NEWSLETTER

AJAY RATTAN & CO
Chartered Accountants

Newsletter for JUNE'23
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ADVISORY BOARD

CA. Ajay Aggarwal
B. Com. (Hons.), FCA, FCS, LLB
DISA, Dip. (International Taxation)
Email ID: ajay@ajayrattanco.com
Phone Number: 9810005583

CA. Varun Garg
B. Com. (Hons.), FCA
Email ID: varun@ajayrattanco.com
Phone Number: 9023637000

CA Pradeep Rastogi
B. Com. (Hons.), FCA, LLB,
MIMA, PGD (ADR), APCCL
Email ID: pradeep@ajayrattanco.com
Phone Number: 9818344544

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COMPLIANCE

DUE DATES | JUNE 2023

Due Date	Details	Applicable To
7th	a) TDS/TCS deposit b) Equalization Levy deposit	a) Non- Government deductors. b) All Deductors
10th	a) GSTR – 7 (TDS return under GST) b) GSTR – 8 (TCS return under GST)	a) Person required to deduct TDS under GST b) Person required to collect TCS under GST
11th	GSTR – 1 (Outward supply return)	• Taxpayers having annual turnover > Rs. 5 crore in FY 2022-23 • Taxpayers having annual turnover ≤ Rs.5 crore in FY 2022-23 and not opted for QRMP Scheme
13th	a) GSTR-6 [Return by input service distributor (ISD)] b) Invoice Furnishing Facility – IFF (Details of outward supplies of goods or services)	a) Person registered as ISD b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2022-23 and opted for QRMP scheme.
15th	a) Deposit of PF & ESI contribution b) Issue of TDS Certificate (other than salary) c) Issue of Annual TDS Certificate in Form 16 (salary) d) Deposit of 15% (1st Instalment) of Advance Tax for FY 2023-24	a) All Deductors b) Non-Government Deductors c) Non-Government Deductors d) Taxpayers liable to pay advance tax
20th	a) GSTR-5 (Return by Non-resident) b) GSTR-5A (OIDAR) services return c) GSTR-3B (Summary return)	a) Non-resident taxable person (NRTP) b) OIDAR services provider c) • Taxpayers having annual turnover > Rs. 5 crore in FY 2022-23 • Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2022-23 and not opted for QRMP scheme
25th	Form GST PMT-06 (payment of tax for QRMP filers)	Taxpayers having annual turnover ≤ Rs. 5 crores in FY 2022-23 and opted for QRMP scheme (depending on the State).
30th	a) Filing of return of deposits / exempted deposits in form DPT-3 b) Furnishing of Form-1 (Equalization Levy Statement). c) Modification of IEC details with DGFT.	a) All Companies b) All Deductors. c) All entities having IEC Certificate

DIRECT TAX

Circular No. 5 of 2023
F. No. 370142/12/2023-TPL
Dated: 02-May-2023

Background

Finance Act, 2023 inserted a new section 194BA in the Income Tax Act, 1961 - Deduction of tax at source from winnings from winning from online games with effect from 1st April 2023.

Where any person responsible for paying to any person any income by way of winning from any online game during the financial year, shall deduct income- tax on the net winnings in his user account, computed as may be prescribed.
Tax should be deducted at the end of the financial year. If however, there is withdrawal from the user account during the financial year, tax shall be deducted at the time of withdrawal on the net winnings comprised in such withdrawal at the rate of 30% (it will be increased by applicable surcharge and HEC if recipient is non- resident) without any threshold limit. New section 115BBJ has been inserted to tax winnings from online games at a flat rate of 30%. The manner of calculation was yet to be prescribed.

New Rule 133 inserted in the Income-tax Rules 1962, vide Notification No. 28 dated 22 May 2023

Guidelines for removal of difficulties under sub- section (3) of section 194BA of the Income- tax Act, 1961

Q 1). T**here are multiple wallets under one user. How "net winning" is to be computed with respect to multiple wallets of one user.**

Answer: It has been clarified in the Rule 133 that user account shall include every account of user, by whatever name called, which is registered with online gaming intermediary and where any taxable deposit, non-taxable deposit or the winning of the user is credited and withdrawal by the user is debited. Thus, each wallet which qualifies as user account shall be considered as user account for the purposes of computing net winnings.

It has further been clarified in Rule 133 that whenever there are multiple user accounts of the same user, each user account shall be considered for the purposes of calculating net winnings. The deposit, withdrawal or balance in the user account shall mean aggregate of deposits, withdrawals or balances in all user accounts.

It may also be noted that Rule 133 has also clarified that transfer from one user account to another user account, maintained with the same online gaming intermediary, of the same user shall not be considered as withdrawal or deposit, as the case may be. However, if the deductor is deducting tax under section 194BA of the Act for each platform separately, as discussed in the immediately preceding paragraph, transfer from one user account to another user account under same online gaming intermediary across platforms shall be considered as withdrawal or deposit for the purposes of calculation of net winnings under Rule 133.

Q 2) If a user borrows some money and deposits in his user account, will it be considered taxable deposit or non-taxable deposit.

Answer: For non-taxable deposit it is necessary that the amount deposited by the user is not taxable i.e., it is from already taxed income or it is not chargeable to tax. In a case where user borrows the money and deposits in his user account, it shall be considered as non-taxable deposit.

Q 3) How will bonus, referral bonus, incentives etc. be treated?

Answer: Bonus, referral bonus, incentives etc. are given by the online game intermediary to the user. They are to be considered as taxable deposits under Rule 133. The taxable deposit will increase the balance in user account and is not allowed to be deducted in calculation of net winnings as only non-taxable deposits are allowed to be deducted. Thus, any deposit in the form of bonus, referral bonus, incentives etc. would form part of net winnings and tax under section 194BA of the Act is liable to be deducted at the time of withdrawal as well as at the end of the financial year.

Some deposits could be money equivalent too like coins, coupons, vouchers, counters etc. In such a situation the equivalence in money of such deposit shall be considered as taxable deposit and would accordingly form part of balance in user account.

However, it is seen that there is some incentive/ bonus which is credited in user account only for the purposes of playing and they cannot be withdrawn or used for any other purposes. Rule 133 has provided that such a deposit shall be ignored for calculation of net winnings. Thus, they shall not be included in non-taxable deposits and they shall also not be included in opening balance or closing balance of user account. However, the person liable to deduct tax under section 194BA of the Act must keep separate accounts of such deposits.

Further, if and when these incentives / bonuses are recharacterized and they are allowed to be withdrawn, they would be treated as taxable deposit at the time when they are recharacterized. Thus, they will become part of net winnings in the year of recharacterization.

Q 4) At what point we consider that amount has been withdrawn?

Answer: As stated earlier, it has also been clarified in the Rule 133 that transfer from one user account to another user account, maintained with the same online gaming intermediary, of the same user shall not be considered as withdrawal or deposit, as the case may be. However, when the amount is withdrawn from the user account to any other account, it shall be considered as withdrawal. With respect to deductor, any account of user which is not registered with the online game intermediary (for which he is a deductor) is an account which is not a user account and any transfer from user account to such account is a withdrawal.

When in consideration of amount in user account, some coupons etc. are issued for purchase of goods or services, or some item in kind is issued, that will also be considered as withdrawal. It is the duty of the person who is required to deduct tax at source under section 194BA of the Act to ensure that the tax, as required to be deducted, is deducted at source under section 194BA, before issuing such coupons or items in kind.

The clarification provided in answer to Question no 1 is also needs to be kept in mind. It has been clarified that if the deductor is deducting tax under section 194BA of the Act for each platform separately, transfer from one user account to another user account under same online gaming intermediary across platform shall be considered as withdrawal or deposit for the purposes of calculation of net winnings under Rule 133.

Q 5) There are a large number of gamers who play with very insignificant amount and withdraw also very small amount. Deducting tax at source under section 194BA of the Act for each insignificant withdrawal would increase compliance for tax deductor. Can there be relaxation to ease compliance.

Answer: In order to remove difficulty in deducting tax at source under section 194BA of the Act for insignificant withdrawal, it is clarified that tax may not be deducted on withdrawal on satisfaction of all of the following conditions, namely:-

(i) net winnings comprised in the amount withdrawn does not exceed Rs. 100/- in a month;

(ii) tax not deducted on account of this concession is deducted at a time when the net winnings comprised in withdrawal exceeds Rs. 100/- in the same month or subsequent month or if there is no such withdrawal, at the end of the financial year; and

(iii) the deductor undertakes responsibility of paying the difference if the balance in the user account at the time of tax deduction under section 194BA of the Act is not sufficient to discharge the tax deduction liability calculated in accordance with Rule 133.

Q6) When the net winnings is in kind how will tax deduction under section 194BA operate?

Answer: At the outset, it may be clarified that where money in user account is used to buy an item in kind and given to user then it is net winnings in cash only and the deductor is required to deduct tax at source under section 194BA of the Act accordingly.

However, there could be a situation where the winning of the game is a prize in kind. In that situation provision of sub-section (2) of section 194BA of the Act will operate. According to this where the net winnings are wholly in kind or partly in cash, and partly in kind but the part in cash is not sufficient to meet the liability of deduction of tax in respect of whole of the net winnings. In these situations, the person responsible for paying, shall, before releasing the winnings, ensure that tax has been paid in respect of the net winnings. In the above situation, the deductor will release the net winnings in kind after the deductee provides proof of payment of such tax (e.g., Challan details etc.). This year Form 26Q also has included provisions for reporting such transactions under section 194BA of the Act (vide Notification no. 28/2023 dated 22nd May 2023).

In the alternative, as an option to remove difficulty if any, the deductor may deduct the tax under section 194BA of the Act and pay to the Government. In the Form 26Q the deductor will need to show this as tax deducted by him on net winning under section 194BA of the Act.

Q7) How will the valuation of winnings in kind required to be carried out?

Answer: The valuation would be based on fair market value of the winnings in kind except in following cases:-

(i) The online game intermediary has purchased the winnings before providing it to the user. In that case the purchase price shall be the value for winnings.

(ii) The online game intermediary manufactures such items given as winnings. In that case, the price that it charges to its customers for such items shall be the value for such winnings.

It is further clarified that GST will not be included for the purposes of valuation of winnings for TDS under section 194BA of the Act.

Q8) These guidelines have been issued after 1.4.2023 while the law has come into effect from 1.4.2023. Will there be any relaxation on penal consequences in the intervening period i.e., between 1.4.2023 and the date on which the Rules / guidelines are issued?

Answer: Taxpayers were expected to deduct tax at source under section 194BA even before issuance of the Rule 133 or this guidance. It is expected that they have carried out that responsibility. However, if there is a shortfall in deduction of tax due to time lag in issuance of Rule 133 or this Circular, for the month of April, 2023 that shortfall may be deposited with the tax deduction for the month of May 2023 by 7th June 2023. In that case there will not be any penal consequences.

CBDT has also notified Form 16 which shall be applicable for Assessment Year 2024-25 onwards. Amendments have also been made in the formats of TDS returns with effect from 1 July 2023.

Circular No. 6 of 2023
F. No. 370133/06/2023-TPL
Dated: 24th-May-2023

Charitable & Religious trusts -CBDT clarifies various provisions consequential to amendments by Finance Act 2023

Trusts / Institutions are eligible to claim tax exemption under 2 regimes:

- 1stRegime -Fund / Institution / Trust / University / Educational Institution / Hospital / Medical Institution referred u/s 10(23C)(iv) or (v) or (vi) or (via) of the Income-tax Act, and
- 2ndRegime –Trust registered u/s 12AA / 12AB of the Income-tax Act

The Finance Act, 2023 made various amendments in law to rationalize provisions related to both the above regimes

The modality and timeline to be followed for the above procedure including extension in timeline granted by CBDT vide Circular no. 6 dated 24 May 2023, is given below.

<table>
<tr><th rowspan="2">Trust / Institution</th><th rowspan="2">Requirement to obtain:</th><th rowspan="2">Validity of the registration / approval</th><th rowspan="2">Application Form</th><th colspan="2">Last date to apply</th><th rowspan="2">Reason for extension of due date</th></tr>
<tr><th>Prior to Circular no. 6 dated 24 May 2023</th><th>After Circular no. 6 dated 24 May 2023</th></tr>
<tr><td>Existing</td><td>Fresh registration / approval</td><td>5 years</td><td rowspan="3">Form 10A</td><td>25 November 2022</td><td rowspan="3">30 September 2023*</td><td rowspan="3">Several trusts / institutions have not been able to apply within the required time due to genuine hardship</td></tr>
<tr><td rowspan="3">New</td><td>Provisional registration/ approval</td><td>Maximum of 3 years</td><td>Atleast 1 month prior to commencement of previous year for which registration is sought</td></tr>
<tr><td>Regular registration/ approval</td><td>5 years</td><td rowspan="2">Form 10AB</td><td>30 September 2022</td></tr>
<tr><td>Renewal of fresh registration/ approval</td><td>5 years</td><td>At least 6 months prior to the expiry of 5 years</td><td colspan="2">No change</td></tr>
</table>

*****In case a trust/ institution has missed the deadline of 25 November 2022 for making application in Form10A, and has subsequently furnished Form10A seeking provisional registration/ approval, the relevant functionality on the e-filing portal may be used for surrendering the Form 10A seeking provisional registration/ approval and such trusts can make a new application in Form10A within the extended period upto 30 September2023.

In cases where the trust/institution has already made an application in Form10AB *after* 30 September 2022 *and* where the tax authority has not passed an order before 24 May 2023, the pending application in Form 10AB shall be treated as a valid application.

In cases where the trust had already made an application in Form10AB *and* the tax authority has passed an order rejecting such application on or before 24 May 2023, solely on account of the fact that the application was furnished after the due date, the trust/institution may furnish a fresh application in Form 10AB within 30 September 2023.

Extension of due date for FY 2022-23 till 30th June 2023, for furnishing statement of donation in Form 10BD and issue of certificate of donation in Form 10BE

- Tax-deduction u/s 80G in respect of donation made by a donor to a fund / institution is allowed to the donor, only if the donee makes following compliances on or before 31 May, immediately following the FY in which the donation is received:

  - Furnishing of statement of such donations in Form 10BD, and
  - Issue of certificate for such donation in Form 10BE

- For the FY 2022-23, the due date of 31st May 2023 has been extended by a month to *30th June 2023.*

Provisional registration / approval to be valid from the assessment year relevant to the previous year in which the application is made

- As per current situation, provisional registration / approval is valid from the assessment year immediately following the FY in which the application is made. However, the application for provisional registration / approval is required to be made at least 1 month prior to the commencement of the previous year relevant to the assessment year from which approval is sought.
- To bring consistency, it has been clarified that provisional registration / approval shall be effective from the assessment year relevant to the previous year in which the application is made and shall be valid for a period of 3 assessment years.

Statement of accumulation of income in Form 10 / 9A allowed to be filed till due date of filing ITR

- If a trust / institution fails to utilize atleast 85% of non-corpus donation, it is required to furnish the following form annually, *atleast 2 months before the due date of filing ITR*, for reporting accumulation / set apart of donation:

- Form 10 –For 1st regime
- Form 9A -For 2nd regime

- Reportedly, representations have been received by CBDT that the trusts / institutions may not be able to furnish Form 10 / 9A before the finalisation of their computation of income. Since the computation of income is finalised at the time of furnishing ITR, therefore, trusts / institutions should be allowed to furnish Form 10 / 9A by the due date of furnishing their ITR

- CBDT has clarified that the accumulation / deemed application shall not be denied to a trust / institution as long as Form 10 / 9A is furnished on or before the due date of furnishing ITR (and not 2 months prior to the due date of filing ITR)

Payment through account payee cheque or account payee bank draft or use of electronic clearing system through a bank account is included in electronic modes of payment for the purpose of reporting by auditor in Form 10B / 10BB

- Trusts / Institutions are required to get their accounts audited annually in order to be entitled for the tax exemption. The audit report is required to be submitted in Form 10B, where:

  - The total income of Trust / Institution > Rs. 5 Crore during the year, or
  - Such Trust / Institution has received any foreign contribution during the year, or
  - Such Trust / Institution has applied any part of its income outside India during the year

In other cases, the audit report is required to be furnished in Form 10BB.

- Form 10B / 10BB requires the auditor to bifurcate certain payments / application into electronic modes and non-electronic modes. Electronic modes for this purpose means various modes referred in Rule 6ABBA of Income-tax Rules, 1962, such as credit card, debit card, internet banking, etc.
- Representations have been received by CBDT that the above description of electronic modes does not include account payee cheque or account payee bank draft or use of electronic clearing system through a bank account. Accordingly, CBDT has clarified that the above modes referred in Rule 6ABBA are in addition to the mainstream mode of account payee cheque or account payee bank draft or use of electronic clearing system through a bank account.

Leave encashment received from employer on retirement of non-Government employee -Tax exemption limit increased from Rs. 3 lakh to Rs. 25 lakh

Encashment of earned leave up to 10 months' average salary, at the time of retirement in case of an employee (other than Government-employee), is tax exempt u/s 10(10AA)(ii) of the Income-tax Act, to the extent notified. The existing limit notified by the Government for this purpose was Rs. 3 lakh. The existing limit was low and last fixed in the year 2002, when the highest basic pay in Government was Rs. 30,000/- per month. CBDT has notified the increased limit of Rs. 25 lakh vide Notification no. 31st dated 24th May 2023.

Circular No. 7 of 2023

Condonation of Delayed refund:

1. Condonation of Delayed refund: Lower authorities empowered to deal higher refunds w.e.f. 01-06-2023.

- Power of Pr CIT/CIT to deal with claims increased from 10 lacs to 50 lacs per assessment year.
- CCIT power to deal with refund/loss claims increased from 50 lacs to 2 crores. CCIT can't deal with claims below 50 lacs.
- Pr. CCIT power to deal with refund/loss claims increased from 50 lacs to 3 crores. Pr. CCIT can't deal with claims below 2 crores.
- CBDT now shall deal with claims above 3 crores only (as against earlier limit of refund/loss claims above Rs. 50 lacs)

2. Where the time period of filing of return as per section 139 has expired and assessee couldn't claim refund or loss, due to genuine hardship, section 119(2)(b) empowers claim of refund/ loss as per procedure laid down in Circular 9/2015 dated 09-06-2015.

3. Condonation application for claim of refund or supplementary claim of refund or loss has to be made within 6 years (excluding period for which proceedings were pending before Court) from end of relevant assessment year and such applications for condonation are required to be processed within 6 months from end of month in which application is made.

4. Refund claims u/s 119(2)(b) can be made only for excess amount of TDS/ TCS/ advance tax/ self assessment tax. No Interest is allowed on refund claim or supplementary refund claim.

5. The Income tax authority has to ensure that the refund/ loss claim is correct and genuine and there was genuine hardship. The Income Tax authority empowered to deal with delayed refund/ loss claim can direct jurisdictional AO to conduct enquiry or scrutinize to ascertain correctness of claim.

6. CBDT also has powers to examine grievances under this Circular for passing or not passing orders by Income Tax authorities.

E-invoicing –CBIC reduces threshold criteria of annual turnover from Rs. 10 Crore to Rs. 5 Crore from 1st August 2023 onwards

Notification no. 10/2023 –Central Tax dated 10th May 2023.

Reduction in threshold limit of annual turnover to Rs. 5 Crore

The main objective of e-invoicing is aimed at resolving mismatch errors and to check tax evasion. To increase its coverage, CBIC has reduced the annual threshold criteria of AATO for applicability of e-invoicing from Rs. 10 Crore to Rs. 5 Crore with effect from 1st August 2023 onwards.

What is AATO?

AATO for this purpose means the aggregate value of all taxable supplies (excluding value of inward supplies on which tax is payable by a person under reverse charge), exempt supplies, export of goods or services or both and interstate supplies of persons having the same Permanent Account Number (PAN), to be computed on all India basis.

Extending the due date for furnishing FORM GSTR-1, 3B & 7 for April, 2023 for registered persons whose principal place of business is in the State of Manipur

Notification no. 11/2023, 12/2023 & 13/2023 –Central Tax dated 24th May 2023

The due date for furnishing forms for registered persons whose principal place of business is in the State of Manipur is extended till the 31st day of May 2023.

Goods Transport Agency (GTA) - Extension of due date till 31st May 2023 for exercise of option for payment of tax under forward charge mechanism for Financial Year (FY) 2023-24

Notification no. 05/2023 –Central Tax (Rate) dated 9th May 2023

- Prior to July 2022, recipient of GTA service was liable to pay GST under reverse charge. CBIC vide Notification No. 03/2022 –Central Tax (Rate) dated 13th July 2022 provided an option for all GTAs to pay GST under forward charge subject to filing of declaration in Annexure-V.

- Accordingly, there are 2 options available for making payment of GTA services as below:

Option	Liability to pay GST	Compliances
Forward Charge	GTA	Declaration in Annexure V
Reverse Charge	Recipient of GTA Service	NA

Due date to submit Annexure V Annually

In advance, by 15 March of Preceding FY. Accordingly, for FY 2023-24, the due date to submit Annexure V was 15th March 2023. However, vide notification no- 05/2023- Central Tax (Rate) dated 9th May 2023, Government has extended the due date to submit Annexure V for FY 2023-24 till 31st May 2023.

CBIC issues guidelines for special All-India drive against fake GST registrations.

Instruction no. 01/2023 - GST dated 04th May 2023

Background

GST authorities have found unethical persons misusing the identity of other persons to obtain fake GST registration and fraudulently pass on Input Tax Credit (ITC) to other persons by issuing sales invoices without actual supply of goods or services. This activity has become a serious problem causing huge revenue loss to the tax department. GST officers have found fake electricity bills, property tax receipts, rent agreement etc. being used as proof of place of business to obtain GST registrations.

In a recent case, Gujarat GST officers have unearthed fraudsters who have obtained GST registrations based on Permanent Account Number (PAN) and Aadhaar number of persons from economically weaker sections of the society without their knowledge. It was revealed that phone number on the Aadhaar cards of these persons were got fraudulently modified at the nearest Aadhaar Seva Centre by taking these persons to the said centre by giving a nominal cash money and getting their Aadhaar Cards linked to a dummy mobile number by using their thumb impression.

Special all-India drive against fake GST registrations

In the national co-ordination meeting of the state and central GST officers held on 24 April 2023, it was discussed that there is a need of coordinated action on a mission mode by GST department to tackle these activities in a systematic manner. It was decided to launch a special all-India drive to detect such fake GST registrations and to prevent any further revenue loss to the department. Accordingly, below guidelines have been issued:

Particulars	Advisory/Comments
Period of Special Drive	16 May 2023 to 15 July 2023
Identification of fraudulent GST registrations	• Based on detailed data analytics and risk parameters, GST Network will identify fraudulent GSTINs and share the relevant details with the concerned GST officers for initiating verification drive and conducting necessary actions. • Officers may also identify the persons by data analytics at their own end using analytical tools as well as human intelligence, Aadhaar database, other local learnings gained through past detection.
Information sharing mechanism	For maintaining a coordination amongst the state and central GST officers, a nodal officer shall be appointed immediately by each respective zone. The nodal officer will ensure that the data received from GST Network or other departments is made available to the concerned officer within couple of days.

Action to be taken by field officers	• Upon receipt of relevant data, a time-bound exercise regarding verification of suspicious GSTINs shall be undertaken by the field officer. After detailed verification, if he finds that the taxpayer is non-existent and fictitious, the officer may: ➢ Initiate action for suspension and cancellation of GST registration immediately. ➢ Block ITC lying in Electronic Credit Ledger ➢ Initiate demand and recovery of ITC wrongly availed by the recipient based on invoices issued by such non-existing taxpayer (if such recipient is covered under same jurisdiction) and may intimate the concerned GST officer if such recipient is covered under different jurisdiction (in the format prescribed at Annexure B of the Instruction). • Actions like recovery of dues or provisional attachment of property / bank accounts etc. may also be initiated against the masterminds / beneficiaries behind such frauds.
Feedback and Reporting mechanism	• An action report (in the format prescribed at Annexure A of the Instruction) will be submitted by each zone to GST council secretariat on weekly basis. • On conclusion of drive, GSTIN-wise feedback on the result of verification of shared suspicious GSTINs will be provided by the field officer (in the format prescribed at Annexure C of the Instruction)

Key take aways for taxpayers

Given the above, taxpayers should follow the below requirements:

- Registered office with GST authorities must be a place where the taxpayer carries out his business activities. It should be a permanent location and not a temporary one. Further it should be a physical location easily identifiable and traceable by tax authorities.
- Taxpayer must be in a position to prove ownership or lease of the premises, such as by way of a rent agreement, sale deed, etc.
- Taxpayer must display the GST registration certificate prominently at the registered office. Within 15 days of any change in registered office, taxpayer must duly intimate the GST authorities.

Scrutiny of GST returns for FY 2019-20 onwards.

Instruction no. 02/2023 - GST dated 26th May 2023

- CBIC has issued instructions in the form of Standard Operating Procedure (SOP) for scrutiny of returns for the FY 2019-20 onwards on the manner, procedure, and methodology to conduct scrutiny of returns under section 61 of CGST Act, 2017 read with Rule 99 of the CGST Rules, 2017.
  - ✓ CBIC has modified the earlier instructions dated 22.03.2022 for the FY 2019-20 onwards. This SOP also provides for:
  - ✓ Selection of returns for scrutiny and communication of the same to the field formations
  - ✓ Scrutiny Schedule
  - ✓ Process of scrutiny by the Proper Officer
  - ✓ Timelines for scrutiny of returns
  - ✓ Reporting and Monitoring
- The progress of the scrutiny exercise as per the scrutiny schedule shall be monitored by the jurisdictional Principal Commissioner/ Commissioner on regular basis.
- Since the scrutiny functionality has been provided on ACES-GST application only for the Financial Year 2019-20 onwards, the procedure specified in Instruction No. 02/2022 dated 22.03.2022 shall continue to be followed for the scrutiny of returns for the financial years 2017-18 and 2018-19.

Advisory: Deferment of Implementation of Time Limit on Reporting Old e-Invoices

It has been decided by the competent authority to defer the imposition of time limit of 7 days on reporting old e-invoices on the e-invoice IRP portals for taxpayers with aggregate turnover greater than or equal to 100 crores by three months.

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HEAD OFFICE: E-115, 11TH FLOOR, HIMALAYA HOUSE, KASTURBA GANDHI MARG, NEW DELHI-110001

BRANCH OFFICE: 1113, 11TH FLOOR, ARUNACHAL BUILDING, BARAKHAMBA ROAD, NEW DELHI -110001

(Partner-in-charge - CA Ajay Aggarwal)

BRANCH OFFICES:

SCO 13, 1st Floor, Kabiri Site, Industrial Area Phase – 2, Chandigarh – 160002

(CA Varun Garg)

212-A, Vashisht Complex, Sikanderpur, Gurugram-122004

(CA Piyush Jindal)

House No. 14266, Street No. 2A, Ganesha Basti, Bhatinda-151001

(CA Yogesh Kumar Jain)

Hanna Tower, Flat No.-1622, Gaur Saundaryam, Tech Zone-4, Near Charmurti Chowk, Gautam Buddha Nagar, Uttar Pradesh-201009

(CA Pradeep Rastogi)