

#GTTaxUpdate

COVID-19: CBIC notifies various reliefs for taxpayers under GST

Considering the second wave of the COVID-19 pandemic, the Central Board of Indirect Taxes and Customs (CBIC) has notified certain relief measures in order to ease the challenges faced by taxpayers in meeting the statutory and regulatory compliances under the GST law.

Key reliefs notified

1) Reduction in rate of interest for delayed payment of taxes

Category of taxpayer	Tax periods	Interest rate (applicable from the due date to date of payment)
Aggregate turnover above INR 5 crore	for the month of March and April 2021	<ul style="list-style-type: none">9% - for the first 15 days18% thereafter
Aggregate turnover up to INR 5 crore	for the month of March and April 2021	<ul style="list-style-type: none">Nil - for the first 15 days9% - for the next 15 days18% thereafter
Taxpayers under composition scheme	for the quarter ending 31 March 2021	<ul style="list-style-type: none">Nil - for the first 15 days9% - for the next 15 days18% thereafter

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2) Waiver of late fees for delay in furnishing return in Form GSTR-3B for tax periods March and April 2021

Category of taxpayer	Waiver of late fees
Aggregate turnover above INR 5 crore	Late fee waived for 15 days
Aggregate turnover upto INR 5 crore	<ul style="list-style-type: none">For taxpayers filing monthly returns - late fee waived for 30 daysFor taxpayers filing quarterly returns under QRMP scheme for January to March 2021 - late fee waived for 30 days

3) Extension of due dates

Type of return	Tax periods	Revised due date
Form GSTR-1	April 2021	26 May 2021
Form GSTR-1 using IFF	April 2021	28 May 2021
Form GSTR-4	FY 2020-21	31 May 2021
Form ITC-04	January to March 2021	31 May 2021

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4) Relaxation in restriction of Input Tax Credit (ITC)

Restriction of 5% cap on ITC in Form GSTR-3B be applicable on cumulative basis for period April and May 2021, to be applied in the return for tax period May 2021.

5) Extension in timelines for completion of various actions by any authority under GST law

Time limit for completion of following actions by authorities, which falls during the period from **15 April 2021 to 30 May 2021**, has been extended upto **31 May 2021** (except certain provisions):

- a) completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by whatever name called, by any authority, commission or tribunal, by whatever name called; or
- b) filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record, by whatever name called, under the provisions of the certain acts.

Time limit for completion of various actions by the authorities pertaining to verification and approval of application for registration which falls during the period from the **1 May 2021 to 31 May 2021** and where completion of such action has not been made within such time shall be extended **up to 15 of June 2021**