

JSA Covid-19 Blog - Indirect tax Update

Relaxations provided on compliances under Goods and Services Tax (May 01, 2021)

In view of the deteriorating situation of COVID-19 in the country, the Central Board of Indirect Tax and Customs has provided certain relaxations in relation to compliances to be undertaken under the Goods and Services Tax ("GST") Law.

Such relaxations provided by way of the notifications are summarised below.

1. Reduced rate of interest and late fees payable - [Notification Nos. 8 and 9/2021-Central Tax dated May 01, 2021](#)

Class of registered person	Tax Period	Rate of interest (per annum)	Late fees
Taxpayers having an aggregate turnover of more than INR 5 crores	March 2021, April 2021	<ul style="list-style-type: none"> 9 per cent for the first 15 days from the due date 18 per cent thereafter 	15 days from due date of furnishing return
Taxpayers having an aggregate turnover up to INR 5 crores (normal taxpayers and those under QRMP scheme)	March 2021, April 2021	<ul style="list-style-type: none"> Nil for the first 15 days from the due date 9 per cent for the next 15 days 18 per cent thereafter 	30 days from due date of furnishing return
Taxpayers who have opted for composition scheme	January to March 2021	<ul style="list-style-type: none"> Nil for the first 15 days from the due date 9 per cent for the next 15 days 18 per cent thereafter 	30 days from due date of furnishing return

2. Due date for filing GST returns - [Notification Nos. 10, 11, 12 and 13/2021-Central Tax dated May 01, 2021](#)

GST return	Tax Period	Due date
Form GSTR-4	FY 2020-21	May 31, 2021
Form GST ITC-04	January to March 2021	May 31, 2021
Form GSTR-1	April 2021	May 26, 2021
IFF	April 2021	May 1 to 28, 2021

3. Relaxation in availment of input tax credit - [Notification No. 13/2021-Central Tax dated May 01, 2021](#)

Cumulative adjustment of input tax credit for the period April and May 2021 as prescribed under Rule 36(4) of Central Goods and Service Tax Act, 2017 ("CGST Act") i.e., cap of 105% of input tax credit, to be applied in the Form GSTR-3B for the month of May 2021.

4. Time limits pertaining to various proceedings extended - [Notification No. 14/2021-Central Tax dated May 01, 2021](#)

Provides relaxation in relation to completion or compliance of any action required to be undertaken by a registered person and/ or a tax authority (such as issuance of notices, orders, etc. and filing replies, appeals, etc.) during the period April 15, 2021 to May 30, 2021, under the provisions of CGST Act and CGST Rules, by extending such time limit to May 31, 2021.

However, the said extension will not be available for undertaking compliances pertaining to obtaining registration, issuance of tax paying documents, filing of returns, payment of interest and late fees, power to arrest, liability of partners under Section 90 of CGST Act, levy of penalties for various offences, detention and seizure of goods and generation of e-way bills.

Further, the said notification provides the following additional relaxation:

- Time limit for completion of actions relating to registration as prescribed in Rule 9 of CGST Rules falling during the period May 1, 2021 to May 31, 2021, will be extended to June 15, 2021.
- Time limit for issuance of order for rejection of refund claim [Sections 54(5) and 54(7)] falling during the period April 15, 2021 to May 30, 2021, will be extended to fifteen days after the receipt of reply to the notice from the registered person or May 31, 2021, whichever is later.