



GST Notifications on 31st March 2023

Description

NOTIFICATION NO. 2/2023-CT DATED 31-03-2023 – LATE FEES FOR NON-FILING OF GSTR- 4 COMPOSITION

For the Composition dealers who failed to file their GSTR-4 the Late fees is reduced to Rs. 500.00 (SGST-250.00+CGST 250.00) Further if the tax payable is **NIL**, then **NO** Late fees is required to be paid.

Period of Default – From 1st July 2017 to 31st March 2022.

(Quarterly Jul 17 to Mar19, annually for 2019-20 to 2021-22)

Filing time to get the benefit of reduced Late Fees – 1-04-2023 to 30-06-2023.

The original Late fee as per Section 47 was Rs. 200 Per day (SGST Rs. 100.00 + CGST Rs. 100.00) subject to Rs. 10000.00 (SGST Rs. 5000.00+ CGST Rs. 5000.00) and it was reduced to Rs. 50.00 (SGST Rs.25.00 + CGST Rs.25.00)for tax payable returns and Rs. 20.00 (SGST Rs.10.00 + CGST Rs.10.00) through notification number 73/2017 dated 29-12-2017.

A further reduction in maximum late fees was provided for the financial year 2021-22 onwards through Notification No. 21/2021 was given and this fee was reduced to Rs.500.00 (SGST Rs.250.00 + CGST Rs.250.00) where tax payable is NIL and in case of Taxable return, the amount of Late fees was reduced to Rs. 2000.00 (SGST Rs.1000.00 + CGST Rs.1000.00). Before this the maximum late fee was Rs.10000(C-5000, S-5000) in both the cases.

Now a further reduced Late Fees is provided on 31st. March 2023 and Amnesty in the form of reduced fees is given for the Dealers who still failed to file the GSTR-4 for any year from 2017-18 to 2021-22 if these dealers file any of the GSTR-4 from 2017-18 to 2021-22 up to 30th June 2023.

Type of GSTR-4

NIL Tax GSTR-4

Late Fees

NIL

**NOTIFICATION NO. 03/2023-CT DATED 31-03-2023 – SPECIAL PROCEDURE FOR
REVOCATION OF REGISTRATION WHERE TIME FOR APPLYING REVOCATION
HAS EXPIRED**

If a person failed to file his return and registration of such person is cancelled as a result of non-filing of return under Sec 29(2)(b)/(c) then if a such person filed his returns and can apply for revocation within the time limit provided u/s 30. This time limit is within 30 days from the date of service of such order, which may be extended by the Additional Commissioner for a period not exceeding 30 days and may be extended for a further period not exceeding 30 days by the Commissioner, sufficient cause being shown and reasons to be recorded in writing in both cases.

Now persons who failed to file such revocation within the time limit u/s 30 as mentioned above can avail the benefit of this Notification by following Special Procedure:-

- Apply for Revocation of Cancellation up to 30th June 23
- The application shall be filed only after furnishing the returns due till the effective date of cancellation, along with due tax, Interest, penalty & Late Fee.
- No further extension for filing Revocation in such cases.

This amnesty shall also be applicable to a person who has appealed against the order of the Cancellation or rejection of his application of revocation, on the ground that he failed to adhere to the time limit specified u/s 30 (and not on other grounds).

**NOTIFICATION NO. 04/2023-CT & 05/2023-CT DATED 31-03-2023 -RULE 8(4A) /
4(B) IS SUBSTITUTED BY A NEW RULE 8(4A)**

BIOMETRIC AADHAR AUTHENTICATION- CORRECTION IN RULES

These rules are related to the Aadhar authentication while filing the Registration application under GST and further the application of Aadhar Biometric Authentication of Aadhar for filing of Registration Application.

It should be noted that the Application for Registration of GST can be verified with or without Aadhar authentication and if Aadhar Authentication is opted for by the dealer (which the majority of the dealers are opting for). Recently Rule 8(4A) was substituted via NNo.26/2012 w.e.f. 26th Dec 22 and new Subrule 8(4B) was inserted, for specifying the requirement of Biometric Aadhar Authentication, Photograph, and verification of documents in specific cases. And along with this, Gujarat State was specified as the state on which the system of Biometric Aadhar Authentication, etc. was made mandatory as per a Notification 27/2012 dated 26th Dec 2012.

But the newly substituted Rule 8(4A) did not have a clear bifurcation regarding the persons who shall

undergo Aadhar Authentication and the persons who shall undergo Biometric Based Aadhar Authentication. Also, the newly substituted Rule 8(4A) does not provide for cases where Aadhar Auth. was opted for but not successfully done. So to overcome these shortcomings and for providing further clarity, Rule 8(4A) has again been substituted via N.No. 04/2023 dated 31st March 23 but **w.e.f. 26th Dec 2022** only i.e. the date of the last amendment.

So it is a mere replacement of these two sub-rules. Clear bifurcation has been made and now Rule 8(4A) has been divided into two parts. The first part talks about Aadhar Authentication and the second part have been provided as a “**proviso**” to Rule 8(4A) which is related to the Biometric Authentication of Aadhar, photo& verification of original documents.

Rule 8(4B) which was applicable on the whole Rule 8(4A) as per earlier insertion on 26-12-2022 but now will be applicable to the “proviso” to Rule 8(4A) corresponding to the new Rule 8(4A).

Also, the newly substituted Rule 8(4A) specifies the date of Submission of the Registration application in case Aadhar Authentication has opted. It shall be:-

- Date of Aadhar Authentication
- 15 Days from submission of Part B of GST REG-01,

whichever is earlier.

It means that when a person opts for Aadhar Authentication but it is not done successfully within 15 days, then the application shall be submitted on that 15th day.

This provision was missing in the last substituted Rule 8(4A).

In earlier Rule 8(4A) there was no clear bifurcation between Aadhar Authentication and Biometric Aadhar Authentication. Notification under Rule 8(4B) made Rule 8(4A) applicable only to the State of Gujarat and excluded all other states. The meaning coming out of the above was that Aadhar Authentication remained applicable for Gujarat only and not applicable to all other states, which was not intended practicality.

NOW applicability of Rule 8(4B) has been made applicable to the proviso to Rule 8(4A) i.e., only for Biometric Aadhar Authentication, etc.

The exclusion of Aadhar Authentication from the whole of India except the state of Gujarat(which was the shortcoming of the earlier rule) is now converted to the exclusion of Biometric Aadhar Authentication from the whole of India except the state of Gujarat (which was the correct intention earlier also)

Now Aadhar authentication is applicable for all the registration for which Aadhar Authentication is opted as per newly substituted Rule 8(4A) but for Gujarat State, Aadhar authentication shall be followed by Biometric Based Aadhar Authentication, Taking Photo along with verification of Original documents shall be applicable.

In Rule 8(4B) the word provision has been substituted by proviso w.e.f. 26-12-2022. At the inception when rule 8(4B) was introduced on 26-12-2022 whole the provision of Rule 8(4B) was subject to the issuance of Notification but now only the proviso to Rule 8(4A) is subject to the issuance of Notification

by the Government.

NOTIFICATION NO. 05/2023 DATED 31-03-2023

In newly substituted Rule 8(4A), persons liable for Biometric Aadhar Authentication, taking a photo along with verification of original documents have been provided separately in 'Proviso' to Rule 8(4A) hence in relevant notification 27/2022 via Rule 8(4B) which specified State Gujarat for Biometric Aadhar Authentication, etc. the word 'Proviso' to rule 8(4A) has been used in place of 'Provision' to Rule 8(4A), effective from 26th Dec 2022 itself.

NOTIFICATION NO. 06/2023 DATED 31-03-2023 – ONE-TIME AMNESTY FOR WITHDRAWAL OF BEST JUDGEMENT ASSESSMENT OF NON-FILERS OF RETURNS U/S 62 – A BIG RELIEF

If a best judgement assessment order is passed under section 61(2) on a dealer for not filing of return even after issuing of Notice but such dealer files his return within 30 days from the date of service of the best judgement order, then such assessment order is withdrawn automatically.

Relief was sought If such dealers failed to file the return within this stipulated time limit of 30 Days from the date of Service of Best Judgement Assessment order and this relief is given through this notification No. 06/2023/CT with a special procedure.

The person shall file his return with interest and Late fees on or before 30-06-2023 and Order u/s 62 shall deem to be withdrawn.

This relief is available irrespective of the fact whether or not an appeal has been filed against such an order. And also, if an appeal has been filed, the dealer would be eligible for relief whether or not the same has been decided.

NOTIFICATION NO.07/2023-CT DATED 31-03-2023 -ANNUAL RETURN FEES AMNESTY FOR 2017-18 TO 2021-22 RATIONALISATION OF LATE FEES FOR ANNUAL RETURNS FROM FY 2021-22 ONWARDS

If the Dealer failed to file an Annual return for any year pertaining to Financial Year 2017-18 to 2021-22 then the same can be filed up to 30-06-2023 with reduced Late fees. In most of these cases once the default is there then the returns are not filed due to heavy Late fees provision as made in section 47.

The Maximum reduced Late fees under this Notification No.07/2023-CT shall be Rs. 20000.00 (SGTS Rs. 10000.00+CGST Rs. 10000.00) if any annual return for FY 17-18 to FY 21-22 is filed from 1st Apr 2023 up to 30-06-2023. The Late fees in excess of Rs. 20000.00 is waived through this Notification for the Financial Year 2017-18 to 2021-22.

Let us have a look at this Amnesty scheme for Non-filers of the Annual returns:-

EXISTING LATE FEES FOR NOT FILING OF ANNUAL RETURN

The existing Late Fees is Rs. 200.00 (SGST Rs. 100.00+ CGSTRs. 100.00) subject to a Maximum of 0.50% (SGST 0.25%+ CGST 0.25%) of the Turnover.

For Example – If a dealer has not filed his Annual Return for the Financial Year 2017-18, now he can file this return up to 30-06-2023 by paying late fees of Rs. 20000.00 (SGST Rs. 10000.00+ CGST Rs. 10000.00) only. It is a big relief for the dealers who failed to file the Annual return for any Financial Year from 2017-18 to 2021-22.

Let us try to understand this benefit with the help of an Illustration for the Annual return for the Financial Year 2017-18:-

A dealer failed to furnish his Annual return for the Financial Year 2017-18 and now wants to file it Now under this amnesty Scheme.

The Extended due date is 5th Feb 2020 and now this return is Approx 1150 days late. The late fee per day is Rs. 200 Per day is Rs. 2.30 Lakhs and the Maximum of Rs. 0.50% is Rs. 5.00 Lakhs hence the Late fee payable by the such dealer is Rs. 2.30 Lakhs but now due to this Notification the can file his Annual Return for the Financial Year 2017-18 by paying a Late fee of **Rs. 20000.00** only.

REDUCTION OF THE LATE FEES FOR FY 2022-23 ONWARDS

Now one more relief is given for the forthcoming Annual return for 2022-23 onwards through this Notification. Let us see this.

1. For Registered persons having Aggregate turnover up to Rs. 5 Crore the late fees shall be Rs. 50 Per Day (RS.25 SGST+Rs. 25 CGST) subject to a Maximum of 0.04 per cent (SGST 0.02%+CGST 0.02%) of the turnover.

2. For Registered Persons having Aggregate turnover of more than Rs. 5 Crore but up to 20 Crores the Late fees shall be Rs. 100 Per day (Rs. 50.00 SGST + Rs. 50 CGST) subject to a maximum of 0.04 per cent (SGST 0.02%+CGST 0.02%) of the turnover.

This relief is given in the Late fees as mentioned in **section 47(2)** with respect to Annual Return for the Financial Year 2022-23 and coming years.

The existing rate of Late fees is reduced to Rs. 50.00 from Rs. 200 Per day in case of dealers having an Aggregate turnover up to Rs. 5 crores and in case of dealers having an Aggregate turnover of more than 5 crores but up to 20 Crores, it is reduced to Rs. 100 per day from Rs. 200.00 per day but the real reduction is given in the form of Maximum late fees payable under section 47(2). **It is reduced** to 0.04% of Turnover (SGST 0.02%+CGST0.02%) from the existing 0.50% (SGST 0.25%+ CGST 0.25%) of turnover and if you calculate it in terms of per cent reduction in Maximum late then it comes to a very low and the reduction of 92% which is a very big relief for the coming Annual return.

This relief regarding the reduction of late fees from 2022-23 has been provided to dealers having aggregate turnover up to 20 crores, as mentioned above.

For Dealers having aggregate turnover exceeding 20 Crores, there is no relief and a late fee is payable as per existing norms which is Rs. 200.00 (SGST Rs. 100.00+ CGSTRs. 100.00) subject to a

Maximum of 0.50% (SGST 0.25%+ CGST 0.25%) of the Turnover.

**NOTIFICATION NO. 8/2023-CT DATED 31-03-2023 – AMNESTY TO NON-FILERS
OF GSTR-10**

FINAL RETURN AFTER CANCELLATION OF REGISTRATION U/S 45

First, let us see Section 45 – Every Registered person who is required to under sub-section (1) of section 39 and whose registration has been cancelled shall furnish a final return within three months of the date of cancellation or date of order of cancellation, whichever is later, in such form and manner as may be prescribed.

Rule 81 – Every Registered person who is required to furnish a final return under section 45, shall furnish such returns electronically in Form **GSTR-10** through a common portal either directly or through a Facilitation Centre notified by the commissioner.

If the dealer failed to file his Final return in GSTR-10 u/s 45 within 3 Months from the date of cancellation of Registration or Date of Order whichever is later than he has to pay Late fees u/s 47 and according to this section, the Late fees shall be Rs. 200.00 per day (SGST Rs. 100.00 + CGST Rs. 100.00) subject to Maximum of Rs. 10000.00 (SGST Rs. 5000.00 + CGST Rs. 5000.00).

This is the most forgotten return that dealers often forget to file because the time of receiving the cancellation message on the mail or portal is not fixed and once the Registration is cancelled the dealer in most of the cases failed to track the trail of cancellation hence there is the default in many cases in this respect. In most of the cases, this return is NIL and merely a formality hence relief is sought in this respect.

Now the relief is given in the form of Notification No. 8/2023 on the 31st. March 2023 and now if this return, which was not filed within the due date, is filed now from 01-04-2023 to 30-06-2023 then the Maximum Late fees shall be Rs. 1000.00 (SGST Rs. 500.00 + CGST Rs. 500.00) Only.

This is a big relief to these dealers who surrendered their registration certificate but failed to file the Final return now their Maximum Late fees has been reduced from Rs. 10000.00 to Rs. 1000.00 . To get the benefit of this amnesty the GSTR-10 shall be filed up to 30-06-2023.

Category

1. GST

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