

DA TAX ALERT- INDIRECT TAX

An e-Tax alert from **Darda Advisors**

INDIRECT TAX UPDATE – Key Changes under GST on 24 June 2020

Issue: 01



Conditional waiver of interest for specified registered persons*

S.No	Class of registered persons	Rate of interest	Tax period
1	More than 5 Crores Aggregate Turnover	Nil for first 15 days from the due date, 9 % thereafter till 24 June 2020 (No change in the dates. Only relevant provision in earlier notification substituted)	February,2020 March 2020, April,2020
2	Aggregate turnover upto 5 Crores (Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Pondicherry,	Nil till 30 June, 2020, 9% thereafter till 30 September, 2020	February 2020
		Nil till 3 July 2020, 9% thereafter till 30 September, 2020	March 2020
		Nil till 6 July 2020, 9% thereafter till 30 September, 2020	April 2020
		Nil till 12 September 2020, 9% thereafter till 30 September, 2020	May 2020

* Notification No. 51/2020 – Central Tax dated 24 June 2020

	Andaman and Nicobar Islands and Lakshadweep - Category 1 states)	Nil till 23 September 2020, 9% thereafter till 30 September, 2020	June 2020
		Nil till 27 September 2020, 9 % thereafter till 30 September, 2020	July 2020
3	Aggregate turnover upto 5 Crores (Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi – Category 2 states)	Nil till 30 June, 2020, 9% thereafter till 30 September, 2020	February 2020
		Nil till 5 July 2020, 9% thereafter till 30 September, 2020	March 2020
		Nil till 9 July 2020, 9% thereafter till 30 September, 2020	April 2020
		Nil till 15 September 2020, 9% thereafter till 30 September, 2020	May 2020
		Nil till 25 September 2020, 9% thereafter till 30 September, 2020	June 2020
		Nil till 29 September 2020, 9 % thereafter till 30 September, 2020	July 2020

Conditional waiver of late fees for specified taxpayers for relevant period for GSTR 3B*

S.No	Class of registered persons	Tax period	Condition (If Form GSTR 3B is furnished on or before)
1	More than 5 Crores Aggregate Turnover	February,2020, March 2020, April,2020	24 June, 2020
2	Aggregate turnover upto 5 Crores (Category 1 states)	February 2020	30 June 2020
		March, 2020	3 July 2020
		April, 2020	6 July 2020
		May, 2020	12 September 2020
		June, 2020	23 September 2020
		July, 2020	27 September 2020
3	Aggregate turnover upto 5 Crores (Category 2 states)	February 2020	30 June 2020
		March, 2020	5 July 2020
		April, 2020	9 July 2020
		May, 2020	15 September 2020
		June, 2020	25 September 2020
		July, 2020	29 September 2020

* Notification No. 52/2020 – Central Tax dated 24 June 2020

Conditional waiver of late fees for specified taxpayers for relevant period for GSTR 3B*

- Waiver of late fees (above Rs. 250) for the GSTR 3B return for July 2017 to January 2020; if furnished between 1 July 2020 to 30 September 2020
- Waiver of total late fees for the GSTR 3B return for July 2017 to January 2020; if furnished between 1 July 2020 to 30 September 2020, where tax liability is Nil

Conditional waiver of late fees for all registered persons for GSTR 1 for specified months/quarters*

S.No	Tax period	Date
1	March 2020	10 July 2020
2	April 2020	24 July 2020
3	May 2020	28 July 2020
4	June 2020	5 August 2020
5	January –March 2020 quarter	17 July 2020
6	April –June 2020 quarter	3 August 2020

Due date extension for August 2020 for GSTR 3B**

S.No	Registered persons	Tax period	Due Date
1	Aggregate turnover upto 5 Crores (Category 1 states)	August 2020	1 October 2020
2	Aggregate turnover upto 5 Crores (Category 2 states)	August 2020	3 October 2020

* Notification No. 53/2020 – Central Tax dated 24 June 2020

** Notification No. 54/2020 – Central Tax dated 24 June 2020

Certain section of Finance Act, 2020 notified with effect from 30 June 2020

S.No	Relevant Section of Finance Act, 2020	Provision	Impact
1	118	Sec 2(114) of CGST Act, 2017 has been amended to add Ladakh as Union territory in the Act	Ladakh is now regarded as Union territory for the purpose of CGST Act
2	125	Sec 109 of CGST Act, 2017 has been amended to have separate Bench of the Appellate Tribunal for the state of Jammu and Kashmir	J & K can have now separate Appellate Tribunal
3	129	The board does not have power to issue instructions to commissioner to determine and pay the expenses of the examination and audit of records under special audit	Board (CBIC) has the power to issue instructions to commissioner which now has been removed for special audit purpose
4	130	For the removal of difficulty in the provisions of CGST Act by a general or special order passed in the Official gazette but before a period of five years from the commencement of CGST Act	Earlier three years now changed to five years. Removal of difficulty order can be passed till 30 June 2022

Notifying rates of GST for Composition Taxable Persons under Rule 7 of CGST Rules, 2017*

S.No	Relevant Section of CGST Act, 2017	Registered persons	Rate of tax (of turnover in the State or Union territory)
1	10(1) & 10(2)	Manufacturers , other than manufacturers of such goods as may be notified by the Government	0.5 %
2	10(1) & 10(2)	Suppliers making supplies referred to in clause (b) of paragraph 6 of Schedule II	2.5 %
3	10(1) & 10(2)	Any other supplier eligible for composition levy under sub-sections (1) and (2) of section 10	0.5 %
4	10(2A)	Registered persons not eligible under the composition levy under subsections (1) and (2), but eligible to opt to pay tax under sub-section (2A), of section 10	3%

* Notification No. 50/2020 – Central Tax dated 24 June 2020

About Darda Advisors

Darda Advisors offers a wide range of services in the tax and regulatory space to clients in India with professionals having extensive consulting experience. Our service offerings are:

- Goods and Service Tax (GST) Services
- Other Indirect Tax Services
- SEZ/EOU Incorporation and Compliance
- Foreign Trade Policy (FTP) Assistance
- Company Secretarial Services
- Due Diligence
- Incentives (Central and State) Assistance
- Valuation Services
- Virtual Tax Head Services
- Corporate Tax and International Tax Services
- Certification and Attestation

Key Professionals

Mitu Surana [B.Com, ACA] – Litigation and Tax Expert

Mitu has experience of over 16 years in Indirect tax including GST (around 10 yrs in Big 4)

D. Vineet Suman [FCA, CS, CMA(I)] – Strategic Management and Tax Expert

Vineet has over 15 years of consulting experience in leadership role in Indirect tax including GST (around 13 years in Big 4)

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