



GST

Goods and Services Tax

NEWSLETTER



Mar 2023-24

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TABLE OF CONTENTS

S.No.	Particulars	Page No
1.	GST Compliance Calendar – Mar 2024 ❖ Income Tax Compliance Calendar ❖ Payroll Compliance Calendar ❖ GST Compliance Calendar	3-4
2.	GST Articles ❖ Composition Scheme ❖ Recent changes in GST	5-7
3.	CBIC Precedents	8-9
4.	GST Notifications	10
5.	Updates	11
6.	Contact us	12



Income Tax Compliance Calendar

Due date	Particulars
7 th Mar 2024	<ul style="list-style-type: none">Due date for deposit of tax deducted/collected for the month of Feb 2024.However, all sum deducted by an office of the government shall be paid to the credit of the central government on the same day where tax is paid without production of income-tax challan.
14 th Mar 2024	<ul style="list-style-type: none">Due date for issue of TDS certificate for tax deducted under section 194-IA in the month of Feb 2024.Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of Feb 2024.Due date for issue of TDS Certificate for tax deducted under section 194M in the month of Feb 2024.
15 th Mar 2024	<ul style="list-style-type: none">Due date for furnishing of FORM 24G by an office of the government where TDS/TCS for the month of Feb 2024 has been paid without the production of the challan.Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of Feb 2024.
29 th Mar 2024	<ul style="list-style-type: none">Due date for furnishing of challan-cum-statement in respect of tax deducted under section 191-IA in the month of Feb 2024.Due date for furnishing of challan-cum-statement in respect of tax deducted under section 191M in the month of Feb 2024.Due date for furnishing of challan-cum-statement in respect of tax deducted under section 191-IB in the month of Feb 2024

Payroll Compliance Calendar

Due date	Particulars
15-Mar 24	Due date for electronic challan cum return (ECR) (PF) for the month of Feb 24
15-Mar 24	Due date for ESI Challan for the month of Feb 24
15-Mar 24	Due date for LWF contribution of Haryana for the month of Feb 24

**GST Compliance Calendar- March 2024**

Due date	Type of Returns	Period	Particulars
11 th Mar 24	GSTR-1	February-2024	Turnover more than INR 5 crore in the preceding FY & Turnover up to INR 5 crores and have opted for monthly return filing.
13 th Mar 24	GSTR-1	February-2024	Turnover up to INR 5 crores during the preceding year who has opted for quarterly filling of return.
20 th Mar 24	GSTR-3B	February-2024	Turnover more than INR 5 crore in the preceding FY or Turnover up to INR 5 crore in the preceding FY but opted for monthly return filing
25 th Mar 24	PMT -06	February -2024	Registered person opted to file return under QRMP Scheme.
13 th Mar 24	GSTR-5	February-2024	Non- Resident Foreign Taxpayers
20 th Mar 24	GSTR-5A	February-2024	NRI OIDAR Service Provider
10 th Mar 24	GSTR-7	February-2024	TDS Deductor
10 th Mar 24	GSTR-8	February-2024	E-Commerce operator
15 th Mar 24	Annexure V	F.Y. 2024-25	Opting for Payment of tax under Forward charge mechanism by GTA.
28 th Mar 24	GSTR 11	February 2024	Statement of inward supplies received by person having unique identification no.(UIN)
31 st Mar 24	CMP 02	F.Y. 2024-25	Regular Taxpayer to opt for composition scheme for F.Y. 2024-25.
31 st Mar 24	RFD -11	F.Y. 2024-25	Application for Letter of undertaking(LUT) for F.Y. 2024-25.
13 th Mar 24	GSTR-6	February-2024	Input service distributors



GST Articles

GST Composition Scheme:

Under GST small taxpayers have the option to pay GST at a fixed rate of turnover and do away with strict compliances under GST. Any taxpayer whose turnover is less than Rs. 1.5 crore* has the option to participate in this scheme.

How can Taxpayer opt for composition scheme:

To opt for composition, scheme a taxpayer has to file GST CMP-02 with the government. This can be done online by logging into the GST Portal. This intimation should be given at the beginning of every Financial Year by a dealer wanting to opt for Composition Scheme.

How should a composition dealer raise bill :

A composition Dealer cannot issue a tax invoice. This is because a composition dealer cannot charge tax from their customers. They need to pay tax out of their own pocket. Hence a dealer has to issue a Bill of supply. The dealer should also mention “composition Taxable person, not eligible to collect tax on supplies” at the top of the bill of supply.

GST Rates for composition Dealer :

Type of Business	CGST	SGST	Total
Manufacturer & Trader (Goods)	0.5%	0.5%	1%
Restaurants not serving alcohol	2.5%	2.5%	5.0%
Other service provider	3.0%	3.0%	6.0%



Features of GST Composition Scheme

Due to the advantages it offers, the GST composition scheme is a better choice for the following:

- A dealer is obligated to pay tax based on the general GST rate while conducting the transaction under the mechanism for reverse charges.
- By the 18th of the month that follows the quarter, every proprietor of a company registered under the GST composition scheme is obligated to submit a single quarterly return.
- A business owner is required to fill out a form for each of their firms under the GST composition scheme if they are registered under a single PAN (Permanent Account Number).

Who is eligible to use the Composition Scheme?

A taxpayer can opt for the Composition Scheme if their total yearly income is less than Rs 1.5 crore*. The present cap limit for Himachal Pradesh and the Northeastern states is Rs 75* lakh. A composition dealer is additionally allowed to provide services up to 10% of sales, or Rs. 5 lakhs, whichever is higher, under the CGST (Amendment) Act, 2018.

*The increase in the amount subject to the threshold from Rs 1.0 Crore to Rs 1.5 Crores was officially notified by CBIC.

Who cannot choose the composition scheme?

The following individuals are ineligible for inclusion in the program:

- Producer of tobacco, ice cream, and pan masala
- One who supplies goods across state lines
- A non-resident taxpayer or an irregular taxpayer

Rules for availing Composition Scheme

In order to select a composition scheme, the prerequisites that follow must be fulfilled:

- A company that produces goods or retailers is permitted to offer services up to 10% of sales, or Rs. 5 lakhs, whichever is more, according to the CGST (Amendment) Act, 2018. This update was taken in effect from February 1st, 2019.
- It becomes the responsibility of the taxpayer to identify themselves as "composition taxable person" on any kind of advertisement or signboard that is made available to the public in their place of business.
- For transactions performed via the Reverse Charge Mechanism, the taxpayer is obligated to pay tax at conventional rates.
- When a dealer adopts the composition scheme, they do not become eligible to claim any Input Tax Credit.

Advantages of Composition Scheme

The advantages of signing up under the composition scheme are outlined in the following order:



- Reduced degrees of compliance (invoices, bookkeeping duties, and returns)
- limited compulsion to pay revenue taxes
- A high level of liquidity due to reduced tax rates

Cons of opting the Composition Scheme

Now let's take a look at some disadvantages of signing up for the GST composition scheme:

- Composition dealers are not suitable for an input tax credit.
- A confined commercial area. The dealer doesn't have the right to conduct transactions over boundaries between states.

Recent Changes in GST :

GST advisory on Bank Details Under rule 10A of CGST Act 2017:

All Registered taxable person is required to furnish details of bank accounts within 30 Days of the grant of registration or before the due date of filling of GSTR01/IFF whichever is earlier.

It is advised to taxpayer, furnish their bank account details who is not provided so far, & if time period (i.e. 30days) Expire it may result in disruption in business activities and subsequent suspension of GSTN.

GSTN enabled Functionality to furnish Letter of Undertaking (LUT) for FY 2024-25:

GSTN has introduced a new function on the GST Portal, enabling taxpayers to submit a Letter of Undertaking (LUT) for the Financial Year 2024-2025.

This crucial task must be completed on or before March 31, 2024, or before the commencement of supply for Exports and Special Economic Zones (SEZ). So that avoid any disruptions in export-related transactions and dealings with Special Economic Zones.

It's important to note that the previous LUT submitted by taxpayers will remain valid until March 31, 2024.



Case laws

Typographical or clerical error in e-way bill is not a ground for imposition of penalty :

Hawkins Cookers Ltd. v. State of UP [Writ Tax No. 739 of 2020 dated February 12, 2024]

Typographical or clerical error in e-way bill is not a ground for imposition of penalty when most of the required documents are accompanied with the goods supplied.

Observation: The Hon'ble High Court observed that imposition of penalty under Section 129 of the Central Goods and Services Tax Act, 2017 ("the CGST Act") the intention to evade tax is important. The existence of intention may be presumed by the Department when the rules are not complied with.

Further, when there is a typographical or clerical error in the e-way bill, and most of the documents required are accompanied with the goods, a presumption to evade tax does not arise.

Hence mere technical error committed by the Petitioner should not lead to imposition of harsh penalty upon the Petitioner. Therefore, the penalty imposed in the present case is without any imposition of law.

So That, Impugned Orders are quashed. Hence, the writ petition is allowed.

Refund claim not to be rejected when refund application filed under wrong category:

Engineers India Ltd. v. Assistant Commissioner (Central Tax) [W.P. No. 26927 of 2021 dated February 07, 2024]

The refund claim should not be rejected on the ground that the refund application was filed under wrong category.

Observation: The Hon'ble High Court observed that in present case refund claim should not be rejected on the ground that the refund application was filed under wrong category.

Hon'ble High Court in this case held as under: refund claim cannot be rejected on the ground that refund claim does not fall within the specific categories enumerated in the Circular.

Further Noted that, Section 54(1) of the Central Goods and Services Tax Act, 2017 is wide enough to include any kind of refund of tax or interest if the claim is made within two years from the relevant date.

So that, Impugned order is quashed, and the matter is remanded back for reconsideration.



Rent received from the Government Hostel is taxable under GST :

Re. Navya Nuchu [TSAAR Order No. 05/2024 dated February 09, 2024]

Renting the property to the Schedule Caste Development Department, Government Welfare Departmental Hostels and Government Social Welfare College Boys Hostel ("Government SWCBH") are not qualified for exemption under Notification No. 12/2017-Central Tax (Rate), dated June 28, 2017

Observation : The Hon'ble High Court observed that in present case, that the act of renting the property to the Schedule Caste Development Department, Government Welfare Departmental Hostels and Government Social Welfare College Boys Hostel ("Government SWCBH") are not qualified for exemption under Notification No. 12/2017-Central Tax (Rate), dated June 28, 2017 ("the Exemption Notification") because there is no direct relation between the services provided by the Applicant and the functions discharged by the Government under Article 243W read with Schedule 12 to the Constitution of India. Therefore, these services do not qualify for exemption under the Exemption Notification.

Observed that, pure services provided by the Applicant are mentioned in the listed items of Schedule 12 of the Constitution of India which are exempt under the Exemption Notification.

Further observed that under Serial no. 3 of the Exemption Notification, pure services provided 'in relation to any function' entrusted to a municipality under Article 243W of the Constitution of India are eligible for exemption from GST. The exemption should be directly related to the functions enumerated under Article 243W of the Constitution of India i.e., those functions listed under the 12th Schedule of the Constitution of India. Schedule 11 of the Constitution contains "Education including primary and secondary schools" at Serial no. 17. However, Schedule 12 of the Constitution does not contain such specific entries. Therefore, the Applicant was not eligible for this exemption.

Penalty should not be imposed when one of the E-way bill expired :

Global Panel Industries (P.) Ltd. v. State of UP[Writ Tax No. 141 of 2023 dated February 05, 2024]

Penalty should not be imposed under Section 129(3) of the Uttar Pradesh Goods and Services Tax Act, 2017 ("the UPGST Act") on account of technical violation i.e. one of the e-way bill expired, when there is no intention to evade payment of tax.

Observation: The Hon'ble High Court observed that in present case, penalty should not be imposed under Section 129(3) of the Uttar Pradesh Goods and Services Tax Act, 2017 ("the UPGST Act") on account of technical violation i.e. one of the e-way bill expired, when there is no intention to evade payment of tax.



As per judgment in case of M/s Hindustan Herbal Cosmetics v. State of U.P. and Others [Writ Tax No. 1400 of 2019 dated January 2, 2024] Mens Rea is essential for imposition of penalty. mere technical violation without any intention to evade payment of tax cannot lead to imposition of penalty under Section 129(3) of the UPGST Act. Hence, Impugned orders are quashed. Hence, writ petition is allowed.

GST- Notification February 2024

Notification No. 06/2023 central tax dated 26.07.2023, filling of online declaration in Annexure V and Annexure VI for the existing taxpayer

The GSTN has issued an advisory to inform that online filing of Annexure V and Annexure VI Form is available on the GST portal for the existing GTA taxpayers for filing declaration in Annexure V or Annexure VI Form for the succeeding F.Y. 2024-25 from 01.01.2024 to 31.03.2024.

The Existing/Newly registered GTA taxpayers who have already submitted Declaration in Annexure V Form for the FY 2023-24 manually are requested to upload their duly acknowledged certified copy of the Annexure V Form on the GST portal.

However, the GTA who filed declaration for the F.Y. 2024-25 on the portal for the period from 27.07.2023 till 22.08.2023 has been considered as filed and valid.

UPDATE:-

GSTN Advisory on Delays in GST Registration: Rules 8 and 9 of the CGST Rules Ensures Processing within 30 Days After Aadhaar Verification

The GSTN issued Advisory No. 625 dated February 28, 2024 regarding the Instances of Delay in registration reported by some Taxpayers despite successful Aadhar Authentication in accordance with Rules 8 and 9 of the CGST Rules, 2017.

In accordance with Rule 9 of the Central Goods and Services Tax (CGST) Rules, 2017, pertaining to the verification and approval of registration applications, the following is informed: Where a person has undergone Aadhaar authentication as per sub-rule (4A) of rule 8 but has been identified in terms of Rule 9(aa) by the common portal for detailed verification based on risk profile, your application for registration would be processed within thirty days of application submission. Necessary changes would also be made to reflect the same in the online tracking module vis-à-vis processing of registration application.



Explore the Enhanced GST e-Invoice System

To access the portal, users can log in for various functions such as enabling e-Invoice functionality, downloading e-Invoice JSONs, and submitting e-Invoice exemption declarations. The portal also provides news and updates along with video links. Users can find detailed information in the “About” section, which covers an overview, background, and details about the Invoice Registration Portal (IRP).



For further updates:

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