



President
Vipul K. Choksi

Hon. Jt. Secretaries
Ketan L. Vajani | Hareesh P. Kenia

Vice President
Anish M. Thacker

Treasurer
Parag S. Ved

Imm. Past President
Hinesh R. Doshi

7th May, 2020

Smt. Nirmala Sitharaman
Union Minister of Finance, Government of India &
Chairperson - GST Council
134, North Block, New Delhi – 110 001

The Office of GST Council Secretariat,
5 th Floor, Tower II,
Jeevan Bharat Building,
Janpath Road, Connaught Place, New Delhi – 110 001

Shri M. Ajit Kumar
Hon'ble Chairman,
Central Board of Indirect Taxes and Customs,
North Block, Central Secretariat,
New Delhi, Delhi 110001

Sub: Request for allowing payment of GST without offset in GSTR – 3B especially in the current scenario of COVID-19

Honourable Madam/Sir,

The Chamber of Tax Consultants (CTC), Mumbai was established in 1926. CTC is one of the oldest voluntary non-profit making organizations in Mumbai – in its 93rd year - formed with the object of educating and updating its members on Tax and other Laws. It has robust membership strength of about 4000 professionals, comprising Advocates, Chartered Accountants and Tax Practitioners. The Chamber also has created a niche with the government and other regulatory agencies. It is the one of the leading institution for making effective representation with respect to Income Tax and Allied laws. It acts as catalyst for bring out necessary change both from the perspective of Government as well as Tax payers.

The Chamber sincerely believes that GST is in the best interest of the nation and the tax paying community at large. However, online technological infrastructure required for smooth implementation of GST is lagging behind and is resulting into hardship to the taxpayers in complying with the provisions of law.



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The GST Council has already provided for various relaxations with respect to compliances to be made under the GST Law. Notification 31/2020-CT dated 03.04.2020 has granted relief from Interest for assessee having an aggregate turnover below Rs. 5 Crores. Further, relief is provided for assessee having an aggregate turnover above Rs. 5 Crores in the form of lower rate of Interest of 9% after expiry of 15 days from the due date.

It is a welcome relief provided by the Government, however it is to be noted that the structure of GST returns is such that the tax payment is considered as paid only when the amount is offset against the liability disclosed and GSTR – 3B to that effect is filed. Further, during this lockdown period, the accounting records for the month of March 2020 and thereafter have not been finalized and not in a position for file GSTR – 3B though they may be in a position to make the payment of GST on an approximation basis.

It may therefore, be suggested to allow business to make payment of GST under Cash Ledger and the same should be considered as being paid for the purpose of charging interest. This will also improve cash flows for the respective Government on account of payment of GST by businesses. Further, this was already planned to be introduced with the New Returns which were to be implemented from April 2020. The same form PMT – 08 can be made effective for such cases in current scenario.

Though this suggestion is with respect to special circumstances under COVID – 19, GST Council may consider the said mechanism to be made effective even for situation post COVID – 19.

In view of the above, we request your good office to allow the payment of GST without offset in GSTR – 3B.

Thanking you,

Sincerely yours,

For THE CHAMBER OF TAX CONSULTANTS

Sd/-
Vipul K. Choksi
President

Sd/-
Mahendra Sanghvi
Chairman
Law & Representation Committee

Sd/-
Pranav Kapadia
Chairman
Indirect Tax Committee