

Indirect Taxes

Advisory on Opting-in Composition Scheme for 2020-21 by filing FORM GST CMP-02

How to opt in Composition Scheme?

- The application for opting-in composition scheme for the financial year, 2020-21 has been made available on GST Portal.
- The taxpayers who are already in composition scheme in previous financial year are not required to opt in for composition again for FY 2020-2021.
- The eligible registered taxpayers, who want to opt-in for composition scheme for the Financial Year 2020-2021, may file **FORM GST CMP-02** application up to **31st March 2020** on common portal.
- The taxpayers should navigate as follows:
Log-in>Services > Registration > Application to opt for Composition Levy>filing form GST CMP-02>file application under DSC/EVC.
- Once CMP-02 application is filed, the composition scheme shall be available to the taxpayer w.e.f. 1st April 2020.
- The taxpayers who were a regular taxpayers in previous financial year but are opting-in composition scheme for 2020- 21 should file **ITC-03** for reversal of ITC credit on stocks of Inputs, semi-finished goods and finished goods available with him within a period as prescribed under Rule 3(3A) of CGST Rules, 2017.

Return/Payment

All taxpayers opting in for composition shall file **FORM GST CMP-08** quarterly and pay GST and shall file **GSTR-4** annually.

Who are eligible taxpayers for opting-in for Composition Scheme?

Following taxpayers may opt for this scheme:

The normal taxpayers having aggregate turnover (at PAN level) below **Rs. 1.5 Crore** in the previous financial year, who doesn't want to avail ITC facility

The normal taxpayers having aggregate turnover (at PAN level) below **Rs. 75 lakh** in the previous financial year who are situated in following states:

Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand.

The normal taxpayers having aggregate turnover(at PAN level) in the previous financial year does not exceed **Rs. 50 lakh** and who is exclusively engaged in supplying services other than restaurant services .

[For more information taxpayers may refer user manual available at GST Portal](#)

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