

# Recommendations of GST council related to Law & Procedure

Posted On: 12 JUN 2020 4:08PM by PIB Delhi

The 40<sup>th</sup> GST Council met under the Chairmanship of Union Finance & Corporate Affairs Minister Smt Nirmala Sitharaman through video conferencing here today. The meeting was also attended by Union Minister of State for Finance & Corporate Affairs Shri Anurag Thakur besides Finance Ministers of States & UTs and senior officers of the Ministry of Finance & States/ UTs.

The GST Council has made the following recommendations on Law & Procedures changes.

**1. Measures for Trade facilitation: Reduction in Late Fee for past Returns:**

As a measure to clean up pendency in return filing, late fee for non-furnishing **FORM GSTR-3B** for the tax period from **July, 2017 to January, 2020** has been reduced / waived as under: -

1. 'NIL' late fee if there is no tax liability; Maximum late fee capped at **Rs. 500/- per return** if there is any tax liability.

The reduced rate of late fee would apply for all the GSTR-3B returns furnished between **01.07.2020 to 30.09.2020**

**1. Further relief for small taxpayers for late filing of returns for February, March & April 2020 Tax periods:**

For small taxpayers (aggregate turnover upto Rs. 5 crore), for the supplies effected in the month of February, March and April, 2020, the rate of interest for late furnishing of return for the said months beyond specified dates (staggered upto 6<sup>th</sup> July 2020) is reduced from 18% per annum to 9% per annum till 30.09.2020. In other words, for these months, small taxpayers will not be charged any interest till the notified dates for relief (staggered upto 6<sup>th</sup> July 2020) and thereafter 9% interest will be charged till 30.09.2020..

**1. Relief for small taxpayers for subsequent tax periods (May, June & July 2020):**

In wake of COVID-19 pandemic, for taxpayers having aggregate turnover upto Rs. 5 crore, further relief provided by waiver of late fees and interest if the returns in **FORM GSTR-3B** for the supplies effected in the **months of May, June and July, 2020** are furnished by September, 2020 (staggered dates to be notified).

**1. One time extension in period for seeking revocation of cancellation of registration:**

To facilitate taxpayers who could not get their cancelled GST registrations restored in time, an opportunity is being provided for filing of application for revocation of cancellation of registration up to **30.09.2020**, in all cases where registrations have been cancelled till 12.06.2020.

2. Certain clauses of the Finance Act, 2020 amending CGST Act 2017 and IGST Act, 2017 to be brought into force from **30.06.2020**.

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**Note: The recommendations of the GST Council have been presented in this release in simple language for information of all stakeholders. The same would be given effect through relevant**

**Circulars/Notifications which alone shall have the force of law.**

**RM/**

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