

New GST Return

Agenda



1 Understanding GST Returns: Intent, Types and Purpose

New GST Returns: Types and Main Features

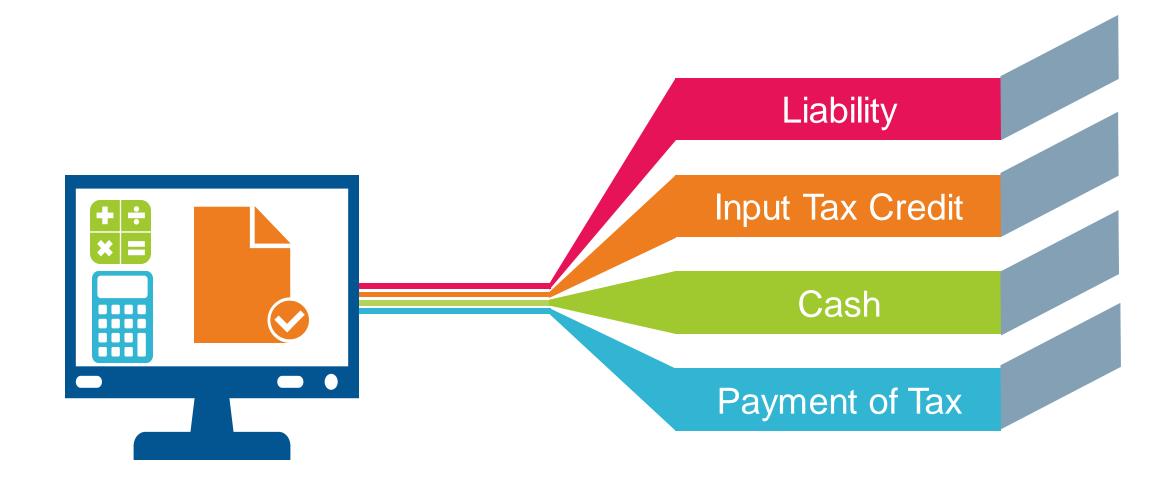
3 Differences between Existing and New Returns

4 Intended Benefits on New Return

5 New Return Offline Tool: Functionalities and Demo

Intent of a GST Return





Existing Scheme of Returns



Payment

GSTR-3B

Cash

Cash Ledger

Cash Availability

The taxpayer creates a challan on the portal and deposits cash. The cash cash thus deposited gets populated into the Electronic Cash Ledger of the taxpayer.

ITC

GSTR-2A

Information on ITC

The suppliers GSTR-1 invoices gets populated into the GSTR-2A of the recipient. The recipient can avail and utilize this ITC for tax payment.

Payment

Through GSTR-3B, the taxpayer self declares his liability and ITC and pays his tax by utilizing cash and ITC both.

Liability

GSTR-1

Report Liability

The invoice level liability gets declared in GSTR-1.

New Scheme of Returns



Payment

RET/PMT-08

Through RET-1/2/3, the

through ANX-2) both.

Cash

Cash Ledger

taxpayer pays the autopopulated liability (from ANX-1) by utilizing cash and ITC (auto-populated

Payment

ITC

ANX-2

Liability

ANX-1

Report Liability

The invoice level liability gets declared in ANX-1 and uploaded on portal.

Information on ITC

The suppliers ANX-1 invoices gets populated into the ANX-2 of the recipient. The recipient can accept/ reject or keep the invoices pending. The accepted invoices make the final ITC

Cash Availability

The taxpayer creates a challan on the portal and deposits cash. The cash cash thus deposited gets populated into the Electronic Cash Ledger of the taxpayer.

Main Features of New Returns



- Option of quarterly filing of Return for taxpayers up to 5 Crore Annual Turnover.
- Only payment made by GST PMT-08

Simpler *quarterly* returns formats available for small businesses:

- GST RET-2 also called as SAHAJ (only B2C)
- GST RET-3 also called as SUGAM (only B2B & B2C)

Staggered filing (different filing dates) for monthly & quarterly filers:

- 20th for Monthly filers
- 25th for Quarterly filers
- Enriched Offline Tool with Matching Facility.

New GST Returns



RET 1 (Monthly)

RET 1 (Quarterly)

Sugam Return (Only Quarterly)

> Sahaj Return (Only Quarterly)

RET-1 Monthly (Annual Turnover more than 5 Crore)/ Mandatory

For any category of supplier having an annual turnover of more than 5 Crore.

RET-1 Quarterly (Annual turnover less than 5 Crore)/ Optional

Suppliers not eligible to file Sahaj or Sugam return but having an annual turnover of less than 5 Crore.

SUGAM (Annual turnover less than 5 Crore)/ Optional

For suppliers having only B2C and B2B supplies and receiving supplies on reverse charge basis.

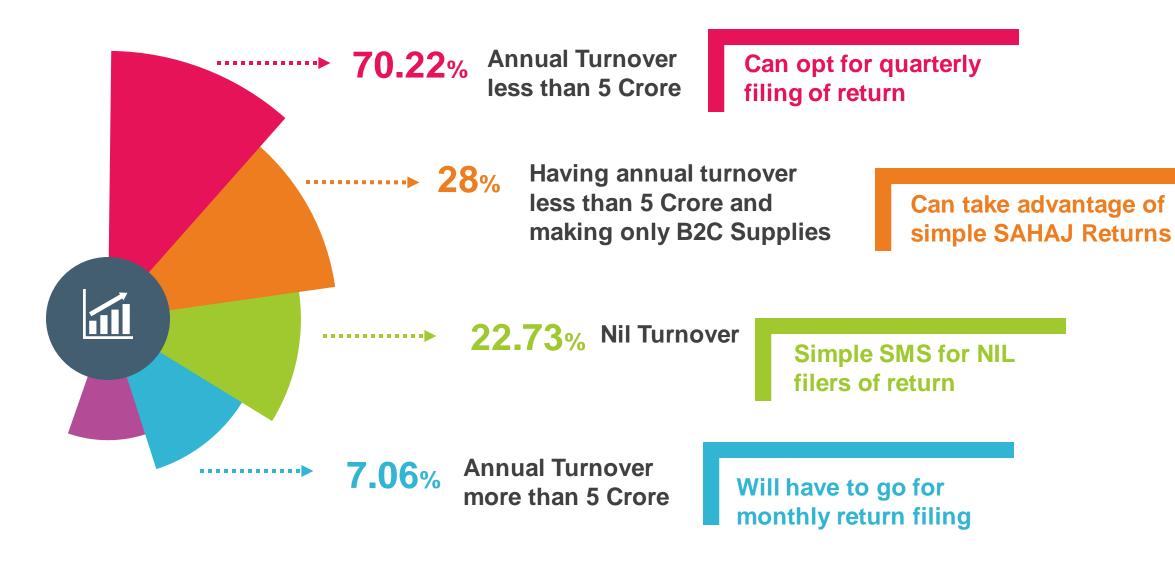
SAHAJ (Annual turnover less than 5 Crore)/ Optional

For suppliers having only B2C supplies and receiving supplies on reverse charge basis.

Payment on a monthly basis through PMT-08

Turnover-wise Distribution based on GSTR-3B: FY18-19





Difference between GSTR-3B and GST RET-1/2/3



- Auto-population of key details in returns
- HSN is captured at Invoice level
- Unidirectional flow of Invoices
- Consolidated Credit/Debit Notes
- No separate filing of GST ANX-1 & GST ANX-2. They are deemed to be filed on filing of GST RET-1/2/3

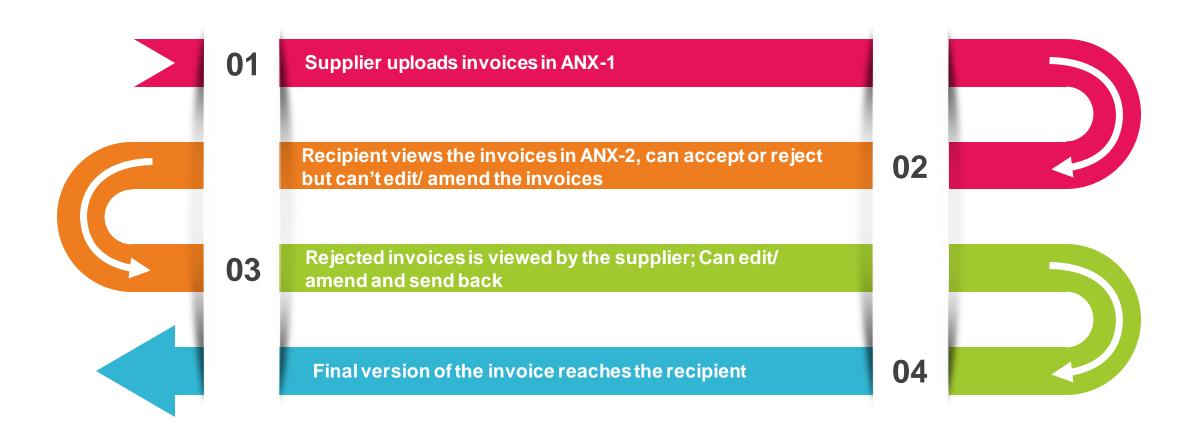
Bidirectional Flow of Invoices





Unidirectional Flow of Invoices





Difference between GSTR-3B and GST RET-1/2/3



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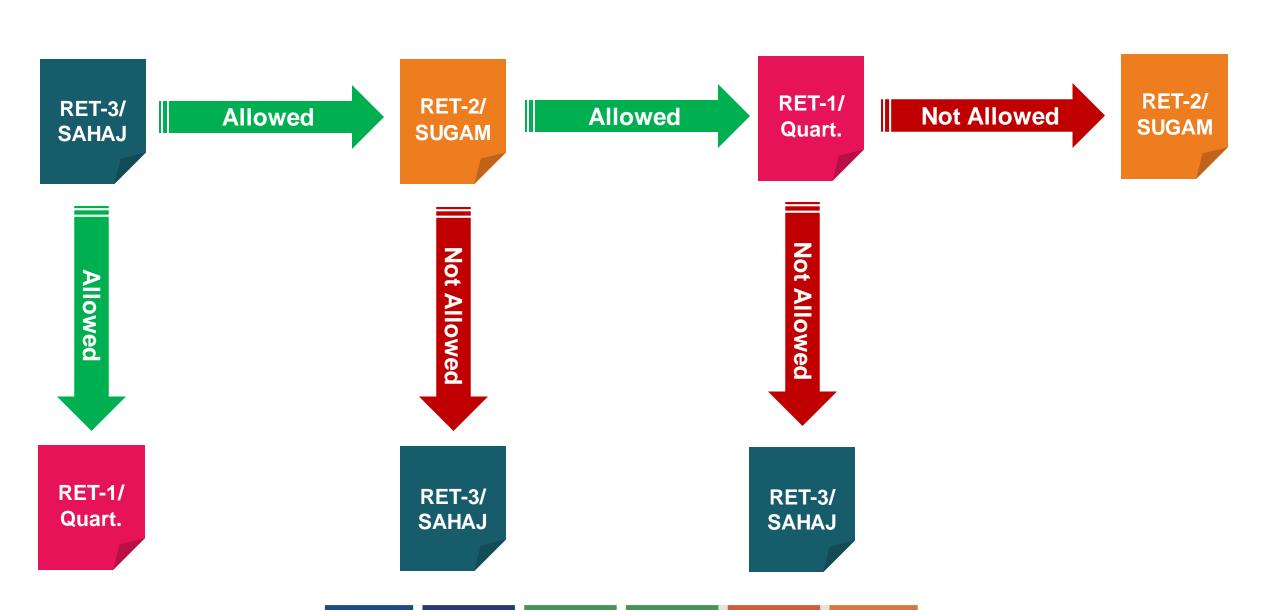
Changing Return Type and Filing Frequency



- Monthly filers allowed to file only GST RET-1
- Quarterly filers allowed to choose from any of the three GST
 RET-1/2/3
- Taxpayer to select return profile and filing frequency at the start of the Financial Year
- Change of filing frequency not allowed for the same Financial Year
- Changing return type allowed with certain conditions

Changing Return Type and Filing Frequency





Difference between GSTR-3B and GST RET-1/2/3



- Consolidated reporting of B2C transactions
- HSN is captured at Invoice level for B2B transactions. Better sectoral analysis possible
- Consolidated reporting of Credit/Debit Notes
- Document wise reporting of Import of Goods for claiming Credit
- Capturing Place of Supply at document level and ensuring smooth Settlement of IGST

Difference between GSTR-3B and GST RET-1/2/3



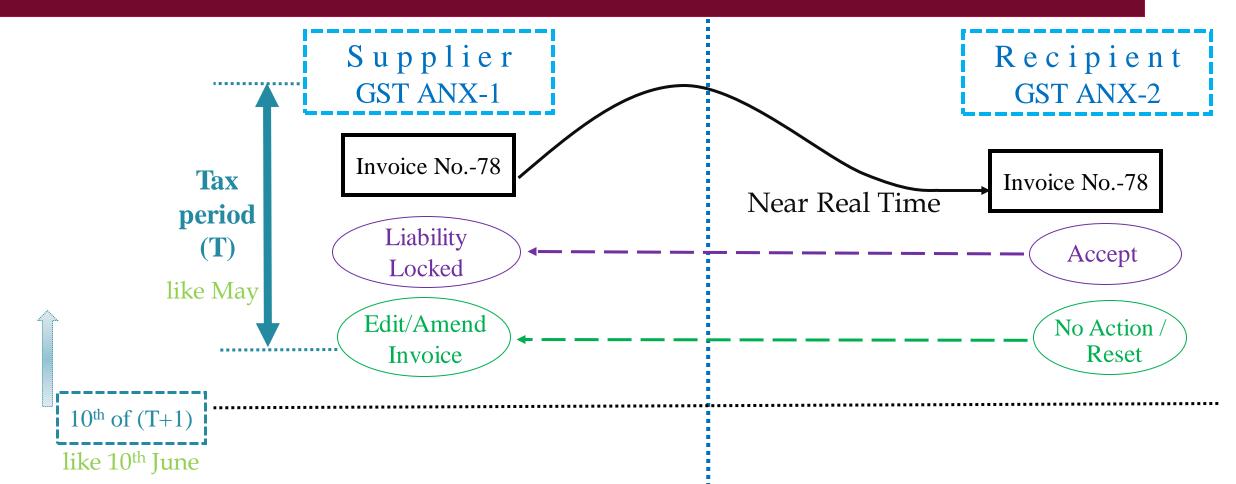
- Provision of Amendment of Return
- Correlation between the Outward Supplies and Return Form
- Measurable difference between auto-populated Credit and provisional Credit claimed by the recipient
- Informing the return filing status to the recipient in GST ANX 2 (better control over non-filers of return)
- Break-up of reversal of Credit

Benefits of New Return

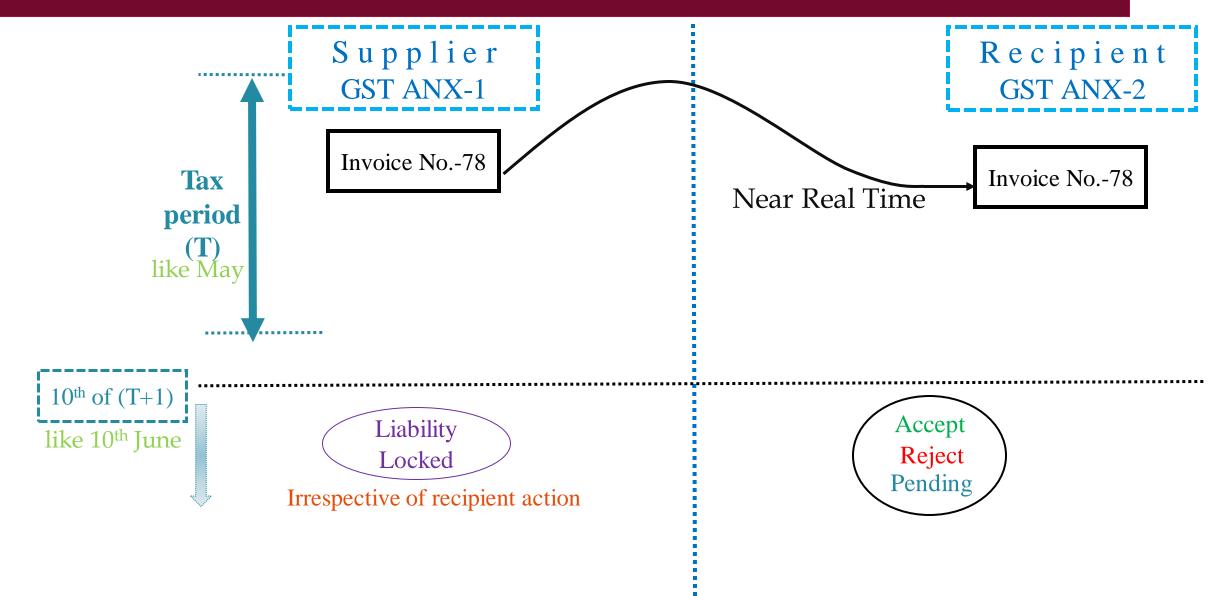


- Uploading of Invoices can be done throughout the month & Credit can be claimed accordingly
- Auto-populated values in the return for liability and ITC
- Matching tool would be provided to match Purchase Register with inward supply annexure in Form GST ANX-2
- Checking the menace of frauds committed by generation of fake Invoices.
- New return system would deter habitual non-filers as autopopulation of Credit would stop in GST ANX-2

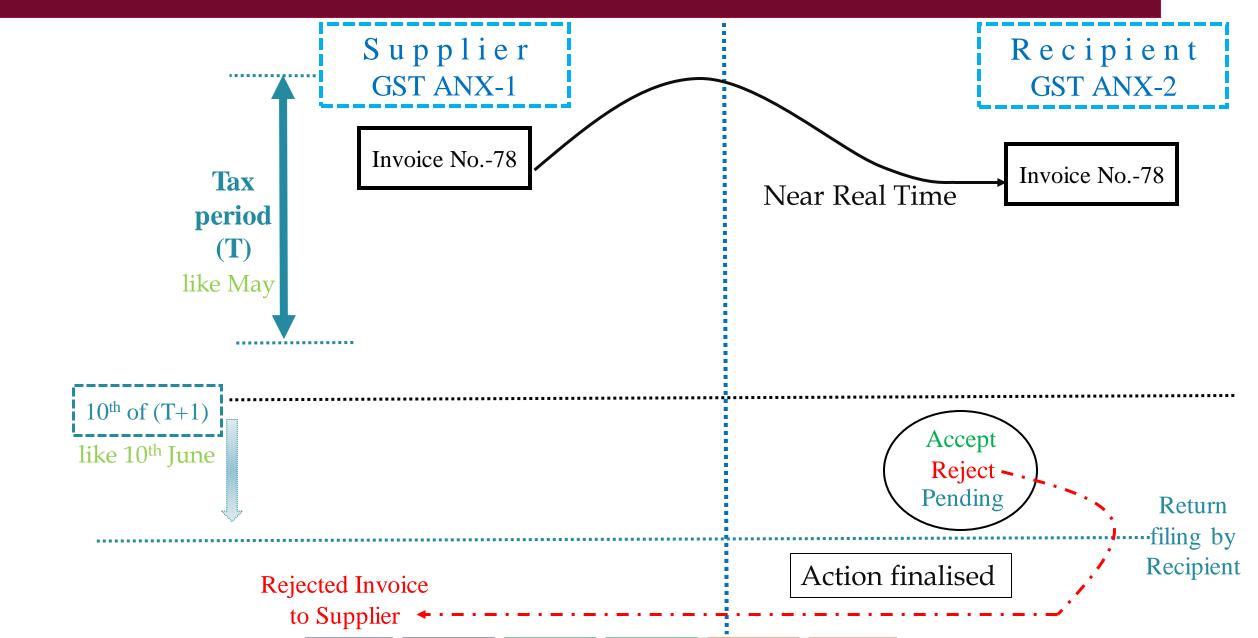




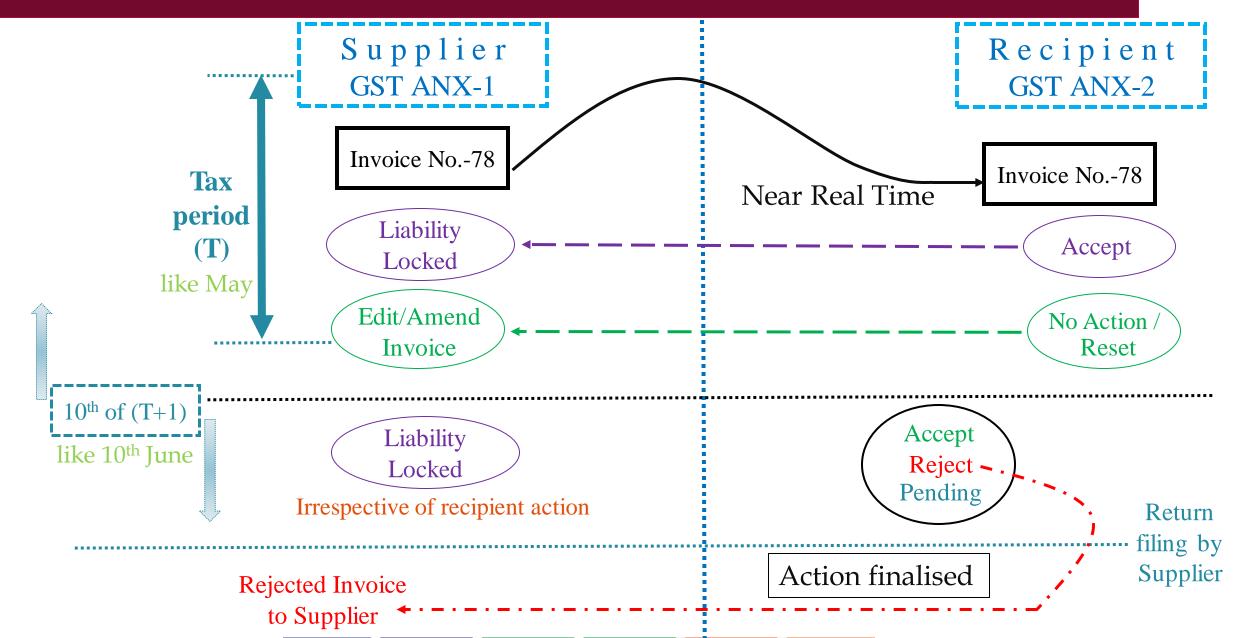










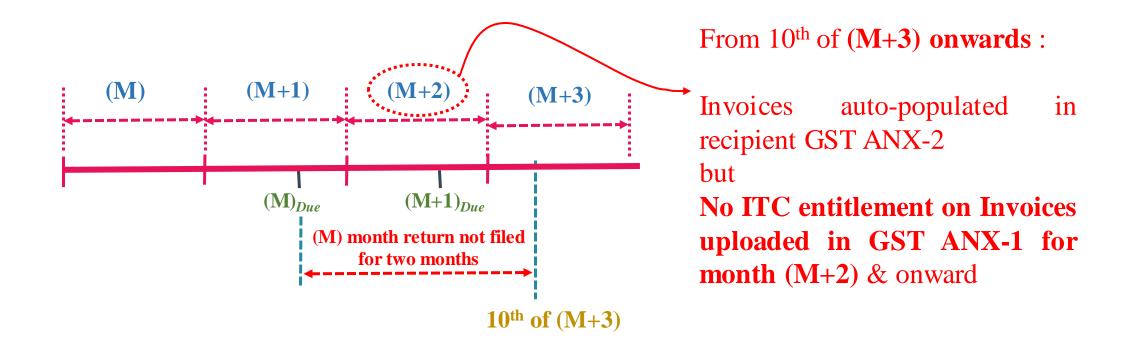


Supplier side control – Non filing by Supplier for two months



Supplier is a monthly filer who:

Uploads Invoices in GST ANX-1 but does not file two returns

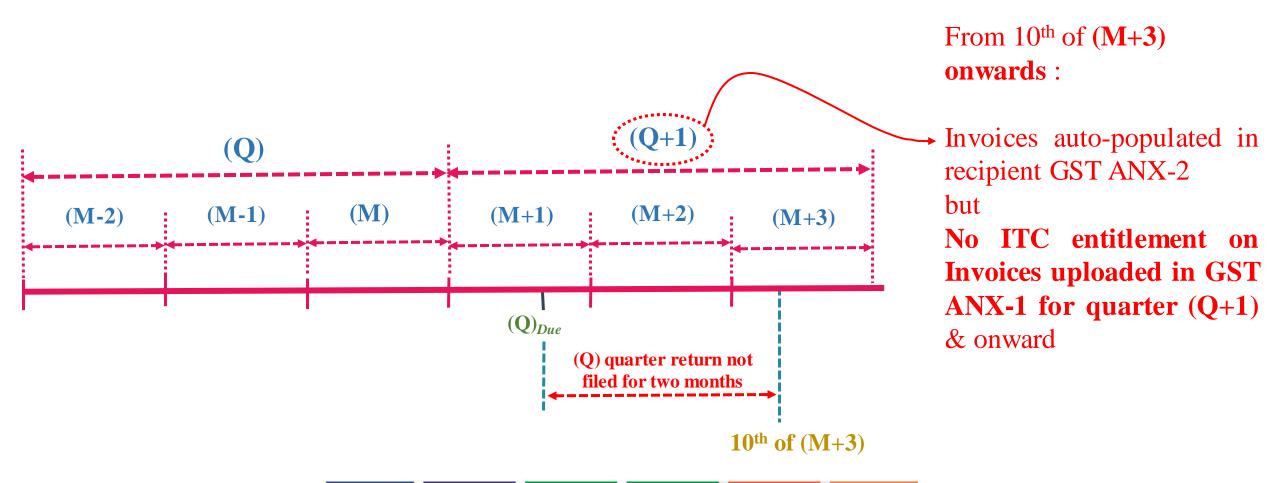


Supplier side control – Non filing by Supplier for two months



Supplier is a quarterly filer who:

• Uploads Invoices in GST ANX-1 but does not file two returns



Fields (liability) in GSTANX-1 & GST RET-1 (auto-populated)



Supplies made to unregistered consumers Supplies to registered persons Recipient GSTIN available Export (with payment of tax) Export (without payment of tax) Supplies to SEZ developer/unit (with payment of tax) -Recipient Supplies to SEZ developer/unit (without payment of tax) Deemed Exports available Inward Supplies attarcting Reverse Charge Import of Services Import of Goods Import of Goods from SEZ on Bill of Entry for Reporting only Credit availed on documents not uploaded by Supplier/Seller

Fields (liability) in GSTANX-1 & GST RET-1 (auto-populated)



Supplies made to unregistered consumers

Supplies to registered persons

Export (with payment of tax)

Export (without payment of tax)

Supplies to SEZ developer/unit (with payment of tax)

Supplies to SEZ developer/unit (without payment of tax) SEZ unit/developer

Deemed Exports

Inward Supplies attarcting Reverse Charge

Import of Services

Import of Goods

Import of Goods from SEZ on Bill of Entry

Credit availed on documents not uploaded by Supplier/Seller

for Reporting only

Recipient is

Fields (liability) in GSTANX-1 & GST RET-1 (auto-populated)



Supplies made to unregistered consumers

Supplies to registered persons

Export (with payment of tax)

Export (without payment of tax)

Supplies to SEZ developer/unit (with payment of tax)

Supplies to SEZ developer/unit (without payment of tax)

Deemed Exports

Inward Supplies attarcting Reverse Charge

Import of Services

Import of Goods

Import of Goods from SEZ on Bill of Entry

Recipient is a DTA unit

(non-SEZ unit/developer)

Recipient is a DTA unit

(non-SEZ unit/developer)

Credit availed on documents not uploaded by Supplier/Seller

for Reporting only

Action in GST ANX-2 and auto-population in GST RET-1/2/3



Documents auto-populated from suppliers' GST ANX-1

Import of Goods on Bill of Entry

Import of Goods (from SEZ units/developers) on Bill of Entry

Accept
or
Reject
or
Pending

New Return: Trial



- GSTN has released trial version of the New Returns Offline Tool with
 - Form GST ANX-1
 - Form GST ANX-2 (with Matching Tool built in it)
 - A template for Purchase Register (which can be used to import data of purchase register for matching)
- The Offline tool is available on GST Portal under <u>Download</u> section.
- Detailed guidelines for using the tool is provided in the 'Help' tab, on each page of the tool.

New Return: Offline Tool





Taxpayer can prepare his ANX-1 supplies and take action on ANX-2 supplies in offline mode and later upload on the portal.

Matching Tool

It facilitates the taxpayer to match his ANX-2 supplies with the offline records maintained in the purchase register.

ANX-1 MS Excel Template

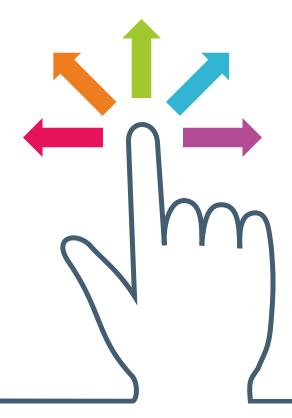
Entire ANX-1 supplies (all tables) can be maintained in this template and uploaded directly into the offline tool at one go.

ANX-1 CSV Template

ANX-1 supplies can be maintained for different tables in the CSV formats and uploaded one by one into the offline tool.

Purchase Register MS Excel Template

Records of purchases maintained in this template can be used in the matching tool.



New Return Trial: Intent



- To familiarize stakeholders with tool's functionalities
- To get their feedback/suggestions to improve the tool further before its actual deployment

New Return Trial: Liability



- During trial run, documents/ data uploaded by taxpayers on GST Portal, will **not** create any liability.
- This data will be visible only to taxpayers and their respective buyers.
- Taxpayers should continue to report/ pay their GST liability in Form GSTR-1/ GSTR-3B during this period, as being done now.
- After the trial period is over, the data created/entered by the taxpayers, in GST ANX-1/2 on the GST Portal, will be fully erased and no part of it will be retained on portal.

Outreach for New Return



Cities Covered

19

Outreach program is underway to familiarize taxpayers and tax officers both.

Participants

3000

A total of more than 1500 tax practitioners and 1600 taxpayers have attended the workshops. **Uploads**

30000

More than 30000 ANX-1uploaded on the portal.



More and more taxpayers and practitioners should come forward and get familiar with the new return offline tool.

Offline Tool: ANX-1/2 Process



ANX-1 Upload

Upload the ANX-1 prepared offline on the portal by converting it into JSON through the application.



Take action on the invoices of inward supplies in ANX-2 downloaded from the portal on the offline tool.

ANX-2 Upload

Upload the ANX-2 by converting it into JSON through the offline tool.











ANX-1 Offline Preparation

Prepare the annexure of outward supplies and imports/ reverse charge supplies offline in the application or upload the supplies in MS Excel format directly

Error JSON Download

Download the error JSON file containing errors committed in the ANX-1 entries, open it in the offline tool, edit and upload again.

Matching Tool

Before taking action on inward invoices in ANX-2, match the invoices with the purchase register.

Offline Tool: Live Demo

