

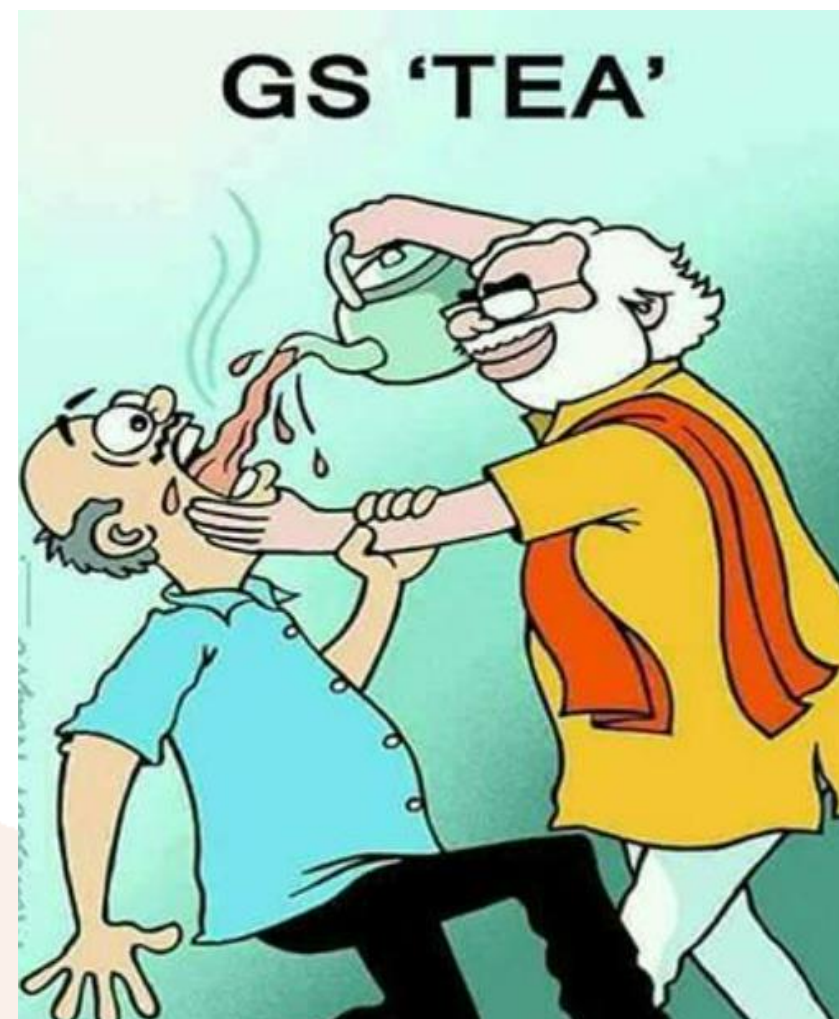
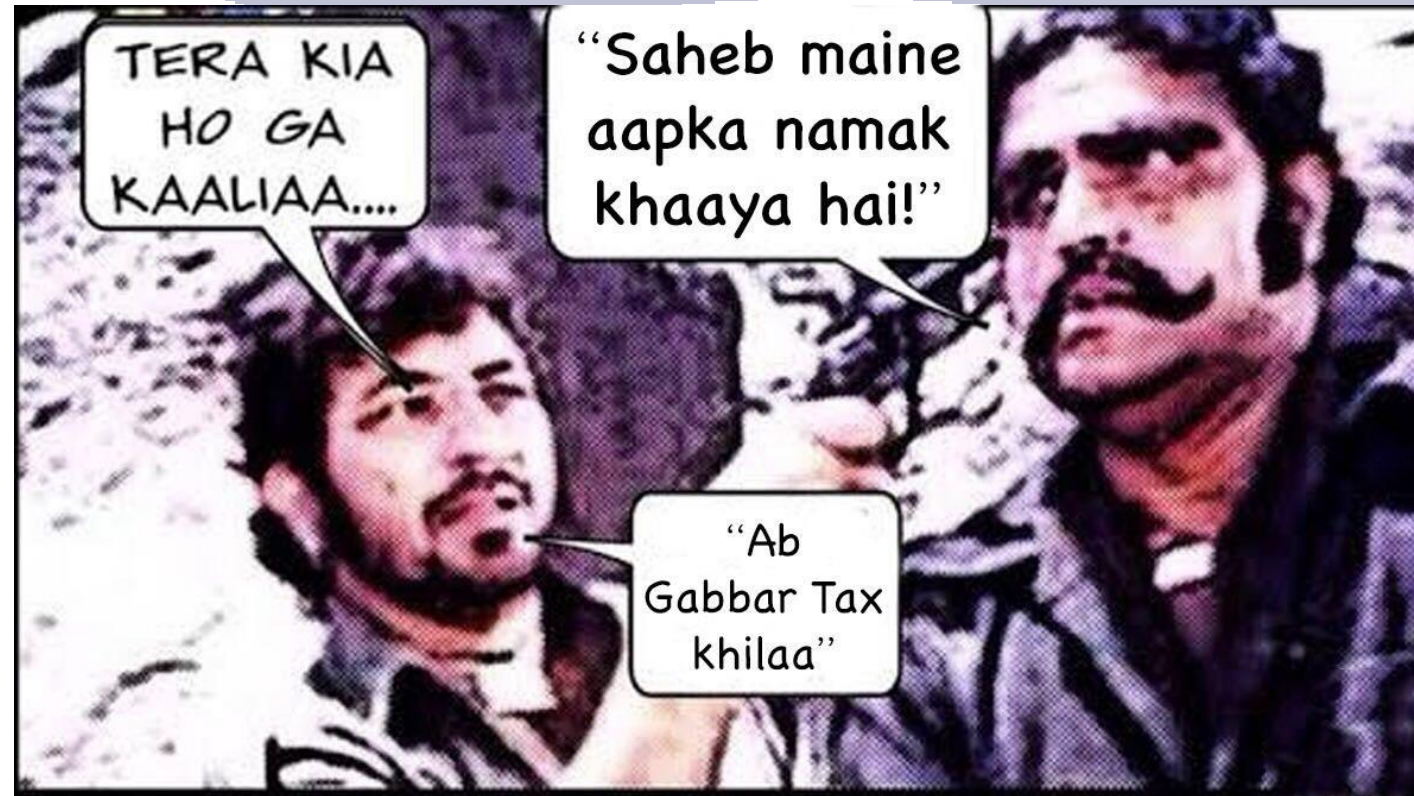
**Goods and Service tax**

# **Significant changes in 2024**

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# Good and Simple Tax





# Taxonomy

Important terms used  
in GST

**S** Supply

**E** Exempted  
goods–E Way  
Bill–E Invoice

**H** Harmonized  
System of Nomenclature

**D** SCN & Demands

**A** Adjudication, Rectification, Appeals

**I** Input Tax Credit(ITC)

**Z** Zero rated goods

**R** Reverse Charge  
Mechanism

# One Nation one Tax



# When you need to register

GST registration threshold is set at Rs. 40 lakhs for goods suppliers and Rs. 20 lakhs for service providers across most states and union territories in India.

Persons making an inter-state taxable supply of goods or services regardless of the threshold limit.

You need to register within 30 days on becoming eligible to register and pay tax or else you lose ITC.

Taxpayers with turnover below Rs 1.5 crore can opt for Composition Scheme. A composition dealer can also supply services up to ten percent of turnover, or Rs.5 lakhs, whichever is higher. -No interstate, sales, ITC, or recovery of the tax payable. Tax between 1 to 5 percent.

For services it is Rs. 50 lakhs – with 6 percent tax.

# Basic returns in GST

## GSTR 1

### Sales Details

Upload details of all sales made in the month both B2B and B2C.

**Due date: 11th of next month**

11/29/2024

## GSTR 2B

### ITC

Find out your ITC availability

**Reflects details upto 11.59 pm on 13<sup>th</sup> of next month**

## GSTR 3B

### Monthly returns

Summary assess your tax due that is the sales-adjusted by debit notes, credit notes, ITC as per GSTR 2B, Pay the net tax liability

**Due date: 20th of next month**

Significant changes in 2024

## GSTR 9

### Annual Return

Aggregate all the year's returns, reconcile with annual accounts, and pay the difference tax.- Obligatory for >2CR.

**Due date: 31<sup>st</sup> December of the subsequent FY**

# Issues to be discussed

GST on Paneer: 5%

GST on Butter: 12%

GST on Masala: 5%

**New Maths Question:  
Calculate the GST  
on Paneer Butter  
Masala?...** 🤔🤔🤔

1

Changes and timelines for SCN and Demands

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Amnesty Scheme 2024

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Time barred ITC –Relief given

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Cancellation and revocation of registration

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RCM on Commercial properties

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Hostel Service

# Demand Notice



**Section 62: Assessment of non-filers of returns.**

**Section 63: Assessment of unregistered persons.**

**Section 64: Summary assessment in certain special cases**

# Bonafide mistakes

Time limit -**Three years** from the due date of furnishing of **annual return**.

The penalty if tax and interest is paid

- nil - paid within 30 days of notice
- 10 % of the amount determined.

**The Government kept on increasing the time limit for Annual Return as well issue order.**

# Malafide intention

**Fraud, or any willful misstatement or suppression of facts to evade tax.**

Time limit -five years from the due date of furnishing of annual return.

Penalty-

If paid before notice	15 %
After Notice	25%
Within 30 days of service	50%
After 30 days of order	100%

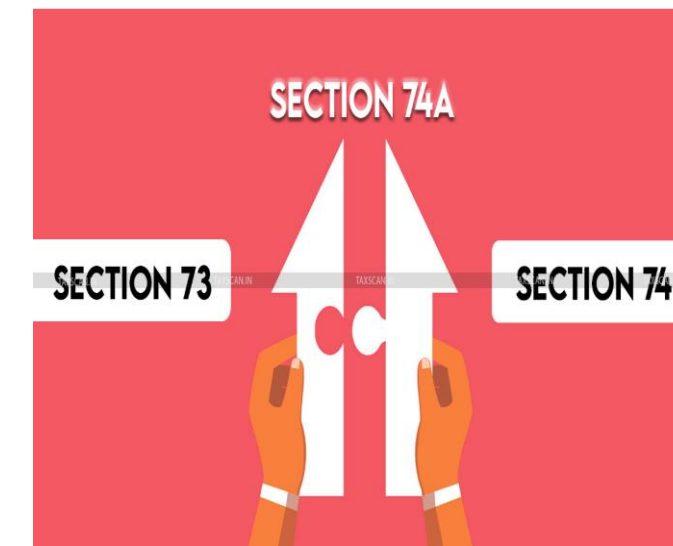
# Filing of annual return– Extended dates

FY	Original Date of filing Annual return	Extended date of filing return
2017-18	31-12-2018	07-07-2020
2018-19	31-12-2019	31-12-2020
2019-20	31-12-2020	31-03-2021
2020-21	30-12-2021	28-02-2022
2021-22	31-12-2022	
2022-23	31-12-2023	
2023-24	31-12-2024	

# Government then increased the timelines for orders too

	Bonafide		Malafide	
FY	Time Limit for issue of Notice (3 months prior to date of order)	Time Limit for issuing order	Time Limit for issue of Notice (6 months prior to date of order)	Time Limit for issuing order
2017-18	<b>30-09-2023</b>	31-12-2023	<b>05-08-2024</b>	05-02-2025
2018-19	<b>31-01-2024</b>	30-04-2024	30-06-2025	31-12-2025
2019-20	<b>31-05-2024</b>	31-08-2024	30-09-2025	31-03-2026
2020-21	<b>30-11-2024</b>	28-02-2025	31-08-2026	28-02-2027
2021-22	30-09-2025	31-12-2025	30-06-2027	31-12-2027
2022-23	30-09-2026	31-12-2026	30-06-2028	31-12-2028
2023-24	30-09-2027	31-12-2027	30-06-2029	31-12-2029

Now FY 2024–25 it is the same for both malafide and Bonafide mistakes.–Section 74A



Limitation of SCN is **42 months** from the due **date of annual return** or from the date of erroneous refund. Time for issuing order is -12 months from SCN extendable by 6 months with approval.

**Due Date for Annual Return (GSTR-9): 31st December 2025** last date for issuing notice is **30th June 2029**.

# Penalty provisions from FY 2024–25 onwards

Time of payment	Bonafide	Malafide
Before service of notice	No penalty	15%
Within 60 days from the issue of the notice	No penalty	25%
Within 60 days from communication of order	-	50%
Thereafter	10% of tax due or Rs. 10,000 whichever is higher	100%

# Amnesty Scheme

## **GST Amnesty Scheme 2021:**

GSTR –GSTR 3B returns for the period, **July 2017 to April 2021** shall be filed on or before **31st August 2021**. Maximum Late fee capped: Rs. 500/- for nil return when tax was payable –Rs.1,000 per return – Last date was 31<sup>st</sup> August 2021

## **GST Amnesty Scheme introduced in April 2023**

**1.Composition Taxpayers (FORM GSTR-4):**Late fee **NIL** if no tax liability for returns from **July 2017 to March 2022**, filed between **April 1, 2023, to June 30, 2023**. Late fee **capped at Rs. 500/-** in other cases.

**2.Revocation of Cancelled Registrations:** Applicable to registrations canceled on or before **December 31, 2022**, due to non-filing of returns- File Returns due till the effective cancellation date are filed. Payment of due tax, interest, penalty, and late fee is completed. Deadline for application: **June 30, 2023**.

# Time limit for availing ITC – section 16(4)

Year	Due date for Sept GSTR 3B	Annual Return	Time bar for availing ITC
<b>2017-18</b>	25-10-2018	31-10-2020	23-04-2019
<b>2018-19</b>	20-10-2019	31-12-2020	20-10-2019
<b>2019-20</b>	(20-24)-10-2020	31-03-2021	(20-24)-10-2020
<b>2020-21</b>	20-10-2021	28-12-2022	20-10-2021

**Supreme Court admitted the SLPs and issued notices to the respondents in the case of Shanti Motors v. Union of India & Ors.**

**In FY 21-22 it was changed to November of the next financial year**

# Relaxation in the time limit to claim ITC-Section 16(5)

The relaxation applies retrospectively from July 1, 2017, covering the initial years of GST implementation, specifically financial years 2017-18, 2018-19, 2019-20, and 2020-21.

Registered persons if they have claimed an input tax credit for invoices or debit notes before **November 30, 2021.**

# Steps for getting the benefit of Time barred ITC

If you have received an order confirming the demand then you need to apply for rectification irrespective of 73, 74, 107 and 108.

- Apply for rectification electronically on the GST common portal within **six months** from notification (notification came on 8<sup>th</sup> Oct 2024). The authority who issued the original order will review and issue the rectified order within **three months** from the application date, wherever possible.
- **ITC is now available even if the appeal has not been filed, taxpayers can seek rectification of the order.**
- Section 150 of the Finance (No. 2) Act, 2024, clarifies that no refunds will be granted for taxes paid or ITC reversed due to these retrospective amendments.

# Cancellation of registration



- (a) A person **who contravenes** the provisions of this Act or Rules made there under; or
- (b) A *composition person* fails to returns for **3 consecutive** tax periods; or
- (c) A person *other than composition person* who fails to furnish returns for **6 consecutive** months or
- (d) A person who has sought *voluntary registration* but **has failed** to commence business **within 6 months**; or
- (e) Where *registration has been obtained by way of* **fraud, willful misstatement or suppression of facts**

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# ITC in case of cancellation and revocation of registration

Section 16(6): Extended ITC availment time in case of cancelled and subsequently restored GSTIN by

- 30 November of the subsequent year or filing the annual return
- 30 days from the revocation order whichever is latter.

# Amnesty Scheme 2024

- Section 128A provides **waivers for interest, penalties, or both on tax demands** under Section 73 (**Bonafide**) of the CGST Act.
- Applicable for tax periods from **July 2017 to March 2018, FY 2018-19, and FY 2019-20.**
- Became effective from **1 November 2024**
- Applies to all pending cases from issue of Show cause notice or in various appeal stages.

# Amnesty Scheme 2024

- Waiver **not** available for **erroneous refunds**.
- **No refund for already** paid interest and penalty for the mentioned financial years.
- notice was issued in 74 (malafide) but was shifted to 73 (Bonafide) later on in litigation (apply within six months of order).

# Amnesty Scheme 2024

The **last date** to deposit the tax is **31st March 2025**. last date for applying is **30.06.2025**.

- The taxpayer must **pay the full amount of tax payable** as per the notice, statement, or order issued under Sections 73, 107, or 108 on or before the date notified by the Government.
- The benefit cannot be availed by a person who has filed an **appeal or writ** before the appellate authorities /Tribunal / Court until and **unless the same is withdrawn**.

# Reverse Charge Mechanism

- Goods Transport Agency (GTA)
- Legal Services by an Advocate or Firm
- Director's Fees
- Services by Government or Local Authority: Sponsorship Services
- Non-Executive Directors
- Renting of Motor Vehicles
- Security Services
- Import of Services.**

# Reverse charge on rent paid on Commercial property rental

Shifts the responsibility of paying GST (18%) from the unregistered landlord to the registered tenant under RCM.

The registered recipient (tenant) is required to calculate, pay GST, and may claim Input Tax Credit (ITC), provided the rented property is used for taxable activities

Scenario	Tenants status	Landlords status	GST applicability	Who pays	ITC Eligibility
Tenant registered	Registered	Not registered	18%	Tenant	Tenant is eligible
Tenant unregistered	Unregistered	Registered	18%	Landlord	Not eligible
Both registered	Registered	Registered	18%		
Both are unregistered	Unregistered	Unregistered	No GST	N.A	N.A.
Tenant under composition	Registered	Not registered	18%	Tenant	Tenant is not eligible
Tenant under composition	Registered	Registered	18%	Landlord	Tenant is not eligible

# Self-invoice in case of supply from unregistered person

Effective November 1, 2024, the Reverse Charge Mechanism (RCM) under GST introduces changes to the time of supply rules.

**Mandatory Self-Invoice:** **Registered recipients** of services from unregistered suppliers **must issue a self-invoice** to claim Input Tax Credit (ITC). Failure to issue this self-invoice within 30 days results from the date of payment being recorded in the recipient's accounts or debited from their bank account, or the date the recipient issues the invoice whichever is earlier.

**Penalties for Delay:** Late self-invoice issuance or tax payment may attract general penalties and 18% p.a. interest.

# Hostel Services

Entry No. 12 of Notification No. 12/2017-Central Tax(Rate) dated 28-06-2017, Service by way of renting of **residential dwelling for use as residence are exempt from levy of GST.**

This came after High Court of Madras (**HC**) decision in *Thai Mookambikaa Ladies Hostel v. Union of India*-exemption was not based on the nature of the property or the service provider's business, but rather, it was based on the purpose for which the property was being used

Notification No. 12/2017- CTR 28.06.2017 under heading 9963 to exempt accommodation services having value of supply of accommodation up to Rs. 20,000/- per month per person subject to the condition that the accommodation service is supplied for a minimum continuous period of **90 days.**

# ITC on Construction of Malls

Functionality test- The construction of a building was essential to carry out the activity of supplying services such as renting or leasing or any other activity.

- Rental income and tax payable are direct consequences of the construction undertaken

Blocking the ITC in constructing the building, the State is unjustly enriching itself and violating the right to avail ITC flowing from Section 300A of the Constitution of India.-  
Supreme Court in Safari Retreats Pvt Ltd

# Levy interest on delayed payment

The amount that is available in the Electronic Cash Ledger (ECL) on the due date of filing of the said return even when return is filed after delay will not be subject to interest.

# Electronic Credit Reversal and Re-claimed Statements–Aug–Sept 2023

## **Credit Reversal:**

Non-payment to suppliers (180 days), Supplier did not pay GST.

## **Re-Claiming ITC:**

Re-claimed after payment to supplier, supplier paid GST.



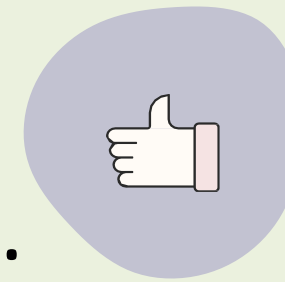
# Invoice Management system–Optional

ALWYN FORTADO

**IMS Dashboard for Recipients** Displays invoices with supplier GSTIN, trade name, invoice number, and type.

## Recipient Options

1. **ACCEPT**: Adds invoice to ITC in GSTR-2B.
2. **REJECT**: Excludes invoice from ITC in GSTR-2B.
3. **PENDING**: Carries forward invoice to next month's IMS.



**Timeline for Action** Recipients must act on invoices between the 11th and 20th each month. Post-14th action requires GSTR-2B precomputation.

## Deemed Acceptance

Unacted invoices are 'deemed accepted' and added to GSTR-2B automatically.

## Correction

Now correction are allowed upto the time of filing GSTR 3B.

# Monetary limits for appeal by Dept

GST Appellate Tribunal- Rs. 20 lakh

High Court- , Rs. 1 crore

Supreme Court- Rs. 2 crore.

# Q & A

11/29/2024

Significant changes in 2024



A man and a woman are shown in a conversation. The man, on the left, is smiling and looking towards the woman. The woman, on the right, is also smiling and looking back at him. Two speech bubbles are overlaid on the image. The first speech bubble, coming from the man, contains the text 'GST KYA HAI?'. The second speech bubble, coming from the woman, contains the text 'GOOD NIGHT, SWEET DREAMS, TAKE CARE'. In the bottom left corner, there is a small logo with the text 'LACCHING Colours' and a date '11/29/2024'. In the bottom center, there is text that reads 'Significant changes in 2024'. In the bottom right corner, the number '35' is displayed.

**GST KYA  
HAI?**

**GOOD NIGHT,  
SWEET DREAMS,  
TAKE CARE**

*Thank you!*

