Suggestions on GST Portal

August 2021

GST & Indirect Taxes Committee

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

NEW DELHI

INTRODUCTION

1. The Institute of Chartered Accountants of India considers it a privilege to submit its suggestions on GST Portal. We shall be pleased to discuss these suggestions in the meeting scheduled to be held on 27th August, 2021 to illustrate the points made by us.

2. We look forward to contributing to the smooth implementation of GST laws in India.

3. In case any further clarifications or data is considered necessary, we shall be pleased to furnish the same. Our contact details are:

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Suggestions on GST Portal

A. Significant changes in GSTR-1, GSTR-2A, GSTR-2B and GSTR-3B Returns & Integration

Sl. No.	Subject/Module	Issue	Suggestion	Rationale for suggestion
1.	**HSN wise details**	The HSN wise tax on taxable sales details should tally up to paise otherwise it does not end the task at present since the figures in Form GSTR-3B are up to rupees resulting into mismatches in turnover and tax as per GSTR-1 and GSTR-3B.	It is suggested to provide the figures of turnover and tax in rupees only, in GSTR-1 and GSTR-3B. This would also be in line with the provisions of section 170 of the CGST Act, 2017 which requires rounding off of tax, interest, penalty, fine or any other sum payable, and refund or any other sum due to the nearest rupee.	This will avoid irrelevant mismatches.
2.	**Tables 4A,4B, 4C, 6B, 6C - B2B**	The outward supplies under RCM are currently required to be entered in the tables 4A,4B, 4C, 6B, 6C - B2B. Tick box is to be filled if the supply is	It is suggested to put up a separate table exclusively for RCM supplies so that it is not clubbed with other supplies. So	The above change will reduce errors in the data entry regarding RCM as it can be identified immediately from

		in RCM. The summary of value of supplies and output tax payable on the face of the table are inclusive of RCM liability, if any. It makes it difficult to verify the actual output tax payable & RCM supplies from the face of the table. It is difficult to identify RCM supplies from the face of the table as it is clubbed with other supplies.	that it will be easy to directly verify the RCM supplies from face of the table.	summary shown on the face of the table.
3.	HSN summary	Auto-population of HSN summary in GSTR-1 not available for taxpayers who are eligible for e-invoicing.	It is suggested to provide the facility of auto-population of HSN summary in GSTR-1 for e-invoice eligible taxpayers.	It will facilitate ease of compliance for the taxpayers.
4.	GSTR-1: B2C Sale	Portal does not allow change of B2C sales more than once.	It is suggested that some sort of a facility which would allow conversion of B2C sale to B2B sale should be given. A lot of times, due to absence of GSTN, inadvertently B2B sales are reported as B2C and the recipient does not get input tax credit. If some sort of ledger confirmation utility is given so	The genuine buyer should not be prejudiced because of a minor mistake of the supplier.

			as to convert these B2C sales to B2B akin to what is available in VAT Regime in Maharashtra a lot of these problems would be solved.	
5.	**Amendment of B2B invoice**	In Form GSTR-1 of March 2021, sale invoice dated 31/03/2021 included as 31/03/2020 and return was filed. After few days the mistake of date came to notice but we are unable to amend the B2B bill as for the FY 19-20, it was freezed by the GSTN. Similar issue is also faced at the beginning of any new year, mostly in the month of January when it takes time for a taxpayer to get accustomed to the new date. So if by mistake he puts date of previous year, he is deprived of the facility to amend the GSTR-1 thereby depriving the ITC to the recipient.	It is suggested that GSTN should also allow to amend B2B invoices within 6 months period from the date of uploading of invoices in case of freezed financial years.	This is a clerical mistake. Even after few days of uploading, we are unable to amend the invoices. It will cause injustice to the taxpayers.

6.	Issues in GSTR-1, 2A, Integration, New Tools Required	1. Downloading of details pertaining to GSTIN from GSTR-1 2. Bulk details of PAN based turnover in order to integrate with section 194Q of the Income-tax Act requirements 3. Bulk verification tools for GSTR-1, GSTN status under GST, E-way Bill	It is suggested to provide bulk verification tools which is being offered by GSP's. If the same are provided in the GST portal, the necessity to depend upon GSP will be reduced.	
7.	GSTR-2A / 2B for whole year	No facility to download GSTR-2A / 2B for the whole year.	There should be a facility to download GSTR-2A / 2B for the whole year or quarter.	For refund application, GSTR-2A needs to be downloaded. For a whole year of refund, 12 GSTR-2A / 2B need to be downloaded. With this facility, time can be saved.
8.	Availment of ITC in GSTR-3B	While filing Form GSTR-3B, portal raises warning that input availed is in excess of 105% of GSTR-2B. Sometimes, we avail that input because we forgot to take it in previous month or previous year. So, we have no other option other than just ignore that warning & continue.	It is suggested to make some changes in software (if possible), which can detect that input availed in this month is due to short ITC taken in previous months. Also, there should be a separate column in GSTR-3B which discloses ITC belonging to previous year,	This will remove the confusion faced because of the ITC which belongs to previous return period, availed in this return period.

			which is now availed this year before September return.	
9.	**Outward Supply**	Sales returns are not shown separately in Form GSTR- 3B in Table 3.1 outward supply.	It is suggested to add sales return row in Table 3.1 (Outward Supply) of Form GSTR-3B.	It will help in proper identification of comparative figure of sales and sales return.
10.	**Negative values be allowed**	Negative outward tax liability or inward tax credit are not acceptable. There may be many reasons for either negative tax liability or negative tax credit e.g., due to credit note/ debit note.	It is suggested that with satisfactory explanation/ reason, negative tax liability or negative tax credit should be accepted.	For e.g. credit note for IGST liability received during the month and there is no outward supply during the month for IGST. In such case, we are unable to upload return due to negative tax liability resulting in mismatch between Form GSTR-1 and Form GSTR-3B.
11.	**ITC**	Not able to bifurcate current year and previous year ITC at the time of reconciling Annual Return.	It is suggested to provide separate column for current year ITC and previous period ITC.	To check previous year's ITC.

12.	Acceptance of zero figure	The form does not accept zero figures under IGST, CGST and SGST for suppliers whose supplies are under RCM.	Zero should be allowed in tax even where there is some taxable value. (or) Incorporate a row for reporting a turnover, where the receipt is liable for tax under RCM.	For suppliers under RCM, they have taxable value but there is no tax to be paid by them. So, the portal should either allow 'zero' figures in tax even when there is taxable value or have a dedicated row for reporting the same.
13.	No proper functionality to take and reverse proportionate Input Tax Credit as per rule 43	There is no proper functionality to take and reverse proportionate input tax credit as per rule 43. Firstly, entire ITC needs to be claimed and then ITC needs to be reversed for 60 months in 60 GSTR-3B forms and interest also needs to be paid making it very complicated.	It is suggested that a separate column should be inserted for ITC to be availed in Rule 43.	Present system makes it very difficult to calculate ITC as per Rule 42 and 43.
14.	Form number not given on portal	Closing balance of ITC is only reflected in its ledger & form number is also not reflected for any application filed on the portal like when we apply for cancellation of registration number, form number in relation to the same is not given on portal.	Closing balance of ITC in Form GSTR-3B as at the end of the month should be reflected & form number should be reflected with the related form for every application.	ITC closing balance, if reflected like VAT in GSTR 3B will help in working to some extent and form number will also ease the working and will provide clarity.

15.	Return filing date	Date of filing of return not available in the return.	Date of filing of return may be provided in filed returns itself	If we want to know the date of filing, we have to go to GSTN and search the filing status. If the date is given in the return itself for all types of returns, it will be more convenient.
16.	**GSTR 3B: ITC Table**	ITC claim more than GSTR-2B	It is suggested to restrict the ITC claimed in Form GSTR-3B to 105% of GSTR 2B and any additional ITC claimed in the GSTR 3B needs to be specifically mentioned with a description. So, for e.g., ITC of previous month although appearing in GSTR 2B but not claimed in GSTR 3B as the goods were not received last month. When the same is claimed in current month, this would be specifically mentioned in a separate row in GSTR 3B, along with the month to which the same pertains.	This could be one of the specific mechanism to curb excess/fraudulent claim of ITC.

| 17. | **Export Invoice (with payment of IGST)** | Only one time amendment is possible in the invoice. After that nobody knows, how to get IGST refund with payment of IGST when there is error of 'Sb 001'. | Amendment be allowed in GSTR-1 for correction of invoice no., date etc. more than once. | It is not justified to deny refund on account of human error while filing GSTR-1. |

B. Suggestions on Recent changes in Registration and Refund

Sl. No.	Module/Heading	Issue	Suggestion	Rationale for suggestion
1.	**E-KYC Aadhar Verification**	PAN card and Aadhar card are linked at income tax site. However, in GST registration at the time of e-KYC Aadhar verification, physical verification comes into picture because the name does not match with UIDAI data base. Physical verification generally requires any suspicion about the existence of business. Now, even if the name gets mismatched, physical verification is being done. Generally, in south India, father's name is used as initials in every name. This is the major mismatch found in e-KYC verification.	PAN card and Aadhar card data should be linked at GSTN portal also.	To avoid unnecessary delays and unwanted physical verification.

2.	**Aadhar authentication**	Resending of Aadhar authentication link doesn't work.	It is suggested to provide a facility to resend the Aadhar authentication link.	
3.	**Registration approval/rejection**	Few registrations are being done in single day and few takes more than a week. As taxpayer can't file current month's GSTR-3B without filing previous month's GSTR-3B, in same case registration should be approved/rejected on FIFO basis.	Registration requests to approving authority should be on FIFO basis only, that will be helpful in lesser corruption.	
4	**Refund module**	Law provides for 3 hearings of SCN and assessee can also submit multiple replies, but portal does not allow officer to issue multiple SCN nor allows assessee to upload multiple replies.	Portal should be changed to allow multiple SCNs and multiple replies.	
5.	**PFMS**	Delay in refund	Please provide automatic link of bank a/c available in GST portal with PFMS to avoid unnecessary delay in Refund	There will be no unnecessary delay in getting the processed Refund

C. Suggestions on available Functionalities

Sl. No.	Module/Heading	Issue	Suggestion	Rationale for suggestion

1.	Registration	Maximum size of documents to be uploaded is too small (For e.g., 1mb for partnership deed, 100kb for electricity bill, etc).	Limits may be increased to 5MB as done in refunds module.	As the normal size of most of the documents is more than the size allowed by the portal.
2.	**Visibility of show cause notice on the portal**	SCN are issued under various modules (refunds, registration etc.), but they are visible only if one goes to each and every module.	Popup on main face of portal should show notification of all communication from department in any module.	It will help the taxpayer become aware of all the SCNs at once.
3.	**E-way Bills**	E-way bill data as of now is available only on monthly basis	It is suggested that the visibility of e-way bill data be increased for any period within a financial year - both for purchases and sales	This would help matching of data easily and avoid multiple downloading and consolidation.
4.	**Statement S-01A for Refund under inverted duty structure**	There are strict validations in excel utility of S-01A statement where even copy + paste special is not allowed causing a lot of hardship in preparing the statement which is a primary requirement for filing of GST refund application - in case of inverted duty structure.	It is suggested to simplify the validation rules in statement S-01A.	Current validation in S-01A is really troublesome as invoice date / type needs to be entered manually for every entry.
5.	**Form ITC-04 : Job worker's return**	1) At present, ITC-04 GSTN utility accepts 5000 lines at the time of	Following actions are suggested:	It will help in:

		upload. In case of entities having large data, it takes longer time to upload and manage data. 2) GSTN does not provide line wise details of previously uploaded data in ITC-04 return and does not make available data for annual reconciliation.	1. GSTN ITC-04 utility should support more number of lines for upload. 2. Line wise details of previously uploaded ITC-04 return should be made available.	1. Better data management and ease in filing of ITC-04 return. 2. Availability of own data of filed return for periodic reconciliation of challan data.
6.	**GST Form APL-01**	Only three types of orders are available in drop down box for filing the appeal viz: 1.Demand order, 2. Refund order, 3.Registration order. Rectification order u/s 161 also needs to be linked.	It is suggested to include "Rectification order" also in drop down list for filing appeal.	When rectification order could not be linked, we have to link Demand order and if it is linked, then time barring alert is shown.

D. Suggestions on New Functionalities & Tools required

Sl. No.	Module/Heading	Issue	Suggestion	Rationale for suggestion
1.	**Amendment in Core Field**	No excel or json utility for additional place of businesses	It is suggested to provide json utility for additional place of	In case, a registered person wants to enter 100 additional places of businesses at a time, then portal

		in case of multiple additional places of business.	business or provide option to import data through excel file.	should provide excel import for additional place of businesses or provide json utility for the same so that the registered person would not have to add it manually one by one on portal.
2.	**Refund issues**	Refund under inverted tax structure	The excel utility offered to fill up the details pertaining to refund is non-functional and it has a lot of issues as well. Instead of that, if an offline java utility is placed, it will erase all the error that we find in an excel file and smoothen the process of refunds.	Refunds have been an integral part of the GST system. Though the system of refunds has been made transparent and faster but the issue lies with the tax payer to fill up the details. It may be simplified with a better format.
3.	**Reply to Notices**	1. When asessee submits reply to any notice, sometimes no order is passed, and sometime need is felt to communicate online with the proper officer and/or higher authorities. For example in suspension of GST registration, if no order is passed on reply submission, then assessee cannot file restoration application, since registration is not cancelled.	1. A mechanism to communicate online with the proper officer and higher authorities may be provided, in case order (on submission of reply against notice), is not passed in the stipulated time	1.'Suggestion 1' may facilitate asessee to seek remedy online and in shorter duration.

4.	**Matching tools**	Matching tool as was proposed with now dropped ANX-1 & ANX-2.	A format should be given where all purchases can be exported and then, this file is uploaded in matching tool which matches it with GSTR-2B in system and gives the result and differences between purchases in books and GSTR-2B	This will help in matching for small & medium taxpayers since now matching has become a regular activity.
5.	**E-way Bill**	E-way Bill generation in bulk	Availability of tool to generate e-way Bill in bulk	Only weekly data can be generated now.
6.	**GSTR-2A/2B**	Currently, GSTR-2A/2B can be downloaded on monthly basis only and there is no provision to download for custom specific period. The taxpayers need to first download multiple GSTR-2A/2B for different months and then accumulate them in a single file. This results in loss of extra man hours.	A custom period field can be added and based on the input periods, consolidated GSTR-2A/2B should be made available in a single file.	GSTR-2A/2B is the statement of inward supplies. ITC of a particular year can be availed till September of next year. Besides the monthly reconciliation, the taxpayer also does an annual reconciliation while filing September return. At that time, consolidated GSTR-2A/2B is required. Due to non-availability of the same, the taxpayers need to download month wise statements and then add them to a single file which results in loss of extra man hours and also increases the possibility of errors in copy-paste. If the statement can be made available for custom specific period, this will enable the taxpayers

			to save their time and also make the file error free. This would also facilitate in periodic reconciliation, review, and it may also facilitate year end finalization.