



ASC

GST Times

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Compliance Calender

S. No.	Due Date	Forms	Period	Description
1.	10 th October 2022	GSTR-7	September, 2022	Return for Tax Deducted at source to be filed by Tax Deductor
2.	10 th October 2022	GSTR-8	September, 2022	E-Commerce operator registered under GST liable to TCS
3.	11 th October 2022	GSTR-1	September, 2022	Taxpayers having an aggregate turnover of opted to file monthly return
4.	13 th October 2022	GSTR-1	July-September, 2022	Taxpayers who have opted for Invoice Furnishing Facility (IFF) under Quarterly Return Monthly Payment ("QRMP") Scheme file Quarterly Return.
5.	13 th October 2022	GSTR-6	September, 2022	Every Input Service Distributor (ISD)
6.	14 th October 2022	GSTR-2B	September, 2022	Auto generated ITC statement
7.	20 th October 2022	GSTR-5	September, 2022	Return for Non-Resident taxable Person
8.	20 th October 2022	GSTR-5A	September, 2022	Return for NRI, providing online information and database access or retrieval services to non-taxable person in India
9.	20 th October 2022	GSTR-3B	September, 2022	Taxpayers having an aggregate turnover of have opted to file monthly return.
10.	22 th October 2022	GSTR-3B	July- September, 2022	Taxpayers who have opted for Invoice Furnishing Facility (IFF) under Quarterly Return Monthly Payment ("QRMP") Scheme file Quarterly Return.
11.	28 th October 2022	GSTR-11	September, 2022	Statement of inward supplies received by persons having Unique Identification Number
12.	30 th October 2022	GSTR-4	Financial Year, 2021-22	Annual return for the composition dealer

Amendment in Tables of Form GSTR - 3B related to Input Tax Credit (ITC)

Currently, many taxpayers only record the ITC on an eligible inbound supply in their ITC ledger, including the ITC is required to be respected in the following scenarios:

1. If cancellation of ITC is requested on account of ordinary inward supply used for both taxable and exempt outward supplies in terms of rules 42 and 43; or
2. Cancellation and refund of ITC in case of non-payment of consideration to sellers within 180 days from the invoice date; or

Any reversal on account of earlier misapplication and application of ITC in respect of ITC on inward supplies u/s 17(5), the taxpayers shall not record the same and transfer such ITC directly to the profit and loss account. Furthermore, at the time of utilization of ITC in GSTR - 3B, reconciliation is made between the static statement of ITC in form GSTR - 2B and the ITC recorded in the books of accounts as stated.



After such approval and subject to the other provisions of Sections 16 and 17 of the CGST Act as read with the rules made thereunder, the credit will be shown in the relevant fields of Table 4 of GSTR - 3B.

However, in view of the fact that the statement of the ineligible ITC under Section 17(5) in Table 4(D)(1) was only informative and the other direct costs of paying such credit on the books, many taxpayers were not reporting the amount of the ineligible ITC according to Sec 17(5) GSTR - 3B.

After the amendment in Table 4(B) of GSTR - 3B, it has been clarified that all ITCs available in GSTR 2B including ITCs ineligible under section 17(5), Rules 42,43 and 38 and re-available ITCs (earlier cancelled due to ineligibility under section 16(2)(c) & (d) and rule 37) should be transferred to Table 4(A). Thereafter, the ineligible ITC under the above provisions will have to be shown separately in Table 4(B). Consequently, the net ITC as per Table 4(C) i.e. [4(A) - 4(B)] will be credited to the electronic credit book only.

Hence, it is mandatory to record all ineligible ITCs also, even if they are absolute in nature and cannot be recovered e.g. ineligible ITCs under Rule 38 or Section 17(5), etc.

Accordingly, we believe that taxpayers will have to make changes in their way of accounting for recording ITC by categorizing it in accordance with the various applicable provisions of the [GST](#) Act.

List of categories under various applicable provisions of the GST Act.

1. Ineligible ITC in the sense of Sec 17 paragraph 5
2. Ineligible and eligible for a refund of [Input Tax Credit](#) in terms of Rule 37 (non-payment of
3. consideration within 180 days)
4. Ineligible ITC in terms of Rule 38 (cancellation of credit by a banking company or financial institution)
Ineligible ITC in terms of rule 42 (joint credit on inward supply of inputs or input services used for outward supply of both taxable and exempt supplies)
5. Ineligible ITC within the meaning of Rule 43 (joint credit notes for the inward supply of investment property used for outbound supply of both taxable and exempt supplies)
6. Ineligible ITC considering to difference in place of supply
7. Ineligible ITC on expired invoices in the sense of § 16 paragraph 4
8. Ineligible ITC in the current tax period due to non-fulfilment of the conditions of § 16, e.g. receipt of invoice in the current month, but delivery received in the following month
9. Ineligible ITC used exclusively or by a party for non-business purposes
10. All other eligible ITC

Form GSTR – 2B also categorizes ITC as ineligible ITC in the following two cases:

1. Ineligible for ITC in case of delivery within the State where the place of the consignee is different from the place of performance
2. Ineligible ITC on expired invoices in the sense of § 16 paragraph 4.

In view of the changes in the reporting of ITC in Schedules 4(B) and (D) of GSTR – 3B, every taxpayer needs to review their existing way of recording ITC in books of accounts and make appropriate changes to ensure that the correct data is available for reconciliation with ITC in GSTR – 2B and smooth reporting in GSTR – 3B form.

Major GST Update i.r.t Section 100 to 114 of the Finance Act

The Central Government has appointed 1st October 2022 as the date on which the provisions of sections 100 to 114 of the Finance Act, 2022 shall come into force.

Precisely, the amendments in section 16(2), 29(2), 34, 37, 38, 39, 41, 47, 48, 49, 52, 54, and 168, and omission of sections 42, 43, 43A of the CGST Act, 2017 will come into force.

Clause (c) of section 110 and section 111 of FA, 2022 are already in force since 5th July 2022.

Key takeaways:

- The input tax credit can be availed up to 30/11 of the following FY (applicable for ITC of 2022-23 onwards).
- GSTR-2B would significantly drive the admissibility of ITC. Constitutional Courts would be at rescue [refer to Arise India - Delhi HC, Bharti Airtel - SC]
- **GST** credit notes for instances covered u/s 34 can be issued up to 30/11 of the following FY (applicable to Invoices of 2022-23 onwards).
- Transfer of balance lying in the e-cash ledger among district persons would be allowed.



Following are the Key highlights under Sections 100 to 114 of the Finance Act.

Major Amendments made in Finance Act 2022 notified w.e.f. 01 October 2022 - GST Update

Amendments made in Finance Act 2022 notified w.e.f 1st October 2022 vide Notification No. 18/2022 - Central Tax, F.No.CBIC-20013/1/2022-GST, Dated 28th September 2022

Finance Act 2022 made around fifteen amendments which include omissions, insertions, and substitutions made in the CGST Act 2017. They were covered by [Section 100 to Section 114 of the Finance Act, 2022 \(6 of 2022\)](#). All the amendments made in the Finance Act, 2022 have been notified.



The following notifications have been issued by the Ministry of Finance in order to notify the applicability and the effective date of the amended/introduced sections. Notify Date as 01-10-2022 of Section 16, 29, 34, 37, 38, 39, 41, 47, 48, 49, 52, 54, 168 and omitted 42, 43, 43A, of CGST Act 2017

Brief Summary of Major Amendments /Relaxations

1. **Extension in the time limit to claim ITC under [GST](#):** It seeks to amend section 16(4) of the CGST Act, 2017 so as to provide that a registered person shall not be entitled to take the input tax credit in respect of any invoice or debit note after the thirtieth day of November (Earlier this date was 20th Oct i.e. due date for filing GSTR -3B for September) following the end of the financial year to which such invoice or debit note pertains, or furnishing of the relevant annual return, whichever is earlier.

ASC Interpretation: As per the Notification No. 18/2022 of Central Tax, ITC in respect of invoices pertaining to a financial year can be claimed upto 30th November of the next financial year.

2. **Amendment in sub-section (2) of section 34 of the CGST Act:** To provide for the thirtieth day of November following the end of the financial year, or the date of furnishing of the relevant annual return, whichever is earlier, as the last date for issuance of credit notes in respect of any supply made in a financial year.

ASC Interpretation: As per Notification No. 18/2022 of Central Tax, the date of issuance of credit note in respect of invoices pertaining to a financial year has been extended till 30th November of the next financial year.

3. **Amended sub-section (10) of section 49:** To allow transfer of amount available in electronic cash ledger under the CGST Act of a registered person to the electronic cash ledger under the said Act or the IGST Act of a distinct person. It also seeks to insert sub-section (12) so as to provide for prescribing the maximum proportion of output tax liability which may be discharged through the [electronic credit ledger](#).

ASC Interpretation: Further amount available in Electronic Cash Ledger of a registered person is now transferable to its deemed distinct person (Having same PAN with different GSTN) under the said amendment. (Facility will be available shortly at GSTN portal)

4. **Section 16 of the CGST Act, 2017:** By inserting a new clause (BA) in sub-section (2) thereof, so as to provide that input tax credit with respect to a supply may be availed only when such credit has not been restricted in the details communicated to the registered person under section 38.

ASC Interpretation: A new clause has been inserted under section 16 (2) of CGST Act 2017 namely (ba) for providing restrictions in respect of details communicated to registered persons under section 38.

Further, the old section 38 has been replaced with the new one to prescribe the manner, time, conditions and restrictions for communicating details of ITC through an auto-generated system. Also providing for ITC that can be availed or can-not be availed by the recipient.

5. For Section 38 of CGST Act, 2017 following section shall be substituted namely-

1. The details of outward supplies furnished by the registered persons under section 37 (1) and of such other supplies as may be prescribed, and an auto-generated statement (GSTR-2B) containing the details of the input tax credit shall be made available electronically to the recipients of such supplies in such form and manner, within such time, and subject to such conditions and restrictions as may be prescribed.
2. The auto-generated statement under sub-section (1) shall consist of-
 - details of inward supplies in respect of which credit of input tax may be available to the recipient; and
 - details of supplies in respect of which such credit cannot be availed, whether wholly or partly, by the recipient, on account of the details of the said supplies being furnished under sub-section (1) of section
 - by any registered person within such period of taking registration as may be prescribed*; or
 - by any registered person, who has defaulted in payment of tax and where such default has continued for such period as may be prescribed*; or
 - by any registered person, the output tax payable by whom in accordance with the statement of outward supplies furnished by him under the said subsection during such period, as may be prescribed, exceeds the output tax paid by him during the said period by such limit as may be prescribed*; (GSTR-1 VS GSTR-3B) or
 - by any registered person who, during such period as may be prescribed, has availed credit of input tax of an amount that exceeds the credit that can be availed by him in accordance with clause (a), by such limit as may be prescribed*; (Supplier's GSTR-3B VS GSTR -2B) or
 - by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of section 49 subject to such conditions and restrictions as may be prescribed*; (Restriction in Credit Ledger) or
 - by such other class of persons as may be prescribed

ASC Interpretation: ASC Interpretation: A new section 38 has been introduced for the restriction of ITC to claim in GSTR-3B by the recipient. There are so many rules in this relationship which are not yet prescribed.

Following are the Key amendments made under made in Finance Act 2022 notified w.e.f. 01 October 2022.

GST on Income Tax Payments - Now pay convenience charges on certain payment mode

The Government has enabled the option of payment through credit card, UPI, and internet banking on the income tax e-filing portal. However, if an individual opts for payment of income tax on the e-filing portal for the 'payment gateway' method, he may be charged certain charges if he opts for such a payment method.

In addition to internet banking, the e-filing tax portal enables an individual to pay income tax using NEFT, RTGS, and over the counter (physically at a bank branch).

The next time you pay income tax through the new Income Tax Portal website, be aware that you will be

be liable to pay convenience charges and Goods and Services Tax (GST) for using certain payment methods. For example, you may be charged Rs 300 for an income tax payment of Rs 30,000 using any of the payment modes.

Convenience charges and [GST](#) will be applicable if income tax is paid using the 'payment gateway' on the e-filing of income tax payments website. If you pay using a "Payment Gateway" - which is one of the five payment options listed below, certain payment methods will be subject to transaction fees.

When you click on "transaction fees", the following table will appear. The table specifies the fees applicable to certain payment methods made through the payment gateway.



Mode of Payment	Transaction charges
Net banking	Convenience fee HDFC Bank: Rs 12 ICICI Bank: Rs 9 SBI Bank: Rs 7 Axis Bank: Rs 7 Other banks (including Federal Bank): Rs 5 Plus, GST @ 18%
Credit card	0.85% + GST @ 18%
Debit card	NIL
UPI	NIL

Here's an example to explain how much extra you'll pay in income tax. Suppose you have an income tax of Rs 30,000 to pay and you decide to pay it by credit card. A convenience fee of 0.85% will be charged on Rs 30,000. The amount will be Rs.255. GST will also be applicable on convenience charges (Rs 255) i.e. Rs 45.9. Thus, an individual paying income tax through credit card ends up paying Rs 30,000 + Rs 255 + Rs 45.9 = Rs 30,300.9, almost Rs 301 extra. Fees will increase in proportion to the increase in income tax paid by credit cards. However, if Income Tax is paid using the Internet Banking facility along with GST, a flat fee will be charged for the payment gateway method. Source: Income tax e-filing portal on 3.9.2022

Abhishek Soni, CEO, Tax2win.in – an ITR filing company says, “Transaction charges apply if payment gateway method is used to pay income tax on the new tax portal. The payment gateway method is applicable for paying income tax using Net banking of non-authorized banks, credit card, and UPI. However, if the income tax is paid on the NSDL website, there are no transaction charges. The NSDL website allows individuals income tax payments through an internet banking facility without any charges. Whereas, if the e-filing portal is used for income tax payments through HDFC Internet Banking, a convenience fee of Rs 12 with GST will apply.”

According to the income tax e-filing portal, if an individual pays taxes using the Net Banking option of authorized banks, he/she does not pay any transaction fee/fee. However, currently, there are only three authorized banks – Federal Bank, Kotak Mahindra Bank, and Bank of India. Therefore, if an individual pays income tax using the internet banking facility of these banks, no transaction fee will be charged.

Apart from internet banking, the income tax e-filing portal enables an individual to pay income tax also through NEFT, RTGS and also over the counter (physically at a bank branch). Payment by debit card is not yet allowed on the e-registry portal.

There is usually no charge for paying over the counter by check. NEFT/RTGS are applicable according to the bank.



GST Intelligence Issues Biggest-ever Tax Notice to Bangalore-based Gaming Company

This is regarding news dated 25-09-2022. As per a press report, the Directorate General of GST Intelligence has issued show cause notice ('SCN') to Gameskraft Technologies Pvt. Ltd. ('Gameskraft') for INR 21,000 crores (USD 2.6 billion), the biggest ever in history of Indian indirect taxation. Gameskraft engages in hosting of online games on its platform and the game Rummy constitutes more than 96% of the games played on its platform.

The disputed period seems to be from November 2017 to February 2022 when the total income of Gameskraft is approx. INR 4,000 crores. The amount of GST in the SCN is at the rate of 28% of the total activity of Gameskraft; which is nearly INR 77,000 crores.

In a later development, Gameskraft issued a statement with regard to the show cause notice and stated that they, as a responsible startup with unicorn status in the online skill gaming sector, have discharged the GST and income tax liabilities as per standard industry practice.

Seized of the issue, GST Council has constituted, on May 24, 2021, a Group of Minister ('GoM') on casinos, race courses and online gaming to examine the issue of valuation of services provided by casinos, race courses and online gaming portals and to also examine whether any change is required in the legal provisions to adopt the better means of valuation of these services. The issue is whether the value of service should be only the platform fee or the full amount received from the gamers; and whether the game of skill and the game of chance should be distinguished for this purpose. The final report of GoM is awaited.



GST Update on E-way bill Generation for the Movement of Gold

The National Informatics Centre("NIC") has issued an Update on the E-way bill generation for the movement of Gold.

As per the Government's approval, E-way bill generation has been provisioned for the movement of Gold (HSN Chapter 71) for all Intrastate and Interstate shipping. The inhabitant of the state may generate the E-way bill for Gold as per the notification issued by their respective states. The E-way bill for Gold has same restrictions as that of a normal E-way bill omit that such E-way bill not be updated with Part-B details. [E-way bill](#) for Gold's rationality is calculate based on pin to pin distance of root and landing place.

As per the government for generating E-way bill for Gold it is mandatory for all the items belong to the HSN chapter 71 only. If and only items inclusion to other HSN chapters besides HSN chapter 71 exist, then it may be treated as a normal E-way bill.

There are small changes in functionalities with respect to E-way bill for Gold in this way:

1. No Part-B details can be updated
2. Transporter update is not allowed
3. A Consolidated E-way bill cannot be generated
4. Extension of E-way bill is allowed without updating Part-B details
5. The multivehicle facility is not allowed

However, there is no modification in the cancellation and rejection of the E-way bill.



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