

CBIC issues notifications to give effect to 40th GST council meeting recommendations

The Goods and Services Tax (GST) Council in its 40th meeting held on 12 June 2020 took various important decisions for trade facilitation. The Central Board of Indirect Taxes and Customs (CBIC) has now issued various notifications/orders to give effect to certain recommendations made by the GST Council

Key changes notified

Rate of composition levy

The CBIC has prescribed rates of composition levy for certain taxpayers, with effect from 1 April 2020, as under:

Category of registered persons	Rate of Tax
Manufacturers, other than manufacturers of such goods as may be notified by the government	0.5%
Suppliers making supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration	2.5%
Any other supplier eligible for composition levy	0.5%
Registered persons not eligible under the composition levy but eligible to opt to pay tax under composition scheme	3%

Waiver in late filing fees for delay in filing Form GSTR-3B for the period Jul 2017 to Jan 2020

If return for the above-mentioned period is furnished between 1 Jul and 30 Sep 2020, late filing fees shall be waived:

- 100%, in case there is no tax liability
- Above INR 250, in case there is a tax liability.

Interest and late fees for delay in filing Form GSTR-3B

For taxpayers having aggregate turnover of more than INR 5 crores in the preceding financial year

Tax period	Rate of interest		Waiver of late fees
Feb, Mar and Apr 2020	Nil for first 15 days from the due date	9% thereafter till 24 Jun 2020	If Form GSTR-3B is furnished on or before the 24 Jun 2020

For taxpayers having aggregate turnover up to INR 5 crores in the preceding financial year

Tax period	Rate of interest	Waiver of late fees
For taxpayers having principal place of business is in Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union Territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep.		
Feb 2020	Nil till 30 Jun 2020	Thereafter, 9% till 30 Sep 2020 Late fees shall be waived if return is furnished by the prescribed due dates
Mar 2020	Nil till 3 Jul 2020	
Apr 2020	Nil till 6 Jul 2020	
May 2020	Nil till 12 Sep 2020	
Jun 2020	Nil till 23 Sep 2020	
Jul 2020	Nil till 27 Sep 2020	
For tax period Aug 2020, the due date for return filing has also been extended for these states/union territories till 1 Oct 2020.		
For taxpayers having principal place of business is in the states of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union Territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.		
Feb 2020	Nil till 30 Jun 2020	Thereafter, 9% till 30 Sep 2020 Late fees shall be waived if return is furnished by the prescribed due dates
Mar 2020	Nil till 5 Jul 2020	
Apr 2020	Nil till 9 Jul 2020	
May 2020	Nil till 15 Sep 2020	
Jun 2020	Nil till 25 Sep 2020	
Jul 2020	Nil till 29 Sep 2020	
For tax period Aug 2020, the due date for return filing has also been extended for these states/union territories till 3 Oct 2020.		

Waiver of late fees for delay in filing Form GSTR-1

Month/Quarter	Late fee to be waived if GSTR-1 is furnished by
March 2020*	10 July 2020
April 2020*	24 July 2020
May 2020*	28 July 2020
June 2020*	5 August 2020
January to March 2020	17 July 2020
April to June 2020	3 August 2020
* taxpayers having aggregate turnover of more than INR 1.5 crore in the preceding financial year or current financial year	

Revocation of cancellation of GST registration:

Application for revocation of cancellation of the GST registration can be made within a period of thirty days. In this regard, it has been clarified that for the purpose of calculating the period of thirty days for registered persons (who were served notice and where cancellation order was passed by 12 Jun 2020), the **later of the following dates shall be considered:**

- Date of service of the said cancellation order; or
- 31 Aug 2020

