

## GST Amendments effective Oct 01, 2022

The CBIC has issued Notifications appointing 1 October 2022 as the date to give effect to previously announced amendments. The summary of the amendments are as below:-

### 1. Restrictions imposed for availing ITC

New clause (ba) inserted in Sec 16(2) – Additional condition for claiming ITC by buyer: ITC can be claimed only if that ITC has not been restricted in auto generated statement -GSTR-2B (u/s 38 of CGST ACT).

Only the eligible ITC which is available in the GSTR-2B (Auto generated statement) can be availed by the recipient. Now, GSTR-2B will become the main document relied upon by the tax authorities for verification of the accurate ITC claims.

### 2. Time period extended for claiming ITC related to previous financial year

Section 16(4) amended to provide that time limit for claiming ITC in respect of Invoices related to previous financial year now extended upto 30th November of following financial year. This amendment also applicable for F.Y 2021-22.

### 3. Time period for Cancellation of registration

- a) In case of composite taxpayers – Section 29 (2) (b) amended now registration of composite taxpayer will be cancelled if he fails to furnish return for a financial year beyond 3 months from due date.
- b) In case of regular taxpayers- Registration will be cancelled if he fails to furnish return for such continuous period as may be prescribed. (Presently 6 months)
- c) In case of registered person under QRMP scheme -registration will be cancelled if not furnished returns for continuous two tax periods.

### 4. Extension of time limit for issuing credit note -Section 34 of CGST ACT-

Now time limit for issuing credit note now extended up to 30th Nov of following financial year.

5. Amendment in Section 37- Return of outward supply-

Now amendment in Section 37 also made regarding rectification of errors related to previous year up to 30th November of following financial year. Also, now it is mandatory to file sequential returns i.e. Return of October month cannot be filed if return of September month is not filed.

6. Refund of any balance in cash ledger

Now registered person can claim any balance in Cash ledger in such form and manner as may be prescribed.

7. Levy of late fees for not filing GSTR-8 within due date -Rs 100 per day subject to maximum of Rs 5,000/-.

8. Transfer any amount of tax, interest and penalty or any other amount available in electronic cash ledger to IGST /CGST of a distinct person (Having same PAN with different GSTIN) as specified in sec 25(4) or Sec 25(5) in such form and manner subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be refund from cash ledger.

9. Registration can be cancelled if rule 86B not complied with i.e compulsory payment of 1% output tax liability in cash. (Section 49 (12) notified).