



Assessments and Audits, Returns under GST

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What does GST Intends to do:

- Unification of Tax
- Removal of Cascading Effects i.e. Tax on Tax
- **Ease of Doing Business**
- Uniform Tax Procedures
- Online Tax Compliance

Assessment and Audit Provisions

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Self-Assessment

Every **registered taxable person** **SHALL** himself assess the taxes payable under this Act **and** furnish a return for each tax period as specified under section 34.

It is mandatory to file
NIL Returns

Section 58: Provisional Assessments

When Applicable:

1. Assessee unable to determine the value; or
2. Assessee unable to determine the tax;
3. Pay Tax on Provisional Basis;
4. On execution of bond as well as surety;
5. Finalize assessment within 6 months or extended time

Section 59: Scrutiny of Returns



1. PO may scrutinize the return and related particulars furnished by the taxable person to verify **the correctness of the return** in such manner as may be prescribed.
2. PO shall inform the taxable person of the discrepancies noticed, if any, after such scrutiny in such manner as may be prescribed and seek his explanation thereto.
3. In case the explanation is found acceptable, the taxable person shall be informed accordingly and no further action shall be taken in this regard.
4. Where assessee fails to give satisfactory explanation within 30 days or fails to take the corrective measure in his return for the month in which the discrepancy is **accepted**, the proper officer may initiate appropriate action

Section 60: Assessment of Non-filers

- (1) Where a **registered taxable person** fails to furnish the return required under section 34 or section 40, even after the service of a notice under section 41, the proper officer may proceed to assess the tax liability of the said person to the best of his judgment taking into account all the relevant material which is available or which he has gathered and issue an assessment order within the time limit specified.
- (2) Where the taxable person **furnishes a valid return within thirty days of the service of the assessment order**, the said assessment order shall be deemed to have been withdrawn.

Section 61: Assessment of Unregistered Assesses

Notwithstanding anything to the contrary contained in section 66 or section 67, where a taxable person fails to obtain registration even though liable to do so, the proper officer may proceed to assess the tax liability of such taxable person to the best of his judgment for the relevant tax periods **and issue an assessment order within a period of five years** from the due date for filing of the **annual return** for the year to which the tax not paid relates:

PROVIDED that no such assessment order shall be passed without giving a notice to show cause and without giving the person a reasonable opportunity of being heard.

Section 62: Summary Assessment

The proper officer may, on any evidence showing **a tax liability of a person coming to his notice**, with the previous permission of [Additional/Joint Commissioner], proceed to assess the tax liability of such person to protect the interest of revenue and issue an assessment order, if he has sufficient grounds to believe that any delay in doing so will adversely affect the interest of revenue:

PROVIDED that where the taxable person to whom the liability pertains is not ascertainable and such liability pertains to supply of goods, **the person in charge of such goods shall be deemed to be the taxable person** liable to be assessed and pay tax and amount due under this section.

(2) On an application made within thirty days from the date of receipt of order passed under sub-section (1) by the taxable person or on his own motion, if the Additional/Joint Commissioner considers that such order is erroneous, he may withdraw such order and follow the procedure laid down in section 66 or 67.

Section 63: Audit by Tax Authorities

Section 63 prescribes that **Commissioner or any person authorized by him** can conduct the audit of any taxable person **for such period, at such frequency and in such manner as may be prescribed**. The provision is applicable on **taxable person** and not just upon the registered taxpayer. Section **does not prescribe the circumstances** under which such audit can be conducted. **The section also does not prescribe the time period when such audit can be conducted.**

Audit can be conducted at the place of business of the taxable person and/or in the office. The “place of business” has been EXHAUSTIVELY defined.

Section 2(78) defines only the principal place of business which means the place which is registered under the act and is mentioned on the registration certificate.

Prior notice of 15 days have to be given to the taxpayer before commencing the audit. Such audit shall be completed within the period of 3 months which may be further extended for six months by the Commissioner.

Section 64: Special Audit

Officer not below the rank of Assistant/Deputy commissioner can in the **proceedings pending before him** having regards to the **nature and complexity** of the case and in the interest of the revenue can with the prior approval of Commissioner **direct such taxable person** to get his books of accounts audited from **Chartered Accountant or a cost accountant** nominated by the Commissioner.

Provisions of section 64 can be invoked only where **the case is pending for scrutiny or any other proceedings**. Such audit shall be completed within 90 days which may be further extended for another 90 days. The remuneration of the auditor as determined by the Commissioner shall be borne by the taxpayer.

Section 65: Power of CAG to call information

The proper officer shall, upon request made in this behalf, make available to the Comptroller and Auditor General of India or an officer authorised by him, information, records and returns furnished under the Act, required for conduct of audit as required under the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act (56 of 1971).

S. No.	GST Return	Purpose	Due Date
1	GSTR -1	Outward Supplies	By 10 th of Next Month
2	GSTR -2	Inward Supplies	By 15 th of Next Month
3	GSTR-3	Monthly Return	By 20 th of Next Month
4	GSTR-4	Quarterly Return for Composition Taxpayers	Within 18 days of end of Quarter
5	GSTR-5	Non-Resident Foreign Taxable Person	Within 20 days of end of calendar month or 7 days of last date of registration whichever is earlier
6	GSTR-6	Input Service Distributor	By 13 th of next month
7	GSTR-7	Authorities deducting Tax at Source	By 10 th of Next Month
8	GSTR-8	E-commerce Operators	By 10 th of Next Month
9	GSTR-9	Annual Return	By 31 st December of succeeding year
10	GSTR-9B	Annual Return whose accounts are required to be audited.	By 31 st December of succeeding year

THANK YOU

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