

Indirect Taxes

Highlights of 40th GST Council Meeting held on 12th June, 2020

1. Reduction in late fee for past pending returns

The late fee for not furnishing FORM GSTR-3B for the tax period from July, 2017 to January, 2020 has been reduced/waived in the following manner:

- I. 'NIL' late fee where there is no tax liability;
- II. In case of any tax liability maximum late fee is capped at Rs.500 per return

Therefore, late fee would apply for all the GSTR-3B returns furnished between July,2020 to September, 2020

2. Relief for small taxpayers for late filing of returns for the month of February, March and April,2020

In wake of COVID-19 pandemic, for tax payers having aggregate turnover upto Rs. 5 crore, further relief provided by reduction in interest rates. For the month of February, March and April,2020 taxpayers will not be charged any interest till the notified dates for relief (staggered upto 6th July,2020) and thereafter 9% p.a interest will be charged till 30th September,2020.

3. Relief for small taxpayers for the month of May, June and July,2020

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

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

To facilitate taxpayers who could not get their cancelled GST registration restored in time, an opportunity is being provided for filing of application of revocation of cancellation of registration up to 30-9-2020, in all cases where registrations have been cancelled till 12th June,2020.

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