

Draft suggestions on GST -Form GSTR- 9



Indirect Taxes Committee

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NEW DELHI**

INTRODUCTION

1. The Institute of Chartered Accountants of India considers it a privilege to submit its suggestions on Annual return form. We shall be pleased to discuss suggestion in meeting to illustrate the points made by us.
2. We look forward to contributing in the drafting of simple, transparent, & fair GST laws in India.



Suggestions on Form GSTR- 9

1. General Issue :

Issue A : The information in GSTR-9 , Table 4, 10 & 11 instruction indicate data “May be” taken from GSTR-1, however, table headings uses the word as declared in the returns which could be Form GSTR- 3B.

- a. How to address differences between 1 & 3 B
- b. How to address turnover reported in books of accounts, but not considered in GSTR-9

Suggestion : It is suggested that suitable clarification be provided in the instructions or additional field for capturing missing information. Suitable clarification is also required for cases not covered under GSTR-9C as to where they should rectify the errors or report additional liability as GSTR-9 is only compilation of information filed earlier.

Issue B : Table of GSTR9 states “Financial year”. Instruction no. 2 also provides for details for the period from July, 2017 to March, 2018. If taxpayer is shifting from Composition scheme to normal scheme during FY 2017-18.

- a. Is he required to file FORM – 9 as well as FORM – 9A ?
- b. Whether system will allow filing two annual returns for the same tax period ?

Suggestion: It is suggested that appropriate clarification be issued in this regard.

2. Taxable Value (Table 4k-4l)

K	Supplies / tax declared through Amendments (+)					
L	Supplies / tax reduced through Amendments (-)					

Issue : This table expects gross reporting in 4A to 4H and corrections to the gross reporting in 4K to 4L. This might be misleading to the taxpayer unless suitable instructions are given. Also whether addition of invoice in a subsequent tax period (within FY 2017-18) relating to previous tax period should be reported in 4B or 4K ?

For example, July 2017 B2B turnover reported as Rs. 500 and corrected to 450 in the month of Jan, 2018 by way of amendment in Table 9 of GSTR-1, while correcting the same procedure to amend is not an upward or downward adjustment rather it is modification of the original value itself, therefore the reporting in GSTR-9 could be as follows :

- (a) 4B = Rs. 450 and 4L = 0



(b) 4B= Rs. 500 and 4L= -50

It may be noted that in case (b), the adjusted value of Rs. -50 is apparently not available in any of the return value.

If the same is corrected in GSTR-3B in the month of April 2018, it is not clear whether this adjustment to be reported in Table 4 or Table 11.i

Suggestion: It is suggested that

- (a) The same information can be auto populated
- (b) Suitable instructions to be given with examples to fill the form
- (c) Option to report at net basis to be made available

3. Taxable Value (Table 4 F)

F	Advances on which tax has been paid but invoice has not been issued (not covered under (A) to (E) above)					
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Issue : This table expects reporting of unadjusted advances of the previous financial year. Considering GSTR 1 this value would be GSTR 1 Table 11A – Table 11B. This cannot be extracted from 3B.

Suggestion: It is suggested that

- (a) The same information can be auto populated from GSTR-1
- (b) Suitable instructions to be given with examples to fill the form .

4. Table 5 : Details of outward supplies on which tax is not payable

Issue:

- i. Table 5F – “No supplies” are not defined in law nor this information was sought in FORM GSTR-1 or GSTR-3B

Suggestion : Since there is no levy where should such transaction be reported.

- ii. There is no amendment table for exempted, nil rated, non-GST supplies in FORM GSTR-1

Suggestion : Suitable clarification be issued in this regard.

5. Table 6A : Details of ITC availed in returns

A	Total amount of input tax credit availed through FORM GSTR-3B (sum total of	<Auto>	<Auto>	<Auto>	<Auto>
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Table 4A of FORM GSTR-3B)				
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Issue : It is auto populated from GSTR- Table 4(A) of GSTR3B , however, 4D of GSTR-3B shall containing ineligible credit shall also be considered since 7E of GSTR-9 is reducing the ineligible credit which was not part of 4(A) of 3B.

Form GSTR 3B contains the amount of ineligible credit as per section 17(5) only as a disclosure. It does not affect the calculation of total ITC availed or reversed. If it is assumed that total ITC availed and reversed will be as per GSTR 3B, Section 17(5) is never factored into account within it. So, there is no question of reversal of ineligible credit within it. Reversal of ITC under 17(5) as per clause 7E will entail deduction from ITC available whereas ITC available does not contain the said figure in the first place.

From the total ITC available as per point 6O, ITC as per Section 17(5) is to be reversed and deducted in 7E. Thereafter, the net ITC available after utilization can be arrived at.

Suggestion : It is suggested that either 4D of Form 3B may be included in Table 6(A) of GSTR-9 or 7I shall be modified to exclude 7E as it contains ineligible credit which have not been taken so that question of reversal does not arise.

6. Table 6 J : Details of ITC availed in returns

I	Sub-total (B to H above)					
J	Difference (I - A above)					

Issue (A) : 6A is auto populated from GSTR3B and 6B to 6H is segregation of various types of Input Tax Credit, if 6A is greater than I, then 6J would be negative then what would be the impact ?

For Eg. Taxpayer claimed Rs. 1000 during the Fy 2017-18 Rs. 1000, however, on actual verification of books it was Rs. 900, then Negative -100 would be arrived in 6J.

(B) If 6A is less than 6I indicates taxpayer has not taken tax credit in GSTR-3B, additional Input Tax credit has now availed in GSTR-9, would this credit be added to electronic credit ledger ?

For E.g Taxpayer claimed Rs. 1000 till Sep, 2018 , however while filing return, it has been noticed that Rs. 200 credit was not availed which he added in GSTR-9

Suggestions : Suitable clarification be issued for the above issues.

7. Table 6 K : Details of ITC availed in returns

K	Transition Credit through TRAN-I (including revisions if any)				
L	Transition Credit through TRAN-II				



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Issue : The Rule 117 has been amended by notification no. 48/2018 to claim transitional credit till 31st March, 2019.

Suggestions: We understand that transitional credit filed in Fy 2018-19 would not be reflected in Table 6 K, However, suitable clarification be provided so that taxpayer may not fill this table wrongly.

8. Table 8A : Other ITC related information

A	ITC as per GSTR-2A (Table 3 & 5 thereof)	<Auto>	<Auto>	<Auto>	<Auto>
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Issue:

- Table 8A contains Auto populated figure, till which date will it be auto populated. since GSTR-1 by its counter supplier can be filled belatedly after submission of annual return by recipient ?
- Whether Table 8A auto populated figures will contain effects of amendments made during the FY 17-18, and made in FY18-19 for effect of FY 17-18?

Suggestions : It is suggested to clarify the above issues.

9. Table 8D : Other ITC related information

8	Other ITC related information				
A	ITC as per GSTR-2A (Table 3 & 5 thereof)	<Auto>	<Auto>	<Auto>	<Auto>
B	ITC as per sum total of 6(B) and 6(H) above	<Auto>			
C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during 2017-18 but availed during April to September, 2018				
D	Difference [A-(B+C)]				

Issue: In Point 8D, provision is made only where ITC as per GSTR 2A exceeds ITC reported in Table 8B & 8C of GSTR-9. No provision is made when ITC taken in GSTR-3B exceeds ITC as per GSTR 2A. Point 8D shall reflect negative figure in certain situations viz. supplier has not uploaded the invoices in GSTR-1.

Suggestions : Impact of negative figure may be clarified including issue arising out of counter party late submission etc. raised at point 8A.

10. Table 8E & 8F : Other ITC related information

E	ITC available but not availed (out of D)				
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F	ITC available but ineligible (out of D)				
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Issue : (1) Reference is drawn from 8D which may be incorrect in some cases ?
 (2) In few cases, 8E & F can be positive even if 8D is negative.

It may be the case that Supplier has not filled GSTR-1, therefore credit appearing in 2A is less than what have been availed and may include ineligible credit.

Eg. Rs. 1000 appearing in 2A which includes Rs. 200 ineligible credit and Rs. 50 not availed and taxpayer has claimed Rs. 1200 as credit in 8B, resulting 8D is negative. Rs. 200 and Rs. 50 can not be written in 8 E and 8 F which is negative Rs.200.

Suggestions : Appropriate amendments may be made in Table 8 to handle all ineligible and non availed credits.

11. Table 8G : Other ITC related information

G	IGST paid on import of goods (including supplies from SEZ)				
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Issue : (a) No row similar to 8C is provided for taking of credit on import of goods received during 2017-18 but ITC taken from April 2018 to September 2018.
 (b) No provision is made for calculation of ITC to lapse on reverse charge including import of service. Provision for ITC to lapse is made only for items in Table 3 & 5 of GSTR 2A and import of goods.

*Suggestions : (a) Row be inserted in Table 8 to provide for taking of ITC on import of goods and supplies from SEZ from April 2018 to September 2018
 (b) The relevant rows be inserted in Table 8 to provide for ITC to lapse in respect of import of service and ITC on reverse charge on domestic inward supplies.*

12. Table 9 : Details of tax paid as declared in returns

Pt. IV	Details of tax paid as declared in returns filed during the financial year						
	Description	Tax Payable	Paid through cash	Paid through ITC			
				Central Tax	State Tax / UT Tax	Integrated Tax	Cess
9							
	1	2	3	4	5	6	7

Issue : Whether Tax payable col. 2 would be from Part II of GSTR-9 or GSTR-3B.
Suggestion: Suitable clarification be provided.



13. Table 17 HSN outward is required whereas no such requirement in GSTR 3B

17 HSN Wise Summary of outward supplies								
HSN Code	UQC	Total Quantity	Taxable Value	Rate of Tax	Central Tax	State Tax / UT Tax	Integrated Tax	Cess
1	2	3	4	5	6	7	8	9

Issue : Whether HSN wise reporting of outward supplies to be matched with tax liability?
Suggestion : Suitable clarification be provided.

14. Table 18 HSN inward is required whereas no such requirement in GSTR 3B

18 HSN Wise Summary of Inward supplies								
HSN Code	UQC	Total Quantity	Taxable Value	Rate of Tax	Central Tax	State Tax / UT Tax	Integrated Tax	Cess
1	2	3	4	5	6	7	8	9

Issue: Table 18 of GSTR-9 requires the taxable person to report HSN wise summary of inward supplies - UQC, Total Qty, Taxable Value, Rate of Tax, CGST, SGST, and IGST.

Registered Persons have not reported inward supply with HSN-wise information in any of the previous returns as HSN is not mandatory to the suppliers with turnover less than Rs. 1.5 Crore and it varies from 2 - 4 digit as the case may be according to the turnover.

Suggestion: It is suggested that this requirement of reporting of HSN wise inward supplies be deleted.



*The Institute of Chartered Accountants of India
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In case any further clarifications or data is considered necessary, we shall be pleased to furnish the same. The contact details are:

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