



Week of 10th September, 2018

A. CHANGES IN THE GST REGIME

Extension of due date for filing GSTR – 1

The CBIC has vide notification no. 43/2018 – central tax dated 10th September, 2018 extended the due date for filing of GSTR-1 for taxpayers having aggregate turnover up to INR 1.5 crores (INR 15 million) for the period July 2017 to September 2018 up to 31st October, 2018; for the period October 2018 to December 2018 up to 31st January, 2019 and for the period January 2019 to March 2019 up to 30th April, 2019.

The CBIC has vide notification no. 44/2018 – central tax dated 10th September, 2018 extended the due date for filing of GSTR-1 for taxpayers having aggregate turnover of more than INR 1.5 crores (INR 15 million) for the period from July 2017 to September 2018 up to 31st October, 2018 and for the months from October 2018 to March 2019 up to 11th day of the succeeding month.

Extension of due date for filing GSTR - 3B

The CBIC has vide notification no. 45,46,47/2018 - central tax dated 10th September, 2018 extended the due date for filing of GSTR-3B for the period from July, 2017 to November, 2018 up to 31st December, 2018 which is to be furnished electronically through the common portal.

Extension of due date for filing TRAN - 1

The CBIC has vide notification no. 48/2018 - central tax dated 10th September, 2018 extended the due date for filing of TRAN-1 up to 31st March, 2019 for taxpayers who couldn't file it due to technical glitches on the GST portal.

GST on Priority Sector Lending Certificates (PSLCs)

The CBIC has vide circular no. 62/36/2018 – GST dated 12th September, 2018 clarified that GST on PSLCs for the period 1st July, 2017 to 27th May, 2018 will be paid by the seller bank on forward charge basis and GST rate of 12% will be applicable on the supply.

Audit report and reconciliation statement

The CBIC has vide notification no. 49/2018 – central tax dated 13th September, 2018 notified the CGST (Tenth Amendment) Rules, 2018 wherein it has notified Form GSTR-9C for audit report and reconciliation statement.

TDS and TCS

The CBIC has vide notification no. 50/2018 – central tax and notification no. 51/2018 – central tax dated 13th September, 2018 appointed 1st October, 2018 as the date on which the provisions of TDS and TCS under sections 51 and section 52 of the CGST Act, 2017 respectively shall come into force.

B. PROPOSED CHANGES AND INDUSTRY ISSUES

Amendment to ITC provision

As per the media reports, the 28th GST Council meeting had recommended certain amendments to the ITC provisions under the GST law which will be given a prospective effect. Based on the recommendations, certain supplies provided by the employer as mandated by law are now under the scope of ITC. For instance, the Factories Act, 1948 and Karnataka Shops and Establishment Act, 1961 stipulates free transportation services to be provided by certain specified establishment to women employees working night shifts post 8 p.m. Therefore, when the new ITC provisions will be made effective, these employers will be able to claim ITC against the GST paid on transport expenses incurred for the women employees.

Penalty for not passing GST rate cut benefits

As per the media reports, the NAA has ruled that the suppliers will be liable to pay penalty for not passing the benefits of GST rate reduction on sale of goods. The NAA gave its ruling in the case of Sharma Trading Company wherein it was alleged that the supplier had not reduced the price of 'Vaseline' in line with the reduction of GST rate. However, before imposing the penalty, the NAA has given a notice to Sharma Trading Company as to why penalty should not be imposed on the company.

Glossary

CBIC – Central Board of Indirect taxes and Customs
CGST – Central Goods and Services Tax
GSTR – Goods and Services Tax Return
ITC – Input Tax Credit
NAA – National Anti-Profiteering Authority
TDS – Tax Deducted at Source
TCS – Tax Collected at Source

GST Council - Goods and Services Tax Council, a constitutional body comprising of members of the Central and the State Governments to recommend changes under the existing GST regime.

DISCLAIMER

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