

Tax Alert | Delivering clarity

Fiscal relief measures under GST due to COVID-19 outbreak

The Finance Minister (FM), Nirmala Sitharaman held a press conference on Tuesday 24 March 2020 to announce various relief measures taken by the government on statutory and regulatory matters in view of the outbreak of COVID-19. Subsequent to this, an Ordinance dated 31 March 2020 was promulgated by the President of India to enact the relaxations.

The key fiscal measures with respect to the Goods and Services Tax law are summarized hereunder:

- Late fee and interest waiver in respect of GSTR – 3B return due in March, April and May 2020 have been notified as under:

Category of Taxpayers	Tax Period	Condition	Late Fee	Rate of Interest
Taxpayers having an aggregate turnover of more than INR 5 crores in the preceding financial year	February, March and April 2020	Form GSTR-3B is furnished on or before 24 June 2020	Nil	Nil for first 15 days from the due date, and 9 per cent thereafter
Taxpayers having an aggregate turnover of more than INR 1.5 crores but up to INR 5 crores in the preceding financial year	February and March 2020	Form GSTR-3B is furnished on or before 29 June 2020	Nil	Nil
	April 2020	Form GSTR-3B is furnished on or before 30 June 2020		
Taxpayers having an aggregate turnover of upto INR 1.5 crores in the preceding financial year	February 2020	Form GSTR-3B is furnished on or before 30 June 2020	Nil	Nil
	March 2020	Form GSTR-3B is furnished on or before 3 July 2020		
	April 2020	Form GSTR-3B is furnished on or before 6 July 2020		

- Pending refund claims to be processed on immediate basis even though the GST Law provides 15 days for issuing acknowledgement or deficiency memo and total 60 days for disposing off refund claims. All communication in this regard would be done via official email IDs and not through physical submission of documents

Observations:

Considering the immediate difficulties faced by the industry, expedited refund and other fiscal measures would help in improving the cash liquidity and support the business during these unprecedented times.



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