2017-2018 by 30th June, 2019.

B. PROPOSED CHANGES AND INDUSTRY ISSUES

GST collection for May 2019

As per media reports, for the third consecutive month, the GST department has made a collection of above Rs. 100,000 crore (Rs 1000 billion). The GST collection for the month of May 2019 was Rs. 100,289 crore (approx Rs. 1003 billion).

Software for GST

In the last week, GSTN has provided small businesses with a turnover of Rs 1.5 crore (Rs. 15 million) or lower, to download a software that would help in GST compliances such as create invoices and account statements, manage inventory and prepare GST returns. As per media reports, the GSTN website has also listed six firms which will offer such software free of cost to the targeted small businesses. This move is towards digitalization for small businesses.

Income Tax return and GST return mismatch under lens

As per media reports, this will be the first time that the government is looking forward towards matching the income tax and GST returns. The initial findings have seen an overstatement of GST claims and understatement of income in income tax returns. Therefore, media reports states that the government focus is on companies which gets into non-existent transactions with entities that have virtually no real business or is related to them as these companies claim fraudulent tax credit. Data analysis can help trace such transactions as these transactions and income are not reflected in the income tax returns.

Glossary

GST – Goods and Services Tax

GSTR – Goods and Services Tax Return

GSTN – Goods and Services Tax Network

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