

GOODS & SERVICES TAX / IDT UPDATE – 72

Clarifications on filing of Annual Return (FORM GSTR-9)

Press release dated 4th June, 2019 has clarified certain queries raised by trade and industry with respect to filing of Annual return (GSTR 9) which are being clarified as follows:

- a. Information contained in **FORM GSTR-2A** as on 01.05.2019 shall be auto-populated in Table 8A of **FORM GSTR-9**.
- b. Input Tax Credit on inward supplies shall be declared from April 2018 to March 2019 in Table 8C of **FORM GSTR-9**.
- c. Particulars of the transactions for FY 2017-18 declared in returns between April 2018 to March 2019 shall be declared in Pt. V of **FORM GSTR-9**. Such particulars may contain details of amendments furnished in Table 10 and Table 11 of **FORM GSTR-1**.
- d. It may be noted that irrespective of when the supply was declared in **FORM GSTR-1**, the principle of declaring a supply in Pt. II or Pt. V is essentially driven by when tax was paid through **FORM GSTR-3B** in respect of such supplies. If the tax on such supply was paid through **FORM GSTR-3B** between July 2017 to March 2018 then such supply shall be declared in Pt. II and if the tax was paid through **FORM GSTR-3B** between April 2018 to March 2019 then such supply shall be declared in Pt. V of **FORM GSTR-9**.
- e. Any additional outward supply which was not declared by the registered person in **FORM GSTR-1** and **FORM GSTR-3B** shall be declared in Pt.II of the **FORM GSTR-9**. Such additional liability shall be computed in Pt.IV and the gap between the “tax payable” and “Paid through cash” column of **FORM GSTR-9** shall be paid through **FORM DRC-03**.
- f. Many taxpayers have reported a mismatch between auto-populated data and the actual entry in their books of accounts or returns. One common challenge reported by taxpayer is in Table 4 of **FORM GSTR-9** where details may have been missed in **FORM GSTR-1** but tax was already paid in **FORM GSTR-3B** and therefore taxpayers see a mismatch between auto-populated data and data in **FORM GSTR-3B**. It may be noted that auto-population is a functionality provided to taxpayers for facilitation purposes, taxpayers shall report the data as per their books of account or returns filed during the financial year.
- g. Many taxpayers have represented that Table 8 has no row to fill in credit of IGST paid at the time of import of goods but availed in the return of April 2018 to March 2019. Due to this, there are apprehensions that credit which was availed between April 2018 to March 2019 but not reported in the annual return may lapse. For this particular entry, taxpayers are advised to fill in their entire credit availed on import of goods from July 2017 to March 2019 in Table 6(E) of **FORM GSTR-9** itself.
- h. Payments made through **FORM DRC-03** for any supplies relating to period between July 2017 to March 2018 will not be accounted for in **FORM GSTR-9** but shall be reported during reconciliation in **FORM GSTR-9C**.

Comment: Members are advised to refer ICAI Handbook on GST Annual Return and proceed to complete GSTR 9-9C at the earliest to avoid last minute rush on the portal. Handbook is available at link:

https://idtcicai.s3apsoutheast1.amazonaws.com/download/pdf19/HB_on_GST_Annual_Return-30-5-2019.pdf

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Free Accounting & Billing Software for Micro, Small and Medium Enterprises

As per directions of GST Council, GSTN has partnered with some Billing and Accounting software vendors for providing free software to the Micro, Small and Medium Enterprises, with annual turnover under Rs 1.5 Cr, in a financial year. This facility is made available to the active Normal taxpayers, SEZ Developers/SEZ Units and taxpayers who have opted for composition scheme under the GST regime.

- These are available as a cloud based version as well as a downloadable version that installs on desktop or laptop.
- This software allows a taxpayer to run his daily business by providing day to day billing and accounting features, along with facility for return filing for their GST related compliances.
- Some of the free features being made available are Sale/ Purchase/ Cash ledger, Inventory management, Supplier/ Customer Masters, Generation of Invoices, Preparation of GST Returns etc
- The software would be available free of cost to eligible taxpayers till 31.03.2021 or till the taxpayer's annual turnover remains under Rs 1.5 Cr in a financial year, after which the taxpayers may have to pay a fee to the vendor.
- For using features other than free features listed or using the software beyond the initial free period, the taxpayer may visit respective vendor product site to ascertain fee payable, if any.
- To download the accounting and billing software on the GST Portal, the taxpayer need to login to the GST Portal with valid credentials and navigate to **Downloads > Accounting and Billing Software option**.

The user manual and FAQs for the same and vendors providing software can be viewed at the following

links: https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=manual_accountingsoftware.htm

https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=FAQs_Accountingsoftware.htm

It may be noted that all queries/questions need to be taken up with the software vendors and NOT with GST Helpdesk

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Secretary

GST & Indirect Taxes Committee

The Institute of Chartered Accountants of India

ICAI Bhawan A-29, Sector -62,

NOIDA (U.P.) India

Website: www.idtc.icai.org