

GST Trail

Key Highlights of GST Notifications and Clarification Circulars

May 2023

Notifications

10/2023 – Central Tax – dated 10 May 2023

The Central Board of Indirect Taxes and Customs (CBIC) has reduced the threshold limit of e-invoicing applicability under GST to 50 Million (earlier, it was 100 Million). Now, for every person whose aggregate turnover in any of the previous FY from 2017-18 exceeds 50 Million, then such person is required to generate an e-invoice under GST.

11/2023, 12/2023 and 13/2023 – Central Tax – dated 24 May 2023

The due date for filing of Form GSTR-1, GSTR-3B and GSTR-7 for the period April 2023 has been extended to 31 May 2023 for a person whose Principal Place of business is situated in the state of Manipur.

05/2023 – Central Tax (Rate) – dated 9 May 2023

The time limit for exercising an option by the Goods Transport Agency (GTA) to pay tax under forward charge for FY 2023-24 has been extended to 31 May 2023.

Instruction Updates

01/2023-GST – dated 4 May 2023

A special all-India drive would be conducted to identify GST registrations that have been obtained fraudulently. In the said regard, various instructions had been released by CBIC wherein GSTN will run detailed data analytics and risk parameters to identify fraudulent GSTIN and the same is to be communicated to the concerned Central or State administration for initiating a verification drive and take necessary action wherever required.

The special All-India drive will be conducted by the Central and State tax administrations over a two-month period between 16 May 2023 and 15 July 2023. The action that shall be taken on the identification of fraudulent Registration:

1. Suspension and cancellation of the said fake GST registration.
2. Examine if input tax credit in the electronic credit ledger needs to be blocked.
3. Identify the recipients to whom the input tax credit has been passed.
4. Take suitable action for demand and recovery of the unlawfully availed input tax credit.
5. Identify the masterminds or beneficiaries behind such fake GSTIN and take further course of action.

02/2023-GST – dated 26 May 2023

The Standard Operating Procedure (SOP) has been introduced to provide for scrutiny of returns under Section 61 of the CGST Act, 2017 for FY 2019-20. The said scrutiny shall be conducted in accordance with guidelines provided in Instruction No. 02/2022-GST dated 22 March 2022 and CBIC ACES-GST application Advisory No. 22/2023 - Returns dated 16 May 2023. The functionality provides for the detailed workflow for communication of discrepancies noticed in relation to the details furnished in the returns by the proper officer in FORM GST ASMT-10, receipt of response in FORM GST ASMT-11, issuance of an order in FORM GST ASMT-12 or taking further action for issuance of show cause notice under Section 73 or 74 of CGST Act, 2017 or for referring the matter for Audit or investigation, as the case may be.

Technical Updates

Advisory for Timely Filing of GST Returns

Considering the load on account of last-minute filing of GSTR-1 and GSTR-3B, it has been that better planning of return shall help reduce the difficulty faced and would help fellow taxpayers.

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

Recently, the CBIC has introduced a restriction of seven days for a person whose threshold limit is more than 1 billion to generate E-Invoice at Invoice Registration Portal (IRP). The said restriction has been deferred for another three months. The next date of implementation will be shared in due course of time.

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