

Date: 16th December, 2020

To,
Smt. Nirmala Sitharaman
Hon'ble Finance Minister,
Ministry of Finance, North Block,
New Delhi 110 001.

Hon'ble Madam,

**Sub: Request for extension of Due Dates for GST Annual Return and Audit for the
Financial Year 2018-19**

The Chamber of Tax Consultants, established in 1926, is one of the oldest non-profit organizations of tax practitioners of Mumbai, having Advocates, Chartered Accountants and Tax Practitioners as its members. Many senior tax professionals who regularly appear before CESTAT, ITAT, high courts and the Supreme Court are its Past Presidents. We have been making regular representations before various government agencies.

The Chamber regularly takes up initiatives to act as a bridge between stakeholders and concerned regulatory bodies in order to convey and help in resolving genuine grievances or effectively implement the laws.

Today, we come forth with a request of extending the due dates of filing GST Annual Return and Audit to March 31, 2021. Our request is based on 3 major pillars:

1. The Covid-19 Pandemic

We commend the Government for the way the pandemic has been efficiently tackled during the various phases of lockdown and unlock. We also appreciate the extension provided for annual return and audit up to December 31, 2020.

But, while the country has been unlocked as a whole, several state governments have individually imposed various restrictions based on the spread and severity of the Corona virus in the state. Inter-state movement is restricted to an extent in certain states. The intra-state movement is also restricted. States like Gujarat, Rajasthan, Punjab, Himachal Pradesh and Madhya Pradesh have imposed night curfew. In a city like Mumbai, whose lifeline is its local train, the metros and local trains are not running at full strength till date. The transport via public buses is not easily accessible. Nation-wide, there is still a huge fear of getting infected among the people due to which they prefer not travelling at all or restrict it to the vicinity of their homes. Due to this restriction of movement, several industries and private offices have still not resumed functioning at all. The industries and offices that have resumed are still struggling to function at a certain level of normalcy. This also includes the offices of the Chartered Accountants and Tax Practitioners.

Due to this, the details required for carrying on audit and filing the annual return are not being received promptly and thus the audits cannot be efficiently performed.

Also travelling to the place of audit without availability of trains is very difficult for the professionals and their staff in a city like Mumbai.

Several Chartered Accountants and Tax Practitioners themselves have also been infected and have not been able to work for minimum of 14 days. Also visiting any audit place all the more exposes them to the virus making them prone to get infected. If they are infected in the last few days, the businesses may suffer due to non-compliance.

In addition to this, the senior citizens are advised to stay at home. This includes senior professionals and senior assesses who following this advice shall not be able to comply with the existing due dates.

These hindrances are making it very difficult for the assesseees, the Chartered Accountants and the Tax Practitioners to comply with even the extended due dates.

2. Delay in Annual Return and Audit of Financial Year 2017-18 and making available utility for Financial Year 2018-19

The due date for Annual Return and Audit for financial year 2017-18 was extended several times up to February 7, 2020.

Post this, the utility for financial year 2018-19 was made available only in February'20 but table 8A of GSTR 9 was activated only in May'20. However, there was a national lockdown since March 21, 2020 which was eased to a certain extent only on June 6, 2020. In spite of the easing of restrictions, as mentioned above, a significant number of business including Chartered Accountants offices are not functioning at normalcy.

Also several clarifications that were required for filing of the returns were provided only up to October'20 leaving the dealers and the professionals with just 2 months to comply which also included due dates of several other compliances like filing of income tax return, income tax audit, statutory audit, statutory filings and transfer pricing audit.

3. No Loss to Revenue

Any extension made for Annual Return and Audit shall not be responsible for any loss to the revenue. Most taxes have already been paid by the dealers while filing their monthly GSTR 3B. The annual return and audit are merely reconciliation of the returns already filed.



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These are indeed unusual times and when the dates were last extended one had expected a reasonable resumption of activities – however the second predicted phase of COVID spread resulted in a slow unlocking compared to what was expected and hence the earlier date of December end which seemed reasonable at one time is now looking like an impossibility.

With due respect to the above difficulties faced by the assesseees and the professionals, we request your Honour to take them into consideration and extend the due dates for GST Annual Return and Audit to March 31, 2021. The entire fraternity of taxpayer and professionals will highly appreciate if this is done soon enough (i.e. well in advance) to allow them to get a clarity.

Sincerely,

For THE CHAMBER OF TAX CONSULTANTS

Sd/-

Anish Thacker
President

Sd/-

Mahendra Sanghvi
Chairman
Law and Representation Committee

Sd/-

Atul Mehta
Chairman
Indirect Taxes Committee

C.C. 1) Chairman – CBIC