

Bangalore Branch of SIRC of ICAI

Webinar on 4th December 2020

The QRMP Scheme - GSTR 3B & GSTR 1

CA. Annapurna Srikanth FCA,DISA,CS

Session Synopsis

Quarterly Return Monthly Payment Scheme (QRMP – Scheme)

- **Applicability and Eligibility**
- **Procedural Aspects**
- **Implications on GSTR 2B**
- **Interest and late fee implications**
- **Suitability**
- **Legal provisions**
- **Myths and Realities**
- **Action points**

**Quarterly Return
Monthly Payment Scheme
(QRMP)**

What is QRMP Scheme?

- It is an **optional** scheme.
- Such option is available to registered persons having **aggregate turnover of up to INR 5 Crores** (both in preceding FY and current FY)
- Both **GSTR-1 and GSTR-3B** are to be filed **quarterly**
- **Payment** to be made **monthly**

Two options for payment

Fixed Sum method (Based on **trend**) – 35% of tax discharged through **cash** previous **quarter** or full tax discharged through cash during previous **month** (based on previous option being monthly or quarterly).

Self-Assessment method (Based on **actuals**) – Tax on Outward Supply **plus** RCM liability **minus** Eligible ITC.

Scheme Effective from **1st January 2021**.

Applicability & Eligibility

Who is eligible?

- Aggregate turnover in **preceding FY** (Same PAN Multi GSTIN consolidation required) – up to INR 5CR.
- Aggregate turnover exceeds in **current FY during any quarter**, the RP must **opt out** of quarterly scheme from next quarter onwards.
- Filing of October 2020 GSTR-3B within 30th November 2020 required for **auto-migration**
- Filing of the last 3B due before exercising the option is mandatory for **manual migration**.

Legal Reference – Central Tax Notification No. 84/2020 & Circular 143/13/2020 both dtd 10th Nov 2020

Who is not eligible?

- Aggregate turnover in **preceding FY** exceeds INR 5CR.
- Aggregate turnover exceeds in **current FY during any quarter**, not eligible from next quarter onwards.
- **Not filed the last due 3B**, the quarterly option won't be enabled.

Illustrations



Not eligible for QRMP



Eligible for QRMP

AT – Aggregate Turnover

Case-1



AT in FY 19-20	INR (in CR)
Karnataka GSTIN	3
Goa GSTIN	1.5
Delhi GSTIN	2
Total AT	6.5 CR

Case-2



AT in FY 19-20	INR (in CR)
AT as per 3B	4.75
AT as per books	5.20

Case-3



AT in FY 19-20	INR (in CR)
Karnataka GSTIN	3
Goa GSTIN	1
Delhi GSTIN	0.5
Total AT	4.5 CR

Case-4



AT	INR (in CR)
FY 19-20	4.75
FY 20-21	5.50

Case-5



Aggregate Turnover for FY 19-20	INR 4.75 CR
Aggregate Turnover for FY 20-21 till Dec 2020	INR 3.50 CR
Not filed GSTR-3B of Dec 2020 by 31st Jan 2021	

Auto and Manual Migration

Default option & Auto Migration

Oct 3B if filed within 30th November 2020

PY Turnover of RP	Earlier option for GSTR-1	New Scheme default option
Up to 1.5CR	Quarterly	Quarterly
Up to 1.5CR	Monthly	Monthly
More than 1.5CR and Up to 5CR (System computes)	Monthly	Quarterly

**Changing the default option is possible
& the same must be exercised between
5th December 2020 and 31st January 2021**

Legal Reference – Amendment to Section 39(1) and 39(7) & Insertion of Rule 61A implemented through Notification No. 84/2020 dtd. 10th November 2020.

Manual Migration

Opting for QRMP Scheme for Jan to March 2021 quarter

- **Check Aggregate turnover** – Same PAN Multi-GSTIN consolidation for both **FY 19-20** and **FY 20-21** till December 2020. (**INR 5CR**)
- Filing requirements for **Manual Migration**

Manual Migration timeline	GSTR 3B – Return month ought to be filed
5 th December to 21 st /23 rd December 2020	October 2020
22 nd /24 th December 2020 to 21 st /23 rd January 2021	November 2020
22 nd /24 th January 2021 to 31 st January 2021	December 2020

- Will be enabled from **5th December 2020** onwards...

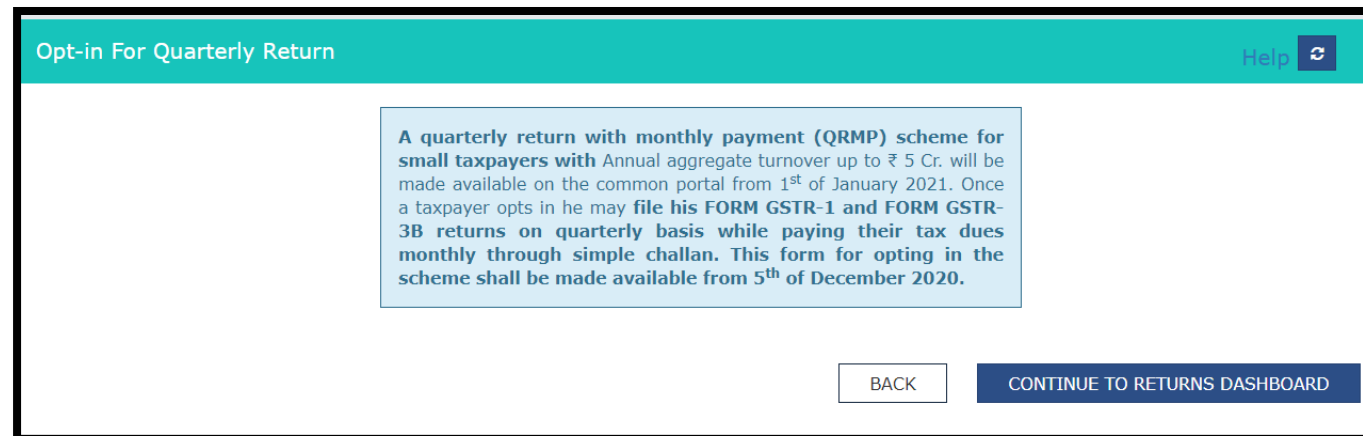
Manual Migration Navigation

Services -> Returns -> Opt-in for quarterly return



The screenshot shows the top navigation bar of the GST portal. The 'Services' menu is expanded, showing a list of options. The 'Returns' option is highlighted, and its sub-menu is visible, containing several options including 'Opt-in for Quarterly Return'.

Dashboard	Services	GST Law	Downloads	Search Taxpayer	Help and Taxpayer Facilities	
Registration	Ledgers	Returns	Payments	User Services	Refunds	e-Way Bill System
Returns Dashboard					View Filed Returns	
Track Return Status					Transition Forms	
ITC Forms					Annual Return	
TDS and TCS credit received					Tax liabilities and ITC comparison	
Opt-in for Quarterly Return						



The screenshot shows the 'Opt-in For Quarterly Return' page. The page has a teal header with the title 'Opt-in For Quarterly Return' and a 'Help' button. The main content area contains a text box with the following information:

A quarterly return with monthly payment (QRMP) scheme for small taxpayers with Annual aggregate turnover up to ₹ 5 Cr. will be made available on the common portal from 1st of January 2021. Once a taxpayer opts in he may file his FORM GSTR-1 and FORM GSTR-3B returns on quarterly basis while paying their tax dues monthly through simple challan. This form for opting in the scheme shall be made available from 5th of December 2020.

At the bottom of the page, there are two buttons: 'BACK' and 'CONTINUE TO RETURNS DASHBOARD'.

Opt-in and Opt-out

Opt-in & Opt-out

Possibilities

- Any time during the year (from 1st day of 2nd month of **previous quarter** to **last day of the first month** of the quarter) **Both opting in-opting out.**
- By default the **previous option continues..** but they can shift between quarterly and monthly **at the quarterly intervals.**
- Quarterly option available at the time of **New registration**
- Quarterly option available at the time of **shifting from composition scheme to regular scheme.**
- If consolidated aggregate turnover within INR 5CR, then option can be exercised **GSTIN wise** irrespective of same PAN.

Opt-in

Not possible

- For an eligible RP, opting to QRMP is **not possible** in the following scenarios
- Jan to March 2021
 - Option cannot be exercised **after 31st Jan 2021**.
 - If **GSTR 3B of Dec 2020** is not filed within **31st Jan 2021**.

However option can be exercised for next quarter April to June 2021 from 1st Feb 2021 to 30th April 2021 again after filing the previously due 3B.

Opt-out

Not possible

Aggregate Turnover for FY 19-20	INR 4.75 CR
Aggregate Turnover for FY 20-21 till Dec 2020	INR 3.50 CR
Opted for QRMP Scheme for Jan to March 2021 quarter	
Want to opt out from QRMP Scheme for April to June 2021. It is 4th May 2021.	

Cannot Opt-out as last date for opting out for the quarter April to June 2021 is 30th April 2021.

Procedural Aspects

Invoice Furnishing Facility (IFF)

Its an **optional facility** to upload **B2B** invoices upto **INR 50 lakhs** to enable the counter party **GSTR-2B** reflection to facilitate ITC availment.

A person opted for QRMP Scheme is required to file **GSTR-1** and **GSTR-3B** **quarterly**. But **GSTR-2B** will not reflect such invoices.

Such persons can use IFF to upload B2B invoices up to Rs.50 lakhs (**value of outward supplies**) per month for the first and second month in the quarter **between 1st to 13th** of the succeeding month.

After 13th of the succeeding month, this facility **will not** be available for the previous month.

Continuous upload facility is also available (1st of the month till 13th of the next month)

Auto flow of data from IFF to GSTR-1 quarterly return

Monthly Payment of taxes

Two methods

Fixed Sum Method – A **pre-filled challan** facility in **PMT-06** either **35%** (if previous option is **quarterly**) and **100%** of previous month (if previous option is **monthly**). **Filing of up-to date tax returns** is mandatory for using this fixed sum method. Not available if return for a '**complete tax period**' is not filed.

Self-Assessment Method – Manual computation of taxes to be paid in cash. Liability on outward supplies **plus** RCM on Inward Supplies **minus** Eligible ITC. If cash balance is already available in Electronic Cash Ledger and utilizable, then only balance deposit would be sufficient.

Legal Reference – **Section 39(7)** Amendment and **Section 148** empowers prescription of a special procedure w.r.t payment of taxes and furnishing of return implemented through Notification **CT - 85/2020** dtd 10th November 2020.

Illustrations

Fixed Sum Method

Previous option - Quarterly

Tax paid in Cash in Quarter (January - March, 2021)		Tax required to be paid in each of the months – April and May, 2021	
CGST	100	CGST	35
SGST	100	SGST	35
IGST	500	IGST	175
Cess	50	Cess	17.5

Fixed Sum Method

Previous option - Monthly

Tax paid in Cash in March, 2021		Tax required to be paid in each of the months – April and May, 2021	
CGST	50	CGST	50
SGST	50	SGST	50
IGST	80	IGST	80
Cess	-	Cess	-

Self – Assessment method

Particulars	Taxes (Amount in INR)
IGST Tax on outward supplies	100
CGST Tax on outward supplies	50
SGST Tax on outward supplies	50
RCM on Inward Supplies – IGST	10
RCM on Inward Supplies – CGST	5
RCM on Inward Supplies – SGST	5
Eligible ITC as per 2B + Balance in Electronic Credit ledger – IGST	80
Eligible ITC as per 2B + Balance in Electronic Credit ledger – CGST	55
Eligible ITC as per 2B + Balance in Electronic Credit ledger – SGST	40
Balance in Electronic Cash ledger	0 in each head

Cash to be deposited through PMT-06		
IGST (O/S+RCM)	CGST(O/S+RCM)	SGST(O/S+RCM)
15+10 =25	0+5=5	10+5=15

Switching between Payment methods

The RP is free to avail **either of the two** tax payment method above **in any of the two months** of the quarter.

Para 6.2 of Circular 143/13/2020

Timeline for deposit of taxes

Using **PMT-06**, taxes to be depositing within **25th of the succeeding month**.

While generating the challan, the reason **“Monthly payment for quarterly taxpayer”** must be selected for generating the challan.

No deposit of taxes

- In case of **Nil** tax liability
- **First month** – Balance in Electronic **cash** ledger & **credit** ledger is sufficient
- **Second month** - Balance in Electronic **cash** ledger & **credit** ledger is sufficient for the **cumulative tax**

Restrictions

This deposit **cannot** be used by the taxpayer for **any other purpose** till the **filing of return for the quarter.**

Due date for quarterly GSTR-3B

Using **PMT-06**, taxes to be depositing within **25th** of the **succeeding month for first and second month**.

The due date for GSTR-3B quarterly return would be **22nd** or **24th** of the month following the quarter for **Category 1** or **Category 2** states.

Data for quarterly GSTR-3B

Outward supplies & related **taxes** during the **quarter**
Tax under RCM during the **quarter**
Eligible ITC during the quarter

Deposit the balance tax as required,
offset the liability and
file the return

Refunds

Any **claim of refund** in respect of the amount deposited for the first two months of a quarter for payment of tax shall be permitted **only after the return in FORM GSTR-3B** for the said quarter has been furnished.

Cancellation

Even if registration is cancelled in **1st or 2nd month** then he is still required to furnish the **quarterly return**.

Alternatively he may **opt out** for that quarter and furnish the respective monthly returns

Implications on GSTR-2B

GSTR-2A/2B reflection

At present the **B2B invoices** reported by **GSTR-1 quarterly filers** will get reflected only in the respective quarterly month in GSTR-2A and in GSTR-2B based on the date of filing of GSTR-1.

With the Invoice furnishing facility (**IFF**) made available through implementation of QRMP Scheme, this issue is addressed thereby 50 lakhs worth of outward supply value could be uploaded thereby facilitating the **reflection in counterparty GSTR-2B**.

GSTR-2B to get generated after 13th of the subsequent month

Interest & Late Fee Implications

Interest implications

Fixed Sum method

Higher Tax

If tax discharged based on Fixed sum method then even if the month-wise **higher tax** payment was required and the same is discharged through the quarterly return, **no interest** implications.

Late deposit of taxes

If deposit is made after the due date of PMT-06 (i.e. **25th of the succeeding month**), then interest is applicable from **26th till the date of payment on net basis (net of ITC)**.

Late filing of quarterly return

If return is filed after the due date of quarterly GSTR-3B, then interest is applicable from **due date till the date of filing on net basis (net of ITC)**.

Rate of interest – 18%p.a.

Interest implications

Self-Assessment Method

Higher Tax

If tax discharged based on Self Assessment method then if less tax deposited then **interest on net basis (net of ITC)**.

Late deposit of taxes

If deposit is made after the due date of PMT-06 (i.e. **25th of the succeeding month**), then interest is applicable from **26th till the date of payment on net basis (net of ITC)**.

Late filing of quarterly return

If return is filed after the due date of quarterly GSTR-3B, then interest is applicable from **due date till the date of filing on net basis (net of ITC)**.

Rate of interest – 18%p.a.

Illustrations

Fixed Sum Method

Previous option - Quarterly

Tax paid in Cash in Quarter (January - March, 2021)		Tax required to be paid in each of the months – April and May, 2021	
CGST	100	CGST	35
SGST	100	SGST	35
IGST	500	IGST	175
Cess	50	Cess	17.5

Actual Tax for April is CGST – 50; SGST – 50 and IGST – 200.
No interest required on differential value.

Actual Tax for May is CGST – 40; SGST – 40 and IGST – 180.
No interest required on differential value.

Although tax due is higher **no interest** is payable

Fixed Sum Method

Previous option - Monthly

Tax paid in Cash in March, 2021		Tax required to be paid in each of the months – April and May, 2021	
CGST	50	CGST	50
SGST	50	SGST	50
IGST	80	IGST	80
Cess	-	Cess	-

Actual Tax for April is CGST – 60; SGST – 60 and IGST – 100.
No interest required on differential value.

Actual Tax for May is CGST – 55; SGST – 55 and IGST – 90.
No interest required on differential value.

Although tax due is higher **no interest** is payable

Self – Assessment method

Cash to be deposited through PMT-06 based on actuals		
IGST (O/S+RCM)	CGST(O/S+RCM)	SGST(O/S+RCM)
15+10 =25	0+5=5	10+5=15

Actual Cash deposited through PMT-06		
IGST	CGST	SGST
20	0	10

Difference		
IGST	CGST	SGST
5	5	5

Interest applicable @ 18% p.a for the differential amount

Both methods

Late filing of return

Actual Tax for the quarter is CGST – 100; SGST – 100 and IGST – 200.

Tax paid M1+M2 CGST – 70; SGST -70; IGST – 140

Return was filed after 1 week from the due date

Interest @ 18% would be applicable for the one week delay

Mode of Interest discharge

Interest to be discharged through **quarterly**
GSTR-3B by depositing to Electronic **Cash** ledger.

Late Fee Implications

Late Fee applicable for **late filing of quarterly return.**

No late fee for delay in payment of taxes through PMT-06 in M1 & M2 months.

Example - Jan to March 2021 – GSTR-3B due on 24th April is filed on 30th April 2021. Late fee of ($20 \times 6 = 120$ or $50 \times 6 = 300$ as the case may be is applicable)

If tax paid for Jan 2021 through PMT-06 on 3rd March, interest is applicable but **no late fee is applicable**

Suitability

Suitability

- **Stock intensive businesses** having ITC carry forward
- Apt in cases of predominantly **B2C transactions**
- Apt in cases of predominantly **Exempt/Nil rated** transactions
- Cases where **no much ITC** to reconcile
- **Uniform business pattern** across the year may opt for **fixed sum method** (volume and transaction types (inter/intra))
- **Seasonal businesses** may opt for **self assessment** method
- Small **exports** business **not claiming refund of ITC** or fine with the **quarterly period refund**.

Benefits

Benefits

- **Late fee** implications will **reduce by 2/3rd** (4 GSTR-3Bs instead of 12 and so also GSTR-1s)
- **IFF** will facilitate **reflection in 2B** (B2B transactions)
- Scope for **working capital** planning and management – shifting between Fixed sum and Self Assessment

Precautions

Precautions

- **Not to use** subsequent credits to prior liabilities
- Select under the drop down **“Monthly payment for quarterly taxpayer”** while making payment through PMT-06 challan
- Evaluate the suitable method – **“Fixed sum or Self Assessment”** as the refund of excess deposit in cash ledger would require efforts and has a waiting period.

Legal Provisions

Relevant Notifications & Circular

Sl. No.	Document No.	Brief description
1.	81/2020	Notifies amendment carried out in sub-section (1), (2) and (7) of section 39 vide Finance (No.2) Act, 2019 to implement QRMP scheme
2.	82/2020	Amendments to Rules pertaining to QRMP scheme
3.	83/2020	The due dates for FORM GSTR-1 is notified for monthly (11 th) and quarterly filers(13 th)
4.	84/2020	Seeks to notify class of persons eligible for QRMP scheme u/s 39(1) proviso
5.	85/2020	Special procedure for making payment of 35% as tax liability in first two months (Fixed sum method)
6.	86/2020	Rescinds Notification 76/2020-Central tax (earlier GSTR-3B due dates notified) since it has effect on QRMP scheme due dates
7.	143/13/2020	Provisions relating to Quarterly Return Monthly Payment Scheme explained

Amendments to Section 39

39(1) – Furnishing of Returns - Amended twice

- i. CGST Amendment Act 2018 added '**and within such time**' & omitted '**before 20th of the succeeding month**'
- ii. Re-arrangement of the wordings (in such form, manner, time as may be prescribed)

39(1) Proviso – Class of registered persons can file GSTR-3B on quarterly basis subject to the conditions and safeguards

39(7) – Discharge of taxes – changes in provisions made to enable monthly payment of taxes w.r.t quarterly filers.

These amendments notified vide CT 81/2020 dtd 10th Nov 2020 w.e.f. the same date.

Substitution of Rule 59

w.e.f. 1-1-2021

Furnishing of details of outward supplies

Rule 59(1) – 'for the **month or the quarter**'

Rule 59(2) – '**Invoice Furnishing facility**' between 1st to 13th of next month

Rule 59(3) – The data provided through **IFF** must be **excluded from GSTR-1**

Rule 59(4) - The details to be furnished in GSTR-1 (earlier Rule 59(2))

Rule 59(5) – **IFF includes** – Invoices to **B2B – CN/DN** to B2B invoices

Substitution of Rule 60

w.e.f. 1-1-2021

Form and manner of **ascertaining** details of inward supplies

Rule 60(1) – **GSTR-1/IFF data** to reflect in GSTR-2A-Part A, GSTR-4A, GSTR-6A

Rule 60(2) – **GSTR-5 data** – NRTP to reflect in GSTR-2A- Part A

Rule 60(3) – **GSTR-6 data** – ISD to reflect in GSTR-2A- Part B

Rule 60(4) – **GSTR-7 data** – TDS to reflect in GSTR-2A- Part C

Rule 60(5) – **GSTR-8 data** – TCS to reflect in GSTR-2A- Part C

Rule 60(6) – **Import of goods** from Overseas & SEZ to reflect in GSTR-2A- Part D

Rule 60(7) – **GSTR-2B** to **contain ITC details** based on GSTR-1s filed between due date for previous month till current month due date. And also the ITC from IFF; GSTR-5; GSTR-6; IGST on imports from overseas/SEZ during the designated timelines.

Rule 60(8) – **GSTR-2B** would be made available **after the due date of IFF or GSTR-1** whichever is **later**.

GSTR-2 removed.

Insertions in Rule 61

w.e.f. 10 Nov 2020

Rule 61(6) – RP to furnish 3B **before 20th** of the next month (Earlier this was part of the Act, now moved to rules).

Rule 61(6) First Proviso – Aggregate turnover up to **INR 5CR Category 1** states – **22nd** of the next month

Rule 61(6) Second Proviso – Aggregate turnover **up to INR 5CR Category 2** states – **24th** of the next month

Valid from 10th Nov 2020 to 31st Dec 2020.

Substitution of Rule 61

w.e.f. 1 Jan 2021

Form and manner of furnishing of return

Rule 61(1)(i) – Monthly filers to furnish 3B within **20th** of the next month

Rule 61(1)(ii) – Quarterly filers in Category 1 states to furnish Quarterly 3B within **22nd** of the next month succeeding the quarter. Quarterly filers in Category 2 states to furnish Quarterly 3B within **24nd** of the next month succeeding the quarter

Rule 61(2) – Monthly filers to discharge the tax (subject to sec 49 utilization) and then file GSTR-3B.

Rule 61(3) – Quarterly filers to deposit the taxes using PMT-06 within **25th of the next month for M1 & M2.**

Rule 61(3) First & Second Proviso – Commissioner can **extend the due date** for payment in **PMT-06** & Extension by Commissioner of State/UT deemed as notified by Commissioner

Rule 61(3) Third Proviso – Balance(if any) in E Cash ledger could be considered before depositing through PMT-06 for M1 & cumulatively for M2.

Rule 61(4) – The balance in E cash ledger to be off-set while discharging taxes by filing Quarterly 3B & **refund claim** can be made only after filing quarterly 3B.

GSTR-3 removed

Insertion of Rule 61A

Opt in-Opt out

Rule 61A(1) – The quarterly filers must indicate **their option** – i.e. quarterly **between 1st** of the second month of previous quarter till **last of the first month** in current quarter.

Rule 61A(1) First & Second Proviso – The **selected option continues** till RP becomes ineligible or voluntary opts for monthly and also if last due return is not filed.

Rule 61A(2) - If aggregate turnover **exceeds INR 5CR** during any quarter, the **RP must opt out of quarterly scheme** from the next quarter.

GSTR -2B Form notified

Table 1 – GSTIN

Table 2 – Legal Name, Trade Name & Date of generation of 2B

Table 3 - ITC that may be availed

Part-A

I - All other ITC - Supplies from registered persons other than reverse charge (Invoices & DN incl Amendments)- 4(A)(5)

II - Inward Supplies from ISD (Invoices & Amendments) - 4(A)(4)

III - Inward Supplies liable for reverse charge (Invoices & DN incl Amendments) – 3.1(d) & 4(A)(3)

IV – Imports Overseas & from SEZ (incl amendments) 4(A)(1)

Part-B – ITC Reversal

Credit Notes – B2B, ISD, RCM (incl Amendments) 4(B)(2)

GSTR -2B Form notified

Table 4 - ITC not available

Part-A

- I - All other ITC - Supplies from registered persons other than reverse charge (Invoices & DN incl Amendments)
- II - Inward Supplies from ISD (Invoices & Amendments)
- III - Inward Supplies liable for reverse charge (Invoices & DN incl Amendments) – **3.1(d)**

Part-B – ITC Reversal

Credit Notes – B2B, ISD, RCM (incl Amendments) **4(B)(2)**

GSTR -2B Advisory

- It's a **static** statement
- Data flows from **GSTR 1, 5 and 6**
- Data in 2B is based on the Invoices furnished through GSTR-1/ IFF **between the two consecutive due dates.**
- **Advised to avail ITC** in 3B based on 2B, if need be 2A may be referred for additional details
- ITC indicated as **not available** as follows
 - Section **16(4)** limitation
 - GSTIN and POS is the same state but Recipient in another state(i.e. **POS is not equal to LOR**)
- **Self-assess & reverse** the ineligible credit apart from system indicated ineligible ITC.
- Contains **import of goods** related ITC
- **RCM on Import of services** to be computed manually
- Table 3 has 2 parts –ITC that may be availed & ITC to be reversed
- Table 4 captures ITC not available

GSTR -2B Advisory

- Data in **2B to be reconciled** with books &
 - no ITC can be claimed **twice**
 - **ITC reversal** to be made on **self-assessment** basis
 - **RCM** to be made on self-assessment basis
- Two options for 2B – **Online plus Download**(Excel workbook)
- A separate **column for %** of applicable rate in certain cases

GSTR -2B Instructions

- **Negative credit** owing to amendment must be **reversed in 4(B)(2)**
- **RCM** credits are available subject to **payment of taxes**
- **Import of goods** ITC will be available in the month for which 2B is generated based on **ICEGATE** (**Courier imports** not contained here)
- If **credit notes value is negative** owing to amendment, the same could be reclaimed if reversed earlier
- Table 4 – **ITC not available** – is for **information** purposes only and ITC not to be availed in 3B.

Myths & Realities

1

Myth – Return filing and tax payment both are quarterly ❌

Reality- GSTR-3B and GSTR-1 needs quarterly filing but taxes to be deposited using PMT-06 on a monthly basis and the scheme is also named accordingly - QRMP ✓

Myth – Aggregate turnover threshold of INR 5CR to be computed GSTIN wise



Reality- Aggregate turnover to be consolidated PAN based multi – GSTIN



Myth – All PAN based GSTINs must exercise the same option either monthly or quarterly.




Reality- GSTIN wise option can be exercised, few could be quarterly and while others could be monthly



Myth – No interest till the quarterly filing ❌

Reality- Late payment of taxes does attract interest for M1 and M2 months ✓

5

Myth – RP being a monthly filer although turnover is below INR 5 CR, the due date is 22nd or 24th based on Category 1 or Category 2 state from Jan 2021 onwards. 

Reality- All monthly filers due date is 20th of the succeeding month irrespective of the turnover 

Action Points

Action Points

If you want to opt for QRMP Scheme for Jan to March 2021 quarter

- **Check Aggregate turnover** – Same PAN Multi-GSTIN consolidation for both **FY 19-20** and **FY 20-21** till December 2020.
- **File GSTR-3B of October 2020** within **30th November 2020** if you want **Auto-migration**
- Filing requirements for **Manual Migration**

Manual Migration timeline	GSTR 3B – Return month ought to be filed
1 st December to 21 st /23 rd December 2020	October 2020
22 nd /24 th December 2020 to 21 st /23 rd January 2021	November 2020
22 nd /24 th January 2021 to 31 st January 2021	December 2020

- If system has auto migrated and **you want to opt out ensure** to do the same between **5th December 2020 to 31st January 2021**.

Points to ponder

Points to Ponder

- **FY 18-19** turnover included in **FY 19-20 GSTR-3B**. Since system validates based on 3B, will opting for QRMP scheme be allowed?
- Whether **50 lakhs** limit for IFF, refers to Taxable Value or Invoice value? Further will it include debit notes/credit notes?
- Whether **Jan month invoice** can be uploaded on **1st March** using IFF?
- Based on Fixed sum method, taxes are paid, later on can it be shifted between the heads (**IGST to CGST/SGST and vice versa**) using **PMT-09**, Whether there will be interest implications?
- Will system **auto-compute the interest**?
- Is it possible to **use ITC available in second month to offset the liability of first month**?

GSTR-1 and GSTR-3B Integration

1 flowing to 3B

Auto drafted **PDF** file is available

After filed status not able to download the same

Indicative figures to avoid errors

Any **adjustments** could be done

Presently for **Monthly**

Later for **Quarterly** filers also

In case of **Negative values** in GSTR 1, it will be drafted as Zero and no automatic carry forward to the next period.

Disclaimer

The views expressed are personal and contextual.

Application may vary from case to case.

It is insisted to refer the original notifications, circular etc. before any action or inaction.



Email : caannapurnasrikanth@gmail.com

Phone : 9844779765

Head Office – Lakshmipuram, Mysore

Second Office – K.R.Circle, Mysore