



GST RETURN 2.0

JB Nagar CPE Study Circle

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WHAT IS THE NEW SIMPLIFIED GST RETURN? [SEC. 43A]

NEW GST RETURN (1/2)

- New GST Returns based on the same old philosophy
- Single Return RET-1/2/3 (with ANX-1 and ANX-2 & PMT-08) to replace GSTR-1 & GSTR-3B.
- GST Return 2.0 focused on allowing credit on the basis of actual invoices uploaded
- Invoice flow to be uni-directional

NEW GST Return (2/2)

- Applicable to all GST registered taxpayers except
 - ✓ the non-resident registered person
 - ✓ input service distributor
 - ✓ TDS Deductor under section 52
 - ✓ TCS collector under section 51 of CGST Act

COMPARISON

How does GST 2.0 compare to the current system of filing returns?

Form	Return	Due Date/ Cut-Off
ANX-1	Outward supply annexure	10 th of subsequent month
ANX-2	Inward Supply annexure	18 th of subsequent month
RET-1	Normal - Monthly return	20 th of subsequent month
RET-1	Normal - Quarterly return	25 th of subsequent quarter
RET-2	Sahaj Quarterly return	25 th of subsequent quarter
RET-3	Sugam Quarterly return	25 th of subsequent quarter
PMT-8	Monthly Payment form	20 th of subsequent month

Which profile is best type for different businesses?

Basis	Normal Monthly	Normal Quarterly	Sahaj	Sugam
Turnover	Mandatory if > 5 crore	Can opt if <= 5 crore	Can opt if <= 5 crore	Can opt if <= 5 crore
Type of sales	Any	Any	Only B2C, non-ecommerce	Only B2B or B2C, non-ecommerce
Filing frequency	Monthly	Quarterly	Quarterly	Quarterly
Tax payment frequency	Monthly	Monthly	Monthly	Monthly
Sales upload frequency	Monthly	Monthly	Quarterly (can still do monthly)	Monthly
ITC on missing supplier invoices	Yes	Yes	No	No

Interchanging Entitlement

Person opting for Quarterly (Normal) may wish to change to Sahaj or Sugam or vice versa

Shift from – to	Once or Multiple
Normal to Sugam	Once
Sugam to Sahaj	Once
Normal to Sahaj	Once
Sahaj to Sugma	Multiple
Sugam to Normal	Multiple
Sahaj to Normal	Multiple

Type of Returns based on Taxpayer Type (Old v/s New)

Taxpayer Type	Existing	New
Regular	GSTR-1 GSTR-3B GSTR-9	ANX-1 ANX-2 RET-1/2/3 GSTR-9 PMT-08
Composition	GSTR-4 GSTR-9A	CMP-08 GSTR-4
Non-Resident/ Casual Tax Payer	GSTR-5	GSTR-5
ISD	GSTR-6	GSTR-6
Tax Deductor	GSTR-7	GSTR-7
E-commerce Operator (TCS)	GSTR-8	GSTR-8

Timeline of New Simplified GST Return – The Transition Plan

Tax period	For large taxpayers (Turnover in PY > Rs 5 crore)	For small taxpayers (Turnover in PY <= Rs 5 crore)
July 2019 – September 2019 [Trial phase]	Continue GSTR-1, GSTR-3B filing Trial upload - ANX-1 &2	Continue GSTR-1, GSTR-3B filing Trial upload - ANX-1 &2
October 2019 & November 2019	<ul style="list-style-type: none"> • Compulsory uploading of invoices in ANX-1 instead of GSTR-1 mnthly. • File GSTR-3B monthly • View ANX-2, but no action can be taken 	<ul style="list-style-type: none"> • File PMT-08 and not GSTR-3B • ANX-1 filing in January 2020 for Quarter Oct-Dec 2019

Timeline of New Simplified GST Return – The Transition Plan

Tax period	For large taxpayers (Turnover in PY > Rs 5 crore)	For small taxpayers (Turnover in PY <= Rs 5 crore)
December 2019	<ul style="list-style-type: none"> • File RET-01 for the first time for Dec 2019 in January 2020 • Action on ANX-2? 	<ul style="list-style-type: none"> • Report in ANX-1 & file RET-01 for the first time in January 2020 for quarter Oct-Dec, 2020 • Action on ANX-2?
January 2020 onwards	<ul style="list-style-type: none"> • Continue with RET-01 monthly basis • Report in ANX-1 • Take action in ANX-2 	<ul style="list-style-type: none"> • Continue with RET-01 quarterly basis • Report in ANX-1 • Take action in ANX-2

Prior period supplies- Reporting in GST 2.0

Scenario	Reflected in GSTR-1	Reflected in GSTR-3B	Solution
I	No	Yes	Upload invoice details and adjust in RET 1 [Table 3C (5)]
II	No	No	Report and pay tax along-with Interest
III	Yes	No	Not to upload invoice details but tax paid to be adjusted in RET 1 [Table 3A (8) or 3C (5)]

What changes in the New Returns?

Changes to Return Filing

- New concept of Amendment of return
- Negative liability from the amendment return populated in next month's regular return
- Auto interest calculation on late upload/ filing
- Deemed Locking of Invoice (Accept/ Pending in ANX-2 = locked)
- Nil return by SMS

Changes to Tables/ Section in Return

- Concept of B2B (large) and B2B (small) done away

What changes in the New Returns?

- HSN series and Document series summary not required
- Separate table for the supplies to e-commerce is required
- Migrating data/ invoices between different tables of the form possible
- Negative values to be allowed in different summary sections

Changes to Details Reported

- B2B invoice to be uploaded HSN-wise, rate-wise. 6 digit HSN to be reported for goods and services (except for small taxpayers).

What changes in the New Returns?

- HSN not required for B2C invoices.
- B2C invoices reported at aggregate level state wise & rate wise
- Trade name of supplier will also be shown
- RCM in ANX-01 to be reported only by recipient
- Inward supplies liable to RCM declared at GSTIN level in ANX-1 and not document level by recipient

What changes in the New Returns?

- Advances received not to be disclosed in ANX-01
- **Debit / Credit notes** issued by the supplier with respect to supplies other than supplies attracting reverse charge shall be **reported in the respective tables**
- Cr. and Dr. note don't need reference of original Invoice no.
- Invoice level details of missing ITC to be uploaded by Recipient (if supplier has not uploaded in T+ 2 period)

What changes in the New Returns?

- Amendment only on rejection – ITC in subsequent tax period
- Separate functionality to search and reject accepted invoices
- Taxable Value will not be mandatory in case of credit notes
- Tax amount should equal to taxable value * tax rate. Rounding off other differences needs to separately shown in RET-1.
- Track the invoices related to previous months for ITC
- Non filing of ANX-1 for 2 tax periods to affect ITC of receiver

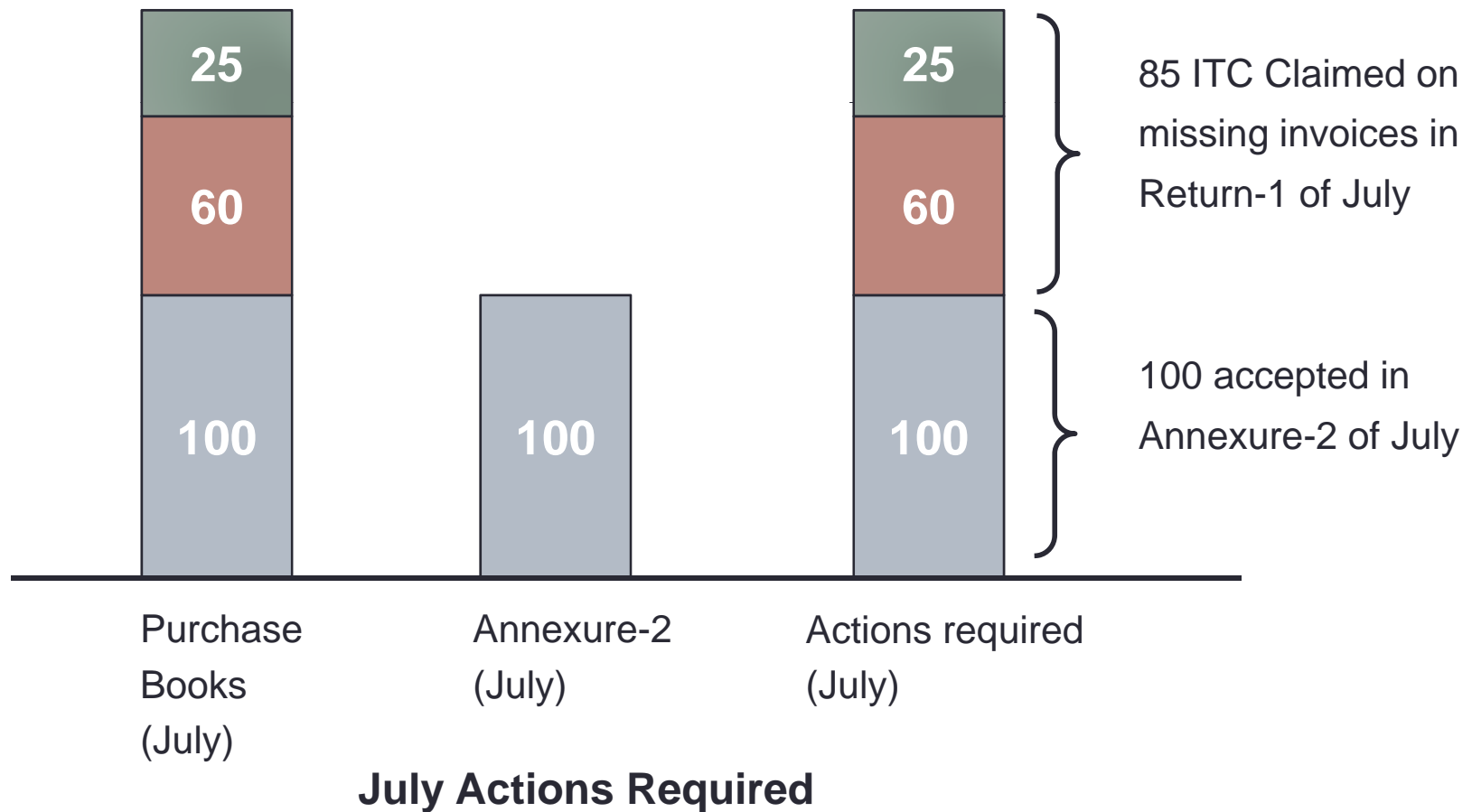
What changes in the New Returns?

- No automatic reversal of ITC - Joint and several liability however first recovery from supplier
- Introduction of two new fields
 - ✓ Supply covered under Section 7 of IGST Act
 - ✓ Would you claim refund for Export and SEZ supplies
- PAN reporting in case of URD RCM
- If invoice accepted by counterparty - Amendment not allowed

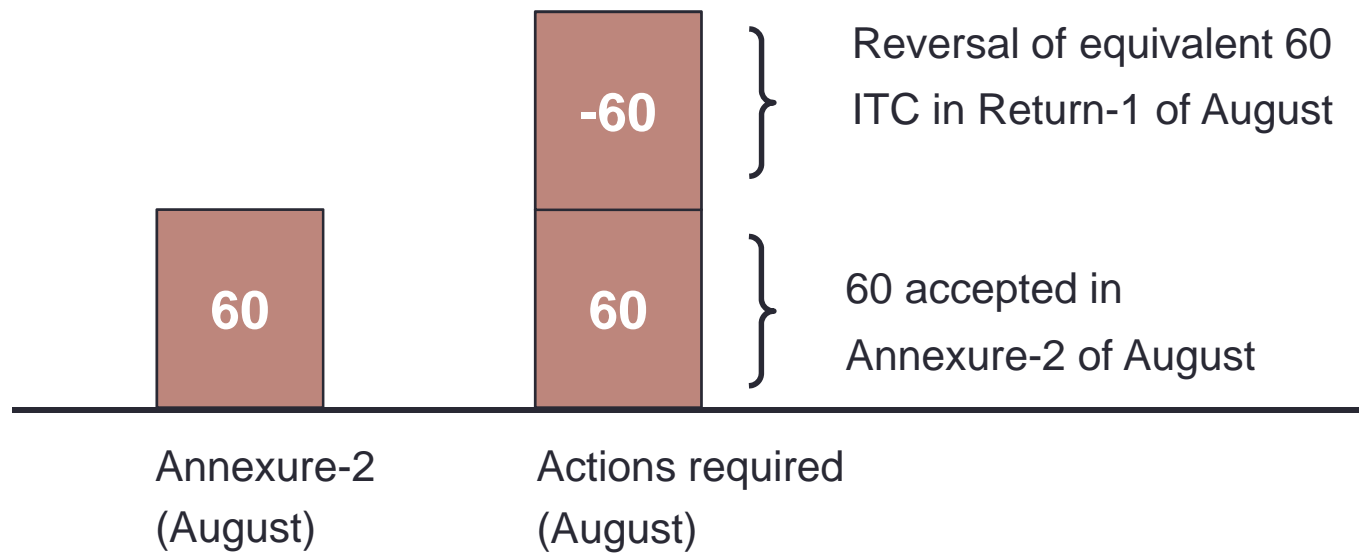
Tracking supplier Invoices and Claiming ITC on Provisional Basis

Supplier A	Compliant: Uploads B2B Invoice before due date (before 10 th of next month)
Supplier B	Late Compliant: Uploads B2B Invoice after due date (after 10 th of next month)
Supplier C	Non Compliant: Doesn't ever upload B2B invoices

Tracking supplier Invoices and Claiming ITC on Provisional Basis



Tracking supplier Invoices and Claiming ITC on Provisional Basis



August Actions Required

Tracking supplier Invoices and Claiming ITC on Provisional Basis

Recipient is required to report missing documents on which credit has been claimed on T-2 (monthly)/T-1 (for quarter) tax period and supplier has not reported the same till the filing of return for the current tax period.

25

25 from supplier C at
invoice level to be reported
in section 3L of Annexure-1

Actions required
(September)

September Actions Required



THANK YOU

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