

# GOODS & SERVICES TAX / IDT UPDATE – 98

## Recommendations of GST council related to Law & Procedure

The 40th GST Council in its meeting held on 12th June, 2020, has made the following recommendations on Law & Procedures changes.

### Measures for Trade facilitation

#### a. Reduction in Late Fee for past Returns:

As a measure to clean up pendency in return filing, late fee for non-furnishing **FORM GSTR-3B** for the tax period from **July, 2017 to January, 2020** has been reduced / waived as under: -

- i. **'NIL'** late fee if there is no tax liability;
- ii. Maximum late fee capped at **Rs. 500/- per return** if there is any tax liability.

The reduced rate of late fee would apply for all the GSTR-3B returns furnished between **01.07.2020 to 30.09.2020**

#### b. Further relief for small taxpayers for late filing of returns for February, March & April 2020 Tax periods

For small taxpayers (aggregate turnover upto Rs. 5 crore), for the supplies effected in the month of February, March and April, 2020, the rate of interest for late furnishing of return for the said months beyond specified dates (staggered upto 6<sup>th</sup> July 2020) is reduced from 18% per annum to 9% per annum till 30.09.2020.

In other words, for these months, **small taxpayers will not be charged any interest till the notified dates for relief (staggered upto 6<sup>th</sup> July 2020) and thereafter 9% interest will be charged till 30.09.2020.**

#### c. Relief for small taxpayers for subsequent tax periods (May, June & July 2020)

In wake of COVID-19 pandemic, for taxpayers having aggregate turnover upto Rs. 5 crore, further relief provided by **waiver of late fees and interest** if the returns in **FORM GSTR-3B** for the supplies effected in the **months of May, June and July, 2020** are **furnished by September, 2020** (staggered dates to be notified).

**d. One time extension in period for seeking revocation of cancellation of registration**

To facilitate taxpayers who could not get their cancelled GST registrations restored in time, an opportunity is being provided for filing of application for revocation of cancellation of registration up to **30.09.2020**, in all cases where registrations have been cancelled till 12.06.2020.

- Certain clauses of the Finance Act, 2020 amending CGST Act 2017 and IGST Act, 2017 to be brought into force from **30.06.2020**

[\[Release ID: 1631127\]](#)

## GST Knowledge Sharing

For Previous updates, GST articles, GST webcasts, publications, GST Legal Updates & E-Newsletter, Upcoming GST Events etc. please visit

GST Articles	<a href="http://idtc.icai.org/knowledgesharing.php">http://idtc.icai.org/knowledgesharing.php</a>
GST Legal Updates& E-Newsletter on GST	<a href="http://idtc.icai.org/gst.html">http://idtc.icai.org/gst.html</a>
GST webcasts	<a href="http://idtc.icai.org/live-webcasts-series.html">http://idtc.icai.org/live-webcasts-series.html</a>
Publications	<a href="http://idtc.icai.org/publications.php">http://idtc.icai.org/publications.php</a>
Upcoming GST events	<a href="http://idtc.icai.org/upcoming-events.php">http://idtc.icai.org/upcoming-events.php</a>

### Disclaimer

*Information published in the update are taken from publicly available sources and believed to be accurate. The GST & Indirect Taxes Committee of ICAI takes no responsibility of accuracy and reliability of information published in the newsletter. No part of this update may be reproduced, stored in a retrieval system, or transmitted in any form or by any means – electronic, mechanical, photocopying, recording, or otherwise without the permission of GST & Indirect Taxes Committee of ICAI.*

### ICAI Feedback

*The GST Update is an endeavour of the GST & Indirect Taxes Committee to apprise the readers about the amendments made in various central indirect tax laws vide significant notifications, circulars etc. We welcome your feedback on the Update and its contents. Please email at [gst@icai.in](mailto:gst@icai.in) for feedback.*

**Chairman**  
**GST & Indirect Taxes Committee**

**Vice-Chairman**  
**GST & Indirect Taxes Committee**