



**Summary of Notifications issued on 24<sup>th</sup> June, 2020 to give effect to certain key decisions of 40th GST Council Meeting**

As we already know that 40th GST Council met on date 12<sup>th</sup> June, 2020 under the Chairmanship of Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman through video conferencing. The GST Council had made certain Recommendations on Law & Procedures Changes especially with regard to extension of due dates of various GST Return and waiver / relaxation of Interest and Late Fees.

**To give legal effect to those recommendations and for other matters, Govt has now issued few notifications vis-à-vis Notification No.49/2020, 50/2020, 51/2020, 52/2020, 53/2020 and 54/2020 all dated 24<sup>th</sup> June, 2020, Central Tax.**

Out of above notifications, 04 notifications are related to extension of due date / time limit for furnishing of GST Returns in Form GSTR 3B & GSTR 1, waiver / relaxation in charging of Interest and Late fees.

**CBIC has issued following Notifications on date 24<sup>th</sup> June, 2020 :-**

| Sr. No. | Notification No.     | Description   |
|---------|----------------------|---|
| 1       | 49/2020- Central Tax | To bring into force certain sections of Finance Act, 2020 in order to bring amendment to Sections 2, 109, 168 & 172 of CGST Act w.e.f. 30.06.2020 |
| 2       | 50/2020- Central Tax | To provide Rate of tax for person registered under Composition Scheme.  |
| 3       | 51/2020- Central Tax | To provide conditional relief by lowering of interest rate for a prescribed time for tax periods from February, 2020 to July, 2020.               |



|   |                 |         |  |
|---|-----------------|---------|--|
| 4 | 52/2020-<br>Tax | Central | To provide amnesty relief in late fees for non furnishing of FORM GSTR-3B from July, 2017 to January, 2020 and conditional waiver of late fee for delay in furnishing returns in FORM GSTR-3B for tax periods of February, 2020 to July, 2020. |
| 5 | 53/2020-<br>Tax | Central | To provide waiver of late fee for delay in furnishing FORM GSTR-1 for tax periods from March, 2020 to June, 2020 for monthly filers and for quarters from January, 2020 to June, 2020 for quarterly filers                                     |
| 6 | 54/2020-<br>Tax | Central | To extend due date for furnishing FORM GSTR-3B for the month of August, 2020 for taxpayers with annual turnover up to Rs. 5 crore  |

**In this compilation we are presenting summary analysis of all the notifications issued. For ease of understanding summary analysis is given in consolidated form and not notification wise**

**I. AMNESTY SCHEME FOR THOSE WHO COULD NOT FURNISHED FORM GSTR 3B FROM JULY 2017 TO JANUARY 2020**

Reduction in Late Fee for Past Period Returns

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

| Description                          | Late Fees (Rs.)     |
|--------------------------------------|---------------------|
| If there is <b>no</b> tax liability  | Nil                 |
| If there is <b>any</b> tax liability | Rs.500/- per return |

The reduced rate of late fee would apply where said returns in Form GSTR-3B are furnished between the period from 01/07/2020 to 30/09/2020



**II. APPLICABLE DUE DATES FOR GSTR 3B , GSTR 1, REDUCED INTEREST RATE & LATE FEE FOR REGISTERED PERSON -**

**A. Where Aggregate Turnover of Taxpayer in preceding FY is More Than Rs.5 crore**

| <b>Tax period</b> | <b>Extended Time Limit to Furnish GSTR 3B without any Interest</b> | <b>Rate of Interest applicable if filed after Extended time</b>              | <b>Late Fee Applicability</b>   | <b>Extended Due Date for GSTR - 1</b> |
|-------------------|--|--|---|---------------------------------------|
| February 2020     | 04 <sup>th</sup> April 2020  | 9% p.a. (if return furnished on or before 24/06/2020); thereafter @ 18% p.a. | Nil (if return furnished on or before 24/06/2020)                                     | No extension                          |
| March 2020        | 05 <sup>th</sup> May 2020  |  |   | 10 <sup>th</sup> July, 2020           |
| April 2020        | 04 <sup>th</sup> June, 2020  |  |   | 24 <sup>th</sup> July, 2020           |
| May 2020          | 27 <sup>th</sup> June, 2020  | 18%  | Normal regular late fee of Rs.20/- or Rs.50/- per return per day, as the case may be. | 28 <sup>th</sup> July, 2020           |
| June 2020         | No Relief announced as on date                                     |  |   | 05 <sup>th</sup> August, 2020         |
| July, 2020        | No Relief announced as on date                                     |  |   |                                       |
| August, 2020      | No Relief announced as on date                                     |  |   |                                       |

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**Summary Analysis of Notifications dated 24/06/2020 (Due Date Extension & other'**

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**Other important points to be considered :-**

- i. Time limit for filing of GSTR 3B is extended for 15 days from original due date (by way of notification dated 03<sup>rd</sup> April, 2020)
- ii. Original Due Date is 20<sup>th</sup> of subsequent month
- iii. Example for easy in understanding **Manner of calculation of Interest** –

Calculation of Interest for March month GSTR 3B (where Extended time limit – 05/05/2020)

| Actual Date of filing of GSTR 3B | Delay in Days (from 20/04/2020) | Interest   |
|----------------------------------|---------------------------------|--|
| 02/05/2020                       | 12 Days                         | Nil  |
| 20/06/2020                       | 61 Days                         | For First 15 days = Nil<br>For Next 46 days = @ 9% p.a.  |
| 30/06/2020                       | 71 Days                         | For First 15 days = Nil<br>For Next 50 days = @ 9% p.a. (upto 24/06/2020)<br>For Next 06 days = @ 18% p.a. (days after 24/06/2020) |

- iv. As per earlier Notification 31/2020 – Central Tax dt. 03/04/2020, if return was not furnished by the specified date vis-à-vis 24/06/2020, then Interest @ 18% was to be charged from original due date. This condition has now been removed by Notification No. 51/2020 – Central Tax dt.24/06/2020. Accordingly, a lower rate of interest of NIL for first 15 days after the due date of filing return in FORM GSTR-3B and @ 9% thereafter till 24.06.2020 is notified. After the specified date, normal rate of interest i.e. 18% per annum shall be charged for any further period of delay in furnishing of the returns.



v. **Applicability of Late Fees**

The waiver of late fee is conditional to filing the return of the said tax period by the dates specified in the notification. In case the returns in FORM GSTR-3B for the said months are not furnished on or before the dates specified in the said notification, then late fee shall be payable from the due date of return, till the date on which the return is filed.

Delay in days for computation of late fees will be computed from the date after the Original due date till the date of furnishing of actual return in GSTR 3B.

**Manner of Computation of Late Fee –**

*(Example March month GSTR 3B, extended time limit to file GSTR 3B without interest was 05/05/2020)*

As per Notification dated 03<sup>rd</sup> April, 2020, No Late fee is applicable if return is furnished on or before 24<sup>th</sup> June, 2020.

| <b>Actual Date of filing of GSTR 3B</b> | <b>Delay in Days (from 20/04/2020)</b> | <b>Late Fees</b>   |
|---|--|--|
| 02/05/2020                              | 12 Days                                | Nil  |
| 20/06/2020                              | 61 Days                                | Nil  |
| 30/06/2020                              | 71 Days                                | Since Return is furnished after 24/06/2020, Late fee will be computed for 71 days. |

- vi. Preceding FY for February & March 2020 is FY 2018-19 while for the month of April 2020 and onwards, it is FY 2019-20.



**B. Where Aggregate Turnover of Taxpayer in preceding FY is upto Rs.5 crore**

*(Group A : Whose principal place of business is in the States / UTs of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep)*

| <b>Tax period</b> | <b>Extended Time Limit to Furnish GSTR 3B without any Interest</b> | <b>Rate of Interest applicable if filed after Extended time</b>              | <b>Late Fee Applicability if return filed upto extended time</b> | <b>Extended Due Date for GSTR - 1</b>              |
|-------------------|--|--|--|--|
| February 2020     | 30 <sup>th</sup> June, 2020  | 9% p.a. (if return furnished on or before 30/09/2020); thereafter @ 18% p.a. | Nil  | If Quarterly filers – 17 <sup>th</sup> July, 2020  |
| March 2020        | 03 <sup>rd</sup> July, 2020  |  | Nil  |  |
| April 2020        | 06 <sup>th</sup> July, 2020  |  | Nil  |  |
| May 2020          | 12 <sup>th</sup> September 2020                                    |  | Nil  | If Quarterly filers – 3 <sup>rd</sup> August, 2020 |
| June 2020         | 23 <sup>rd</sup> September 2020                                    |  | Nil  |  |
| July 2020         | 27 <sup>th</sup> September 2020                                    |  | Nil  | No Notification                                    |
| August 2020       | 1 <sup>st</sup> October, 2020                                      | No Notification  | No Notification  |  |

**Other important points to be considered:-**

- i. If the Tax Payer is required to furnish GSTR 1 on monthly basis then extended time limit will be same as applicable to category mentioned in Para A above (where aggregate turnover of taxpayer is above Rs.5 crore in preceding FY)



- ii. Preceding FY for February & March 2020 is FY 2018-19 while for the month of April 2020 and onwards, it is FY 2019-20.
- iii. **Manner of Calculation Interest** –  
Calculation of Interest for March month GSTR 3B (original due date is 22/04/2020 & extended due date is 03/07/2020)

| <b>Actual Date of filing of GSTR 3B</b> | <b>Delay in Days (from 22/04/2020)</b> | <b>Interest</b>  |
|---|--|--|
| 03/07/2020                              | 72 Days                                | Nil  |
| 30/09/2020                              | 161 Days                               | For 72 days = Nil (upto 3 <sup>rd</sup> July)<br>For 89 days = @ 9% p.a.   |
| 22/10/2020                              | 183 Days                               | For 72 days = Nil (upto 3 <sup>rd</sup> July)<br>For 89 days = @ 9% p.a. (after 3 <sup>rd</sup> July to 30 <sup>th</sup> Sept)<br>For remaining 22 days = @ 18% p.a. (days after 30/09/2020) |

iv. **Applicability of Late Fees**

The waiver of late fee is conditional to filing the return of the said tax period by the dates specified in the notification. In case the returns in FORM GSTR-3B for the said months are not furnished on or before the dates specified in the said notification, then late fee shall be payable from the due date of return, till the date on which the return is filed.



**C. Where Aggregate Turnover of Taxpayer in preceding FY is upto Rs.5 crore**

*(Group B :- Whose principal place of business is in the States / UTs of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi)*

| <b>Tax period</b> | <b>Extended Time Limit to Furnish GSTR 3B without any Interest</b> | <b>Rate of Interest applicable if filed after Extended time</b>              | <b>Late Fee Applicability if return filed upto extended time</b> | <b>Extended Due Date for GSTR - 1</b>              |
|-------------------|--|--|--|--|
| February 2020     | 30 <sup>th</sup> June, 2020  | 9% p.a. (if return furnished on or before 30/09/2020); thereafter @ 18% p.a. | Nil  | If Quarterly filers – 17 <sup>th</sup> July, 2020  |
| March 2020        | 05 <sup>th</sup> July, 2020  |  | Nil  |  |
| April 2020        | 09 <sup>th</sup> July, 2020  |  | Nil  | If Quarterly filers – 3 <sup>rd</sup> August, 2020 |
| May 2020          | 15 <sup>th</sup> September 2020                                    |  | Nil  |  |
| June 2020         | 25 <sup>th</sup> September 2020                                    |  | Nil  |  |
| July 2020         | 29 <sup>th</sup> September 2020                                    |  | Nil  | No Notification                                    |
| August 2020       | 3 <sup>rd</sup> October, 2020                                      | No Notification  | No Notification  |  |

**Other important points to be considered:-**

- i. If the Tax Payer is required to furnish GSTR 1 on monthly basis then extended time limit will be same as applicable to category mentioned in Para A above (where aggregate turnover of taxpayer is above Rs.5 crore in preceding FY)





- ii. Preceding FY for February & March 2020 is FY 2018-19 while for the month of April 2020 and onwards , it is FY 2019-20.
- iii. **Manner of Calculation Interest** – Interest will be calculated in same manner as discussed above in Para B for Tax Payers having aggregate turnover upto Rs.5 crore & whose principal place of business is in state or UTs of Group A category)

Example: Calculation of Interest for March month GSTR 3B (original due date is 24/04/2020 & extended due date is 05/07/2020)

| Actual Date of filing of GSTR 3B | Delay in Days (from 22/04/2020) | Interest   |
|----------------------------------|---------------------------------|--|
| 05/07/2020                       | 72 Days                         | Nil  |
| 30/09/2020                       | 159 Days                        | For 72 days = Nil (upto 5 <sup>th</sup> July)<br>For 87 days = @ 9% p.a.   |
| 22/10/2020                       | 181 Days                        | For 72 days = Nil (upto 3 <sup>rd</sup> July)<br>For 87 days = @ 9% p.a. (after 5 <sup>th</sup> July to 30 <sup>th</sup> Sept)<br>For remaining 22 days = @ 18% p.a. (days after 30/09/2020) |

iv. **Applicability of Late Fees**

The waiver of late fee is conditional to filing the return of the said tax period by the dates specified in the notification. In case the returns in FORM GSTR-3B for the said months are not furnished on or before the dates specified in the said notification, then late fee shall be payable from the due date of return, till the date on which the return is filed.

Late fee will be computed in similar manner as discussed above in Para A (where aggregate turnover of taxpayer is above Rs.5 crore in preceding FY)



- III.** Govt. brings into force certain sections of Finance Act, 2020 in order to bring amendment in Sec -2 , 109 & 172 of CGST Act. These amendments will comes into effect from 30<sup>th</sup> June, 2020

**Summary of these amendments are –**

| <b>Sections of FA, 2020</b> | <b>Amendment in Sections of CGST Act</b> | <b>Impact of amendment</b>  |
|-----------------------------|--|---|
| Sec. 118                    | Sec 2(114)                               | It is a consequential amendment to insert “Ladakh” within the meaning of Union Territory  |
| Sec 125                     | Sec 109                                  | For Constitution of Appellate Tribunal & benches there of -<br>In Sec 109(6) - Words “except for the State of Jammu & Kashmir” shall be omitted &<br>First proviso shall be omitted         |
| Sec 129                     | Sec 168                                  | Now Commissioner is empowered to determine the Fees of special auditors.<br>Now Commissioner may extend time period of 1 year / 3 year for return of goods / capital goods sent on job work |
| Sec 130                     | Sec 172                                  | Time limits for issuing removal of difficulty order has been increased from 3 year to 5 years   |



**IV. Rule 7 of CGST Rules, 2017 has been amended to provide Rate of tax of the Composition Levy.**

It shall come into force with effect from 1<sup>st</sup> April, 2020.

| <b>Section under which Composition levy is opted</b> | <b>Category of Registered Person</b>   | <b>Rate of Tax (Prior to Amendment)</b>                    | <b>Rate of Tax (After Amendment)</b>                       |
|--|--|--|--|
| Section 10(1) & 10(2)                                | Manufacturers, other than manufacturers of such goods as may be notified by the Government | ½ % of the <b>turnover</b> in the State or Union territory | ½% of the <b>turnover</b> in the State or Union territory  |
| Section 10(1) & 10(2)                                | Suppliers making supplies referred to in clause (b) of paragraph 6 of Schedule II          | 2½% of the <b>turnover</b> in the State or Union territory | 2½% of the <b>turnover</b> in the State or Union territory |

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| Section under which Composition levy is opted | Category of Registered Person  | Rate of Tax (Prior to Amendment)  | Rate of Tax (After Amendment)  |
|---|--|---|--|
| Section 10(1) & 10(2)                         | Any other supplier eligible for composition levy :- U/s 10 & provision of this chapter ( <i>before amendment</i> ); U/s 10(1) & 10(2) ( <i>after amendment</i> ) | ½% of the turnover of <b>taxable supplies</b> of goods and services in the State or Union territory | ½% of the turnover of <b>taxable supplies</b> of goods and services in the State or Union territory    |
| Section 10(2A)                                | Registered persons not eligible under the composition levy U/s 10(1) & 10(2) but eligible to opt to pay tax U/s 10(2A)   |   | 3% of the turnover of <b>taxable supplies</b> of goods and services in the State or Union territory.”. |

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