

Latest Changes In GST Due To Covid 19

In context of the current market conditions and scenario, the central government, on recommendation of the council has made many relaxing changes related to composition scheme under GST, interest rate reduction under GST, waiver of late fees and extension of due date for the purpose of filing returns. These changes are brought in by releasing series of notifications on 03.04.2020. The changes have come in considering the impact of COVID 19 on the operations of the industries. Since all the operations have come to rest due to lockdown situation, government has taken steps to reduce any undue pressure of compliances.

Changes include:

1. Reduction in Interest Rate
2. Late Fee Waiver
3. Extension of Due dates
4. Extension of E Way Bill Period
5. GST Composition Scheme

Reduction in Interest Rate and Extension of Due date for GST3B:

Changes have been made to provide for reduction in interest rate in the following manner:

- **Registered persons whose turnover is more than 5cr** : **Date Specified** to file return in form GST 3B for the month of **February to April 2020** is 24.06.2020. No interest will be charged for the 15 days after due date and thereafter 9% interest shall be charged.

Note: If payment is beyond 15 days of due date, but up to specified date, then NIL interest for 15 days plus 9% percent p.a for delay beyond 15 days. However if payment is made beyond specified date i.e 24.06.2020, interest shall be charged at 18% percent for entire period beyond due date i.e 20.03.2020

- **Registered Persons whose turnover is more than 1.5 cr and upto 5cr : Date specified** to file return in form GST 3B for the month of February and March 2020 is 29.06.2020 and for the month of April 2020 is 30.06.2020. No late filing interest will be
- **Registered Persons whose turnover is upto 1.5cr : Date specified** to file return in form GST3B for the month of February 2020 is **30.06.2020** , for the month of March 2020 is 03.07.2020 and for the month of April 2020 is **06.07.2020**.

Late fee Waiver

- If the registered person fails to file within due date ,GSTR 1 for the quarter ending March 2020 and for the month of April 2020 and may 2020, no late fees shall be charged if return is furnish up to 30.06.2020.

Note: Due date for filing GSTR 1 and 3B is not extended, only late fees stand waived off.

Note : If return is not filed within due date for continuous 3 months would lead to blocking of E way bill remains a question of doubt as E way bill provisions are not amended. It can be reasonably assume that such case would not arise considering that the government intention remains relaxation amidst crisis.

Extension of other due dates:

- Due date for filing form CMP-08 for the quarter ended March 2020 is extended till **07.07.2020** and for filing form GSTR 4 is extended till **15.07.2020**.
- Time limit for completion of any action by any person or authority, time limit for completion of any proceedings or passing of any order or issuance of any notice etc by any authority, commission or tribunal shall be extended up to **30.06.2020**

Extension of E way bill period:

Any E way Bill generated whose period validity expires between 20.03.2020 and 15.04.2020, the validity shall be deemed to be extended till 30.04.2020.

GST Composition Scheme Extensions:

- A Proviso is inserted in Rule 3 (sub rule 3) to extend the time to opt for composition scheme under GST on or before 30.06.2020.
- Intimation shall be filed electronically in form GST CMP-02.
- Furnishing of statement in form GST ITC-03 can be done up to 31.07.2020.
- Input tax credit for the period February 2020- August 2020 shall be adjusted cumulatively in return GST 3B filed for the month of September 2020.

Note: Effective date for all the above changes made is 20.03.2020

Conclusion:

To conclude, Central Government is standing as a support to all the taxpayers and is implementing all the measures to reduce and undue pressure of compliance in this market condition and scenario. The continuous efforts made by the Central Government are appreciable and worth noting for.