



GST Return Filing

Practical Issues in Filing of GST Returns

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Common Errors in GSTR-3B

1. Liability was under reported
2. Liability was over reported
3. Liability was wrongly reported
4. Input Credit was under reported
5. Input Credit was over reported
6. ITC of the wrong tax was taken
7. Cash Ledger Wrongly Updated
8. Data Entry Errors
9. Transposition Errors

Circulars

Circular No :- 07/2017 dated 01/09/2017

System based reconciliation of information furnished in Form GSTR-1 and Form GSTR-2 with form GSTR-3B.

Circular No :- 15/2017 dated 06/11/2017

Due date for generation of FORM GSTR-2A and Forms GSTR-1A in accordance with the extension of due date for filing FORM GSTR-1 and GSTR-2 respectively.

Circular No :- 26/2017 dated 29/12/2017

Filing of Returns under GST

Circular No :- 26/2017 dated 29/12/2017

Return Filing Calendar:

Return Filing Dates		January 2018		February 2018			March 2018		April 2018			May 2018
		10	20	10	15	20	10	20	10	20	30	10
Up to 1.5 Crore	GSTR - 3B		Dec 3B			Jan 3B		Feb 3B		Mar 3B		Apr 3B
	GSTR -1	Jul - Sep 2017			Oct - Dec 2017						Jan- Mar 2017	
Greater than 1.5 Crore	GSTR - 3B		Dec 3B			Jan 3B		Feb 3B		Mar 3B		Apr 3B
	GSTR -1	July to Nov 2017		Dec 2017			Jan 2018		Feb 2018			Mar 2018

1	For GSTR-1	July –Monthly(For All) Aug-Sep- Quarterly(if turnover upto 1.50 Cr) Aug-Sep- Monthly(if turnover Rs 1.50 Cr or More)
2	For GSTR-2 & GSTR-3	July 2017 to March 2018 –Communicated later
3	For GSTR-4	Last date of filing of return would be 18 th after end of quarter

Circular No :- 26/2017 dated 29/12/2017

1	Late Filing Fees	GSTR-3B-Rs 10 (Nil Returns Cases) & Rs 25 (Other Cases) under CGST & SGST Acts
2	Amendment / corrections / rectification of errors	Based on Circular 7/2017 dated 01 Sep,2017, automatic reconciliation of data is to be carried out based on GSTR-1,2 & 3B which operational zed only after GSTR-2 & GSTR-3 notified.
3	For Errors in GSTR-3B	a) No provision to enter details pertains to previous months; b) Adjustment of Output tax liability & ITC can be done on net basis with current month. c) No negative entries in the FORM GSTR-3B d) Amount remaining can be adjusted in subsequent months. e) No adjustment possible, claim refund.
4.	Reconciliation of Returns GSTR-3B & GSTR-1	GSTR-3B reconciled with GSTR-1 by department system and discrepancies, if any, dealt accordingly.
5.	Reconciliation of Returns GSTR-3B, GSTR-2 & GSTR-3	Detailed instructions will be issued in due course of time.

Stages of filing of GSTR-3B

Stage 1-Confirmed Submission

Liabilities/ITC confirmed & submitted

Stage 2-Cash Ledger Updated

Cash added to the electronic cash ledger as per the return liability

Stage 3-Offset Liability

All liabilities were offset by debiting the cash and credit ledger

Stage 4-Return Filed

Return filed

Common Error-I Liability was under reported

Common Error-I	Stage of Return Filing (GSTR - 3B)			
	Stage 1	Stage 2	Stage 3	Stage 4
	Confirmed Submission	Cash Ledger Updated	Offset Liability	Return Filed
	Return liabilities / Input tax credit availed were confirmed and submitted and therefore no change can be done to the liability. No action was taken after this step.	Cash was added to the electronic cash ledger as per the return liability. No action was taken after this step.	All liabilities were offset by debiting the cash and credit ledger. No action was taken after this step.	Return was filed.
	Use "Edit" facility to add under reported liability.	Use "Edit" facility to add such liability and additional cash, if required (i.e. where sufficient balances are not available in the credit or cash ledgers) may be deposited in the cash ledger by creating challan in FORM GST PMT-06 .	Liability may be added in the return of subsequent month(s) after payment of interest.	
Liability was under reported	<p><i>Company A has four units in Haryana, while filing their return for the month of July, they inadvertently, missed on details of a last minute order. Since, they had already submitted and confirmed their output supply details, they were not sure of how to proceed. What can they do?</i></p> <p><i>The company may use the 'edit return' facility to add such liability in their submitted return and then proceed for filing of their return.</i></p>	<p><i>Company A has four units in Haryana, while filing their return for the month of July, they inadvertently, missed on details of a last minute order. Since, they had already submitted and confirmed their output supply details, but were not sure of how to proceed. They added cash in the cash to the extent of their under reported liability. What can they do?</i></p> <p><i>The company may use the 'edit return' facility to add such liability in their submitted return. Further, the company may generate a fresh challan under FORM GST PMT-06 to additional cash or utilize their credit and furnish their return.</i></p>	<p><i>Company A has four units in Haryana, while filing their return for the month of July, they inadvertently, missed on details of a last minute order. The Company had filed their returns in order to not pay late fee and other penalties. What can they do?</i></p> <p><i>In this case, they may report this additional liability in the return of next month and pay tax with interest.</i></p>	
Change in FORM GSTR-1	If such liability was not reported in FORM GSTR-1 of the month/quarter, then such liability may be declared in the subsequent month's/quarter's FORM GSTR-1 in which payment was made.			

Common Error-II Liability was over reported

Common Error - II	Stage of Return Filing (GSTR - 3B)			
	Stage 1	Stage 2	Stage 3	Stage 4
	Confirmed Submission	Cash Ledger Updated	Offset Liability	Return Filed
	Return liabilities / Input tax credit availed were confirmed and submitted and therefore no change can be done to the liability. No action was taken after this step.	Cash was added to the electronic cash ledger as per the return liability. No action was taken after this step.	All liabilities were offset by debiting the cash and credit ledger. No action was taken after this step.	Return was filed.
Liability was over reported	Use "Edit" facility to reduce over reported liability.	Use "Edit" facility to reduce over reported liability and cash ledger may be partially debited to offset such liability. Remaining balance may either be claimed as refund or used to offset future liabilities.	Liability may be adjusted in return of subsequent month(s) or refund may be claimed where adjustment is not feasible.	
	<i>Company B had reported an inter-State sale but realized that the same sale was counted twice and hence was not to be reported. But the return form was already submitted and no change could be done to the liabilities. What can company B do?</i>	<i>Company B had reported an inter-State sale but realized that the same sale was counted twice and hence was not to be reported or taxed. But the return form was already submitted and no change could be done to reduce the liabilities. Further, the company had already deposited cash in their cash ledger before realizing this error. What can company B do?</i>	<i>Company B had reported an inter-State sale but realized that the same sale was counted twice and hence was not to be reported or taxed. But the return form was already filed and no change could be done to reduce the liabilities. What can company B do?</i>	
	<i>In this case, Company B has the option to use the "edit" facility to reduce such liability and proceed to file their return.</i>	<i>In this case, Company B has the option to use the "edit" facility to reduce such liability. Once, this is done, they can partially debit their cash ledger to offset their tax liability. Further, remaining balance can either be claimed as refund or used to offset future liabilities.</i>	<i>In this case, they may reduce this liability in the return of subsequent months or claim refund of the same.</i>	
Change in FORM GSTR-1	Where the liability was over reported in the month's / quarter's FORM GSTR-1 also, then such liability may be amended through amendments under Table 9 of FORM GSTR-1			

Common Error-III Liability was wrongly reported

Common Error - III	Stage of Return Filing (GSTR - 3B)			
	Stage 1	Stage 2	Stage 3	Stage 4
	Confirmed Submission	Cash Ledger Updated	Offset Liability	Return Filed
	Return liabilities / Input tax credit availed were confirmed and submitted and therefore no change can be done to the liability. No action was taken after this step.	Cash was added to the electronic cash ledger as per the return liability. No action was taken after this step.	All liabilities were offset by debiting the cash and credit ledger. No action was taken after this step.	Return was filed.
Liability was wrongly reported	Use "Edit" facility to rectify wrongly reported liability.	Use "Edit" facility to rectify wrongly reported liability and cash ledger may be debited to offset new liability, where sufficient balances are not available in the credit ledger. Remaining balance, if any may be either claimed as refund or used to offset future liabilities.	Unreported liability may be added in the next month's return with interest, if applicable. Also, adjustment may be made in return of subsequent month(s) or refund may be claimed where adjustment is not feasible.	
	<p><i>Company C is registered in the State of Haryana. While entering their outward supplies in FORM GSTR-3B, the company realized that they had inadvertently, shown inter-State supply as intra-State supply and submitted the return. What can they do?</i></p> <p><i>In this case, the company will have to rectify wrongly reported liability using the edit facility. Here, the company will reduce their Central Tax / State tax supplies and liability and add integrated tax liability and proceed to file their return.</i></p>	<p><i>Company C is registered in the State of Haryana. While entering their outward supplies in FORM GSTR-3B, the company realized that they had inadvertently, shown inter-State supply as intra-State supply and submitted the return. Further, they also had updated their Central Tax and State tax cash ledgers. What can they do?</i></p> <p><i>In this case, the company will have to rectify wrongly reported liability using the edit facility. The company will reduce their Central Tax / State tax liability and add integrated tax liability. Further, they will have to pay integrated tax and update their cash ledger. They may seek for Central Tax / State tax cash refund in due course or use the same for offsetting future liabilities.</i></p>	<p><i>Company C was registered in the State of Haryana. While entering their outward supplies in FORM GSTR-3B, the company realized that they had inadvertently, shown inter-State supply as intra-State supply and submitted the return. The company paid their wrong liability and filed their return in order to avoid late fee and penalty? What can they do?</i></p> <p><i>Since, the return has already been filed, then the company will have to report the inter-State supply in their next month's liability and adjust their wrongly paid intra-State liability in the subsequent months returns or claim refund of the same.</i></p>	
Change in FORM GSTR-1	Such taxpayers will have to file for amendments by filling Table 9 of the subsequent month's / quarter's FORM GSTR-1.			

Common Error-IV Input Credit was under reported

Common Error - IV	Stage of Return Filing (GSTR - 3B)			
	Stage 1	Stage 2	Stage 3	Stage 4
	Confirmed Submission	Cash Ledger Updated	Offset Liability	Return Filed
	Return liabilities / Input tax credit availed were confirmed and submitted and therefore no change can be done to the liability. No action was taken after this step	Cash was added to the electronic cash ledger as per the return liability. No action was taken after this step.	All liabilities were offset by debiting the cash and credit ledger. No action was taken after this step.	Return was filed.
Input tax credit was under reported	Use 'Edit' facility to add un-availed input tax credit. Input tax Credit will be added to the credit ledger and may be used for offsetting this month or subsequent month's liability.	No Action required in cash ledger	Input tax credit which was not reported may be availed while filing return for subsequent month(s).	
	<p>Company D, while filing their FORM GSTR - 3B for the month of July, inadvertently, misreported Input tax credit of Rs. 1,00,00,000/- as Rs. 10,00,000/-. They had confirmed and submitted their return. What can they do?</p> <p>The company may use the "edit" facility to add more Input tax credit to their submitted FORM GSTR-3B. Once, this is done, such credit will be reflected in their Electronic Credit ledger and may be utilized to offset liabilities for this month or for subsequent months.</p>	No Action required in cash ledger	<p>Company D, while filing their FORM GSTR - 3B for the month of July, inadvertently, misreported Input tax credit of Rs. 1,00,00,000/- as Rs. 10,00,000/-. They had filed their return and paid Rs. 90,00,000/- in cash. What can they do?</p> <p>Since, the return has already been filed, Company D may add such Input tax credit in their return for subsequent month(s).</p>	
Change in FORM GSTR-1	No Action			

Common Error-V Input Credit was over reported

Error - V	Stage 1	Stage 2	Stage 3	Stage 4
	Confirmed Submission	Cash Ledger Updated	Offset Liability	Return Filed
	Return liabilities / Input tax credit availed were confirmed and submitted and therefore no change can be done to the liability. No action was taken after this step.	Cash was added to the electronic cash ledger as per the return liability. No action was taken after this step.	All liabilities were offset by debiting the cash and credit ledger. No action was taken after this step.	Return was filed.
	Use "Edit" facility to rectify the over reported input tax credit	Additional cash, if required, may be deposited in the cash ledger by creating challan in FORM GST PMT-06	Pay (through cash) / Reverse such over reported input tax credit with interest in return of subsequent month (s).	
Input tax credit was over reported	<p>While filing their FORM GSTR 3B for the months of July, 2017, Company E inadvertently, reported their eligible input tax credit, as Rs. 20,00,000/- instead of Rs. 10,00,000/-. What can they do?</p> <p>Since, the company has submitted details of their input tax credit but not used such credit for offsetting their liabilities, they can reduce their input tax credit by using the "edit" facility.</p>	<p>While filing their FORM GSTR 3B for the months of July, 2017, Company E inadvertently, reported their eligible input tax credit, as Rs. 20,00,000/- instead of Rs. 10,00,000/-. What can they do?</p> <p>Since, the company has submitted details of their input tax credit but not used such credit for offsetting their liabilities, they can reduce their input tax credit by using the "edit" facility. Since, they have deposited Rs. 10,00,000/- only in their input tax credit ledger they may deposit additional Rs. 10,00,000/- in the cash ledger by creating challan in FORM GST PMT-06.</p>	<p>While filing their FORM GSTR 3B for the months of July, 2017, Company E inadvertently, reported their eligible input tax credit, as Rs. 20,00,000/- instead of Rs. 10,00,000/-. Company E also utilized their additional input tax credit and filed their returns. What can they do?</p> <p>Since, the company had utilized ineligible credit to offset such liabilities, the company will have to pay (through cash) / Reverse such over reported utilized input tax credit with interest.</p>	
Change in FORM GSTR-1	No Action			

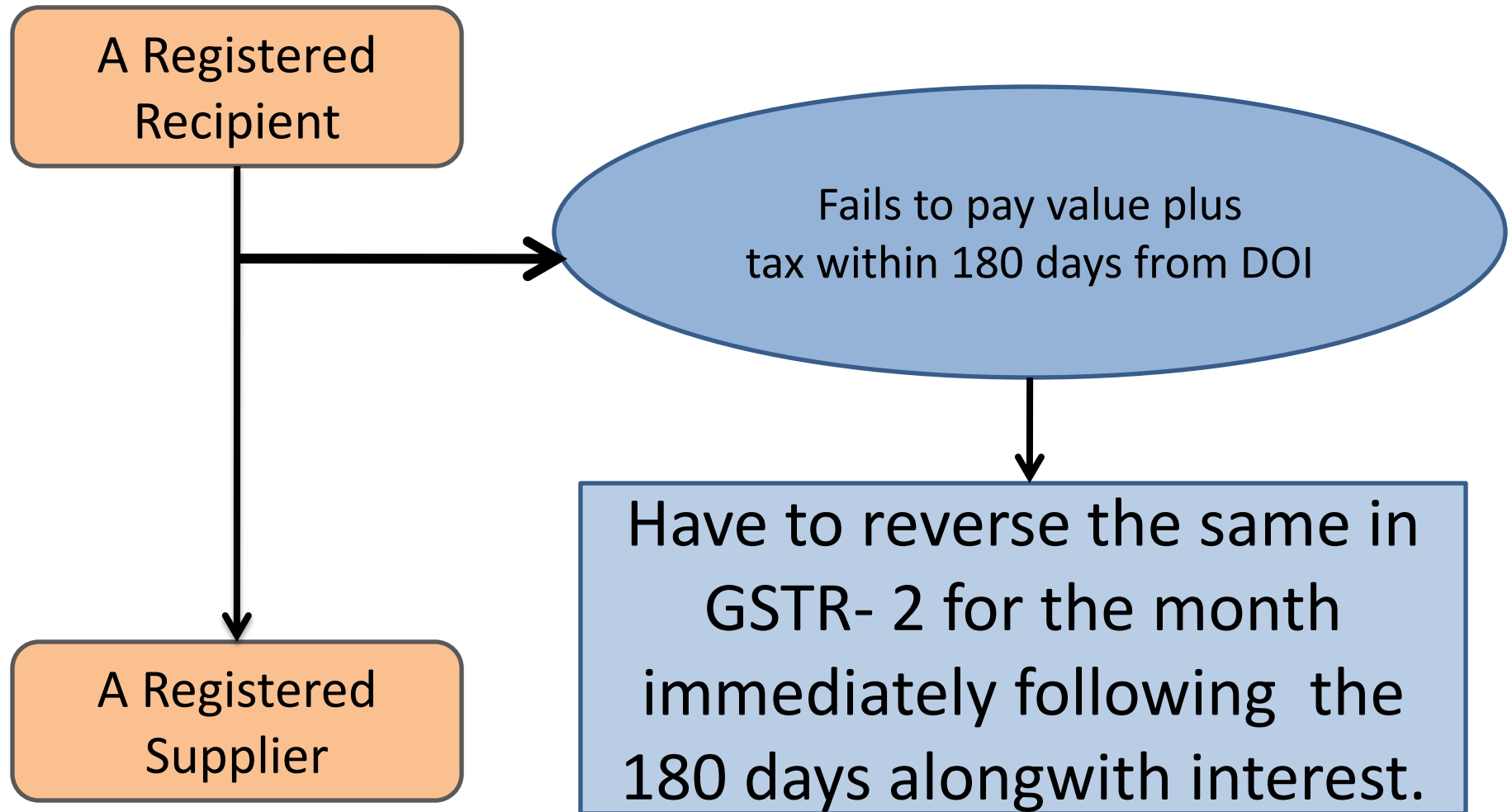
Common Error-VI ITC of the wrong tax was taken

Common Error - VI	Stage of Return Filing (GSTR - 3B)			
	Stage 1	Stage 2	Stage 3	Stage 4
	Confirmed Submission	Cash Ledger Updated	Offset Liability	Return Filed
	Return liabilities / Input tax credit availed were confirmed and submitted and therefore no change can be done to the liability. No action was taken after this step	Cash was added to the electronic cash ledger as per the return liability. No action was taken after this step.	All liabilities were offset by debiting the cash and credit ledger. No action was taken after this step.	Return was filed.
	<ul style="list-style-type: none"> • “Edit” facility to be used to rectify such liability. • New Input tax credit will be added to the credit ledger. • Input tax credit reduced will be adjusted in the credit ledger without any additional liability 	Additional cash, if required, may be deposited in the cash ledger by creating challan in FORM GST PMT-06	Pay(through cash) / Reverse any wrongly reported input tax credit in return of subsequent month(s). For under reported input tax credit, the same may be availed in return of subsequent month(s).	
Input Tax Credit of the wrong tax was taken	<p>While filing their FORM GSTR 3B for the months of July, 2017, Company E inadvertently, reported their Central Tax credit of Rs. 20,00,000/- as Integrated tax. What can they do?</p> <p>Use edit facility to claim correct central tax credit under the right head.</p>	<p>While filing their FORM GSTR 3B for the months of July, 2017, Company E inadvertently, reported their Central Tax credit of Rs. 20,00,000/- as Integrated tax. What can they do?</p> <p>They can use “edit” facility to correct central tax credit under the right head. For offsetting any integrated tax liability, additional cash may be deposited in the cash ledger by creating challan in FORM GST PMT-06.</p>	<p>While filing their FORM GSTR 3B for the months of July, 2017, Company E inadvertently, reported their Central Tax credit of Rs. 20,00,000/- as Integrated tax credit. In order to avoid late fee and penalties, they paid Rs. 20,00,000/- Central Tax in cash and did not utilize their Integrated tax credit. What can they do?</p> <p>Since, the company has filed the returns and there is an unutilized Integrated tax credit of Rs. 20,00,000/- which was inadmissible to them, they will have to pay / reverse such credit in the return of subsequent month(s). Further, Central Tax credit of Rs. 20,00,000/- can be availed in return of subsequent month(s).</p>	

Common Error-VII Cash Ledger Wrongly Updated

Common Error - VII	Stage of Return Filing (GSTR - 3B)			
	Stage 1	Stage 2	Stage 3	Stage 4
	Confirmed Submission	Cash Ledger Updated	Offset Liability	Return Filed
	Return liabilities / Input tax credit availed were reported correctly and thereafter confirmed and submitted. Therefore no change is required to be done to the liability. No action was taken after this step.	Cash was added to the electronic cash ledger as per the return liability. No action was taken after this step	All liabilities were offset by debiting the cash and credit ledger. No action was taken after this step	Return was filed.
Cash ledger wrongly updated	No Action	Add cash under the right tax head and seek cash refund of the cash added under the wrong tax head.	No Action	
	No Action	<i>While filing their FORM GSTR-3B return, Company F while generating payment challan added Rs. 5,00,000/- under the Central Tax head, while they wanted to deposit Rs. 5,00,000/- under the integrated tax head. What can they do?</i> <i>Since, they have already filed their challan, they will have to add Rs. 5,00,000/- in their integrated tax head and file their returns. Further, they may seek refund of Rs. 5,00,000/- from their cash ledger.</i>	No Action	
Change in FORM GSTR-1	No Action			

Reversal of input tax credit in the case of non-payment of consideration-Rule-37



Circular No :- 07/2017 dated 01/09/2017

1	Correction of erroneous details furnished in FORM GSTR-3B	Wrong details in GSTR-3B- Correctly report the same in GSTR-1 & GSTR-2
2	Action on the system-based reconciliation	Based on GSTR-1 & GSTR-2, Part –A of GSTR-3 will be generated and revised liability or ITC displayed in Part-B of GSTR-3.
3	Additional payment of taxes	If any difference, Liable to pay interest
4	Additional claim of eligible ITC	Credited in Electronic credit ledger
5.	Submission of GSTR-3B without payment of taxes:	GSTR-3 shall still be subjected to the reconciliation process.
6.	GSTR-3B has not submitted	File GSTR-1,2,3 and pay tax with interest and late fees
7.	Processing of information furnished	After submission of the information in FORM GSTR-1 and FORM GSTR-2, the process of matching as per section 41, 42 and 43 of the Act read with rules 69 to 76 of the Rules shall be carried out.

Circular No :- 15/2017 dated 06/11/2017

1	GSTR-2A	Due dates for furnishing the details in FORM GSTR-1 and FORM GSTR-2 have been extended, it is hereby clarified that the due date of FORM GSTR-2A is also extended
2	GSTR-1A	FORM GSTR- 1A shall be made available to the supplier from the 1st of December to the 6th of December, 2017 for the month of July 2017.

GSTR-1

Aggregate Turnover not
mentioned in GSTR-1



No option to rectify the
same now

SEZ Supplies without
payment



Specify item wise tax
rate details

For Supplies attracting
Reverse Charge



Click on Supply attract
Reverse Charge as Yes

GSTR-1

For Export invoices



Specify Port Code &
Shipping bill No

HSN Issues



No option to rectify
the same now

Documents not
updated



If Update the same in
next month

Amendments in GSTR-1

9. Amendments to taxable outward supply details furnished in returns for earlier tax periods in Table 4, 5 and 6 [including debit notes, credit notes, refund vouchers issued during current period and amendments thereof]

[illegible]

Amendments in GSTR-1

Amended B2B - Amend Invoice

• Indicates Mandatory Fields

☐ Deemed Exports

☐ SEZ Supplies with payment

☐ SEZ Supplies without payment

Receiver GSTIN/UIN •

Receiver Name •

Revised/Original Invoice No.

799

Revised/Original Invoice Date •

20/07/2017

Revised Invoice No. •

Revised Date •

DD/MM/YYYY

POS ⓘ

06-Haryana

Total Invoice Value (₹) •

₹34,386.00

Supply Type

Intra-State

☐ Supply attract Reverse Charge

Item Details

Rate (%)	Taxable Value (₹) •	Amount of Tax		
		Central Tax (₹) •	State/UT Tax (₹) •	CESS (₹)
0%				
0.1%				
0.25%				
3%				

Amendments in GSTR-1

Amended B2B - Amend Invoice

• Indicates Mandatory Fields

☐ Deemed Exports

☐ SEZ Supplies with payment

☐ SEZ Supplies without payment

Receiver GSTIN/UIN •

Receiver Name •

Revised/Original Invoice No.

799

Revised/Original Invoice Date •

20/07/2017

Revised Invoice No. •

Revised Date •

DD/MM/YYYY

POS ⓘ

06-Haryana

Total Invoice Value (₹) •

₹34,386.00

Supply Type

Intra-State

☐ Supply attract Reverse Charge

Item Details

Rate (%)	Taxable Value (₹) •	Amount of Tax		
		Central Tax (₹) •	State/UT Tax (₹) •	CESS (₹)
0%				
0.1%				
0.25%				
3%				

File Returns

• Indicates Mandatory Fields

Financial Year •

Return Filing Period •

2017-18 ▾

Jan-Mar ▾

SEARCH

*Last To-date in above table is current date

GSTR-4 for Q3 (Oct-Dec) can now be filed by taxpayers. No amendments can be made in the details filed in **Q2**. Facility to make amendment will be available shortly

****Please Note:**

The taxpayer is required to file GSTR3B and GSTR1 for the period in which registration status is **Regular**. For the period in which the registration status is **Composition** GSTR4 has to be filed.

While filing GSTR4 the drop down of the applicable quarter (for example: Jul-Sep/ Oct-Dec / Jan-Mar etc...) has to be selected for the return filing period. Whereas for monthly filing of GSTR3B and GSTR1 the applicable month (for example: July, August, September, October, November etc...) has to be selected.

For example:

If the taxpayer was Regular from 1st July 2017 to 12th August 2017 and Opted in for Composition from 13th Aug 2017 onwards, he has to file GSTR1 and GSTR3B for July month and from 1st August to 12th August 2017 after selecting August month. While uploading invoice in GSTR1, the invoice date should be till 12th Aug 2017. Any wrong declaration of invoice may lead to penal action

The taxpayer also has to file GSTR-4 return for the period from 13th Aug to 30th Sept 2017 after selecting the return filing period as Jul-Sep quarter.

<https://selfservice.gstsystem.in>

This will be live from 22 Jan 2018.

The current mail id helpdesk@gst.gov.in will NOT be active any more.

- Enable the raising of tickets by tax payers themselves, providing all required information and reducing to and fro communication between helpdesk and tax payers, helping to reach a faster resolution.
- Enable the tax payer to check the progress of his ticket that raised in the past, with latest status.
- Check the resolution comments in case the ticket is closed.
- Effective functionality of providing resolution of known errors generally faced along with the links to FAQ (based on the issue that being faced).
- Better analysis of data on issues faced by taxpayers and other stakeholders using GST System

Other points to remember

1. Generate your 2A for all the months timely manner
2. Take action to modify/accept the same
3. Seller can't change the same once action taken
4. Check your reverse charge liability in GSTR-2
5. Make corresponding adjustment in GSTR-3B accordingly

Other Issues:-

1. Interest liability on outward supply for previous period?
2. Tran-1 submitted, but not filed
3. Tran-2 submission issues
4. Data Structure Error-ITC-04

*Thank
you*



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