

SKKA IDT ALERT

11/2023 dt 24/05/2023

WEEKLY UPDATES

Time limit for exercising the option to pay GST on Forward charge for the current financial year has been extended from 15th March,2023 to 31st May 2023.

A GTA who commences new business or crosses threshold for registration during a FY can submit declaration in Annexure V within

- ✓ 45 days from date of applying for GST Registration
- ✓ 1 month from date of obtaining registration

Whichever is later. **NOTIFICATION NO. 05/2023- CENTRAL TAX (RATE) 9TH May 2023.**

Registered taxpayers whose aggregate turnover in a financial year **exceeds five crore rupees** shall be required to generate e-invoice in respect of supply of goods or services to a registered person **w.e.f. 1st August 2023.**

Earlier the limit for the same was twenty crore rupees. **NOTIFICATION NO. 10/2023 –CENTRAL TAX 10TH MAY 2023.**

Comments- The reduction in the compliance threshold will result in a broader scope of businesses being impacted by e-invoicing. It will encompass many businesses with aggregate turnovers exceeding INR 5 crores, including many mid-sized enterprises, and expanding small businesses. However, this change aims to enhance transparency, improve tax compliance, and streamline business administration processes.

Further, certain advisories and updates have also been issued by Team GSTN

1. GSTN has issued an update to inform that the competent authority has decided to defer the imposition of time limit of 7 days on reporting old e-invoices on the e-invoice IRP portals for taxpayers with aggregate turnover greater than or equal to 100 crores by three months which was proposed to be implemented from 01.05.2023 onwards.

Earlier, it was provided that if an invoice has a date of April 1, 2023, it cannot be reported after April 8, 2023. Now, it is informed that the next date of implementation will be shared with taxpayers in due course of time. Advisory dated 06/05/2023

Comments- The extension of the time limit to report invoices to the IRP will provide large businesses with the necessary time to streamline their reporting processes, ensuring effective implementation going forward. By doing so, businesses can avoid penalties for non-compliance and improve their overall compliance posture.

2. To ensure smooth transactions and prevent any potential financial fraud, The Goods and Services Tax Network has announced a new advisory i.e., the integration with bank account validation. It will ensure the accuracy of bank account details for all kinds of GST Taxpayers. **Advisory dated 24/04/2023**

3. A new facility for offline Reference Number (RFN) generation by State tax officer and verification by taxpayer has been provided. Under this feature, the State Tax office can generate a RFN for the

physically generated correspondence sent to the taxpayer, which can be validated by the taxpayer (both pre-login and post-login).

To verify a Reference Number mentioned on the offline communications sent by State GST officers that are being sent to you, navigate to Services > User Services > Verify RFN option and provide the RFN to be verified. *Advisory dated 28/04/2023*

Comments- The above process will enable the assesses to ensure that the relevant communication is being issued by the respective State GST authority only and is not a fake issuance.

SKKA COMMENTS:

With provision of online compliances and payments, the framework of GST has become more accountable. The one nation, one tax system aims to improve India's competitiveness in global markets. Being GST-compliant, organizations can experience the merits of having a unified tax system and easy input credits. Notwithstanding compliance challenges, it's clear that noncompliance is vastly more expensive and far riskier to an organization.

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