



Weekly GST Communique



GST

Important Notification, Instructions, etc.

- CBIC instruct field officers to expedite the pending refund claims by April 30, 2020
- CBIC placed a Special Refund and Drawback Disposal Drive to dispose of pending Refund & Drawback claims
- CBIC further amends customs notification to makes consequential changes to enactment of Finance Act, 2020
- DGFT extends the time limit by granting one-time condonation under the EPCG Scheme till March 31, 2021

Important Updates

- GSTN issued summary of extended due dates for filing of various GST Returns during COVID-19
- CBIC has taken Trade Friendly Initiatives to avoid disruptions from COVID-19
- Advisory issued for the taxpayers for Extending the Validity of E-Way Bills
- GSTN issued Advisory on Opting-in for Composition Scheme for 2020-21 - Extension of Dates in view of COVID-19

Video of the week

- Recent Changes and Burning Issues in GST (Facebook Live Webinar) || CA Bimal Jain

Income Tax

Important Press Releases

- IT Department to release all pending income tax refunds up to Rs 5 lakhs immediately
- CBDT issues orders u/s 119 of IT Act, 1961 to mitigate hardships to taxpayers arising out of compliance of TDS/TCS provisions

GST

Important Notification, Instructions, etc.

CBIC instruct field officers to expedite the pending refund claims by April 30, 2020



The CBIC vide *Instruction No. 2/1/2020 - GST dated April 09, 2020*, which states that all pending GST refunds including IGST refunds shall be expeditiously processed. The decision to process the pending refund claims has been taken with a view to provide immediate relief to the taxpayers in these difficult times even though the GST Law provides 15 days for issuing acknowledgment or deficiency memo and total 60 days for disposing of the refund claims without any liability to pay interest, all pending refund applications must be taken up for processing immediately.

However, before granting the refunds on merits, considering all the relevant legal provisions and circulars, all communication must be done using official email IDs. It may please be noted that the prescribed process doesn't warrant any physical submission of documents and any such practice must be avoided. As far as the IGST Refunds of the exporters in whose case the / scrolls have been suspended based on instructions from DGARM, the extant

procedure prescribed vide letter dated January 23, 2020 shall continue to be followed. Further, it is requested that daily monitoring of disposal of pending refund claims should be done by the Zonal Pr. Chief Commissioner/Chief Commissioners and efforts should be made to dispose of all the pending refund claims by April 30, 2020.

The complete instruction can be accessed at: [http://cbic.gov.in/resources/htdocs-cbec/gst/GST%20Refunds Clarification%20 1 2020.pdf](http://cbic.gov.in/resources/htdocs-cbec/gst/GST%20Refunds%20Clarification%201%202020.pdf)

CBIC placed a Special Refund and Drawback Disposal Drive to dispose of pending Refund & Drawback claims



CBIC placed an Special Refund and Drawback Disposal Drive to dispose of pending Refund & Drawback claims

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Background:

CBIC has taken a number of measures to mitigate the hardship caused by the Covid-19 pandemic to the trade and industry and other stakeholders. These measures include 24x7 Customs functioning, single window helpdesk on the CBIC website, waiver of late fee for delays in filing Bills of Entry, temporarily dispensing with submission of bonds, wherever required, etc.

Continuing with these trade facilitation measures, it has been decided that all pending Customs refund and drawback claims shall be expeditiously processed in order to provide immediate relief to the business entities, especially MSMEs, in these difficult times. This decision was announced vide Press Note dated April 8, 2020 issued by the Department of Revenue, Ministry of Finance.

Instruction:

The **CBIC vide Instruction No. 03/2020-Customs dated April 9, 2020** instructed that starting with immediate effect there shall be a "Special Refund and Drawback Disposal Drive" with the objective of priority processing and disposal

of all pending refund and drawback claims. This Special Drive shall be in place till April 30, 2020. It is expected that during this period all refund and drawback claims that are pending as on April 7, 2020 shall be disposed.

The Principal Chief Commissioners/ Chief Commissioners shall monitor the performance on this front closely on a daily basis and, wherever required, suitably guide the officers concerned to maximize the disposal. As stated, the focus on refunds and drawback is aimed at providing immediate relief to the business entities, especially MSMEs, which makes it an imperative to ensure that there are no delays.

In this regard, the following may kindly be taken note of:

1. Though the decision to process pending refund claims has been taken with a view to provide immediate relief to the taxpayers, due diligence is to be done before granting the refunds and drawback. All the relevant legal provisions, notifications, circulars and instructions must be followed while processing these claims.
2. For facilitation of exporters, all communication should be done over email, wherever email id of the applicant is available.
3. All deficiency memos may be reviewed and refund / drawback may be considered on merit.

Read more at: <http://cbic.gov.in/resources/htdocs-cbec/customs/cs-instructions/cs-instructions-2020/cs-ins-03-2020.pdf>

CBIC further amends customs notification to makes consequential changes to enactment of Finance Act, 2020



CBIC further amends customs notification to makes consequential changes to enactment of Finance Act, 2020

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The CBIC vide **Notification No. 19/2020- Customs dated April 9, 2020** amended **Notification No. 8/2020-Customs dated February 2, 2020** to make the following changes:

1. For the words, figures and brackets “*clause 139 of the Finance Bill, 2020, which, by virtue of the declaration made in the said Finance Bill under the Provisional Collection of Taxes Act, 1931 (16 of 1931), has the force of law*”, the words, figures and brackets, “*section 141 of Finance Act, 2020 (12 of 2020)*” shall be substituted;
2. For the words “*under the said clause of the Finance Bill*”, the words “*under the said section of the said Finance Act*” shall be substituted.

Before it read as:

“In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) read with clause 139 of the Finance Bill, 2020, which, by virtue of the declaration made in the said Finance Bill under the Provisional Collection of Taxes Act, 1931 (16 of 1931), has the force of law, the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of the description specified in column (2) of the Table below and falling within the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), from the whole of the Health Cess leviable thereon under the said clause of the Finance Bill:...”

Read more at: <http://cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs19-2020.pdf>

DGFT extends the time limit by granting one-time condonation under the EPCG Scheme till March 31, 2021

**EXPORT PROMOTION CAPITAL
GOODS (EPCG) SCHEME**

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The DGFT vide **Public Notice No. 01/2015 - 20 dated April 07, 2020**, which further extends the time limit to receive the requests in RAs for block-wise extension and further extends the export obligation period and submission of installation certificate up to **March 31, 2021**. However, the additional composition fees of Rs. 5000/- is not required to pay.

The public notice can be accessed at: <https://dgft.gov.in/sites/default/files/PN%20No.1%20signed%20English%20scanned%20copy%20no.1.pdf>

Important Updates

GSTN issued summary of extended due dates for filing of various GST Returns during COVID-19

GST Return Due Dates



The GSTN has issued a functionality to track the status of the refund application that has been available on the GST portal. By utilizing this functionality, **the taxpayers can know the stage at which the refund application is pending with the tax-officer/ taxpayer.**

1. Opt in for Composition in FY 2020-21

Normal Taxpayers wanting to opt for Composition should not file GSTR3B and GSTR 1 for any tax period of FY 2020-21 from any of the GSTIN on the associated PAN.

Form	Tax period (FY)	Extended Date
GST CMP-02	2020-21	30.06.2020
GST ITC-03	2019-20 (As on 31-3-2020)	31.07.2020

2. Compliances for Composition taxpayers:

Form	Tax period	Extended Date
GST CMP-08	Jan to March 2020	07.07.2020
GSTR-4	FY 2019-20	15.07.2020

3. NRTP, ISD, TDS & TCS taxpayers:

S. No.	Return Type, Form	To be filed by	Tax Period	Due Date	Extended Date
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1	GSTR-5	Non-Resident Taxpayers	March, April & May, 2020	20th of succeeding month	30.06.2020
2	GSTR-6	Input Service Distributors	-do-	13th of succeeding month	30.06.2020
3	GSTR-7	Tax Deductors at Source (TDS deductors)	-do-	10th of succeeding month	30.06.2020
4	GSTR-8	Tax Collectors at Source (TCS collectors)	-do-	10th of succeeding month	30.06.2020

4.Extension of validity period of EWB:

E-way bills ("EWB"), whose expiry date lies between March 20, 2020, and April 15, 2020, would also be deemed to be valid till April 30, 2020.

Source: <https://www.gst.gov.in/newsandupdates/read/368>

CBIC has taken Trade Friendly Initiatives to avoid disruptions from COVID-19



CBIC has taken various trade friendly initiatives to avoid any possible disruptions from COVID19.

Trade friendly initiatives by CBIC

24*7 Customs Clearances of Goods to avoid any supply disruptions
Custom formations are working for clearance of both import & export cargo. Assessment, examination and ancillary work such as bond acceptance, warehousing, port clearance, amendment to documents is happening smoothly
Dedicated Novel Corona Virus helpdesk for Exim Trade stakeholders on CBIC website to facilitate quick resolution of issues faced

Importers can submit undertakings in lieu of the requisite bonds during the lockdown period which will be replaced by proper bonds paper
The time limit for completion of proceedings and filing of any appeal under the Customs Act, 1962 has been extended till 30th June 2020 through an Ordinance
Based on email requisitions, computers and related accessories have been permitted by the Customs to be transferred to residences of employees of Software Technology Parks of India (STPIs), to facilitate work from home
Late fee charged on delayed filing of Bill of Entry on import consignments from COVID19 affected countries on account of non-receipt of documents has been waived off
Importers can submit undertakings during the lockdown period which will be replaced by proper bonds later
Ordinance on relaxation of time limit for proceedings has been passed under the Customs Act, 1962 till the 30th June 2020
Regular coordination with District Administration/Police authorities is being maintained for smooth movement of EXIM cargo
Recognizing the difficulties faced by trade in taking delivery of imported cargo, MHA has revised its guidelines, feedback from owners of Customs bonded warehouses, indicates many warehouses and godowns are open and functional
As per MHA directive, employees working for Custom Brokers (CBs) services are permitted to travel to the ports or Customs House on passes issued by the port
Zonal chiefs and the Board are promptly monitoring the situation through video conference meetings with the field officers and trade to resolve the emerging issues

Complete Details can be accessed: <http://www.a2ztaxcorp.com/wp-content/uploads/2020/04/cbic.jpg>

Source: https://twitter.com/cbic_india/status/1247802297029029899

Advisory issued for the taxpayers for Extending the Validity of E-Way Bills

Advisory for extending the validity of E-Way Bills



The E-Way Bill system has issued an advisory for the taxpayers for extending the validity of EWBs. The taxpayers may note that they can exercise following options in such a scenario:

Cancel the EWB: Supplier of goods can cancel the EWB, within 24 hours of its generation, subject to the condition that the EWB has not already been verified by the Proper Officer. Later on, the same invoice number can be used for the generation of another EWB.

Extension of validity of EWB: Any person who enters details in Part B of EWB, including transporter assigned to EWB, a consignor or consignee can extend the validity of that EWB, within 08 hours before/after its validity expires. This validity can be extended more than once by the transporter by giving reasons. Thus, if the validity of EWB is expiring on 29.03.2020, then-current transporter can extend the validity from 4.00 pm of 29.03.2020 to 8.00 am of 30.03.2020.

Change the transporter and Update it on EWB: The system enables present transporter to update the transporter details, against a particular EWB, if the transporter is getting changed for further movement of the goods. When the transporter detail is updated, the next transporter can update the Part-B of EWB. The generator of the EWB can also update the details of the new transporter.

Update the Vehicle number on EWB: Transporter can use this option to update the vehicle number in Part B of the EWB if it has not been entered while generating EWB or vehicle is changed for moving goods because of various reasons like transit movement, vehicle breakdown etc. In case where the transporter has not been assigned in the EWB, the generator of the EWB can update the Part-B of EWB, with the number of other vehicles to be used for transportation.

It is also suggested that user may generate EWB, only after all the details of transporter etc. is available with them.

Source: <https://ewaybill.nic.in/#>

GSTN issued Advisory on Opting-in for Composition Scheme for 2020-21 - Extension of Dates in view of COVID-19



**GSTN issued
Advisory on
Opting-in for
Composition
Scheme for
2020-21**

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A. Due to COVID-19 pandemic and challenges faced by taxpayers, the Government has extended dates for opting for composition scheme by normal taxpayers, for the financial year 2020-21. These are notified in [Notifications 30/2020](#) Central Tax, dated 03.04.2020. [Circular No. 136/06/2020-GST](#) dated 3rd April 2020 has also been issued.

B. Existing Normal taxpayers who want to opt for Composition Scheme in Financial Year 2020-21 may note the following changes:

(a) Revised date to file Form GST CMP 02: Normal and registered taxpayers who want to opt-in for Composition in FY 2020-21 can apply in Form GST CMP-02 by 30th June 2020.

(b) No GSTR 1 or 3B must be filed in 2020-21 financial year for associated PAN: The taxpayers **SHOULD NOT** file any GSTR-1/GSTR-3B, for any tax period of FY 2020-21, from any of the GSTIN on the associated PAN, or else they will not be able to opt for composition scheme for FY 2020-21.

(c) No need for re-opting for the composition scheme: The taxpayers who are already in the composition scheme, in a previous financial year are not required to opt-in for composition again for FY 2020-2021.

(d) Revised date to file Form GST ITC 03: Form GST ITC-03 to reverse ITC for the stock in hand at the time of transition can be filed till 31st July 2020.

(e) Modification in earlier advisory date 18.02.2020: The advisory issued on 18.02.2020 and available on GST Portal (click here for the link <https://www.gst.gov.in/newsandupdates/read/356>) **stands modified** to the above extent.

Source: <https://www.gst.gov.in/newsandupdates/read/373>

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Video of the week

Recent Changes and Burning Issues in GST (Facebook Live Webinar) || CA Bimal Jain

 **A2Z TAXCORP LLP**
Tax and Law Practitioners

Recent Changes and
Burning Issues in GST
(Facebook Live Webinar)

By
CA Bimal Jain

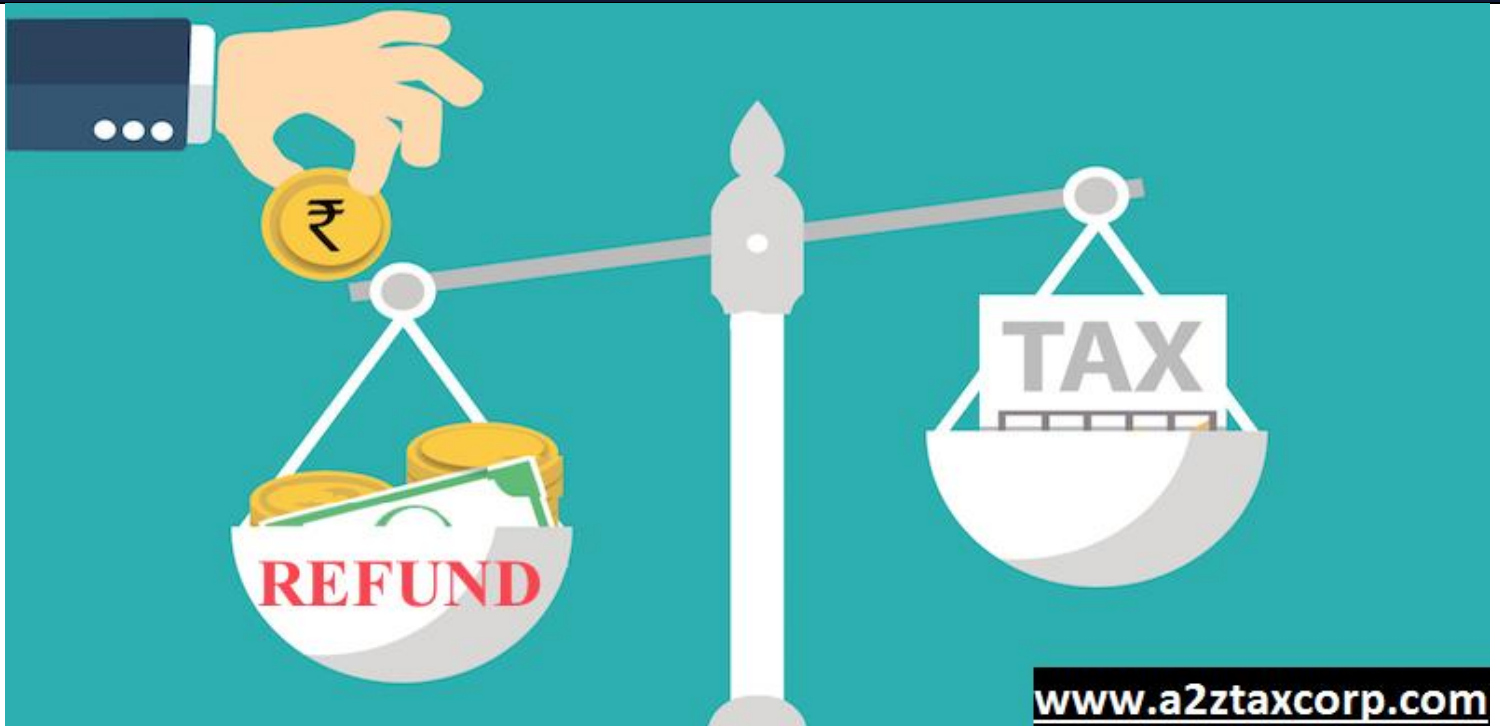
You can access the complete video on “**Recent Changes and Burning Issues in GST (Facebook Live Webinar) || CA Bimal Jain**” at following link: <https://youtu.be/a1WTvvPbV2I>

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Income Tax

Important Press Releases

IT Department to release all pending income tax refunds up to Rs 5 lakhs immediately



In the context of the COVID-19 situation and with a view to provide immediate relief to the business entities and individuals, it has been decided to issue all the pending income-tax refunds up to Rs. 5 lakh, immediately. This would benefit around 14 lakh taxpayers.

It has also been decided to issue all pending GST and Custom refunds which would provide benefit to around 1 lakh business entities, including MSME. Thus, the total refund granted will be approximately Rs. 18,000 crore.

Complete Press Release can be accessed: <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1612291>

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CBDT issues orders u/s 119 of IT Act,1961 to mitigate hardships to taxpayers arising out of compliance of TDS/TCS provisions

**CBDT issues orders
u/s 119 of IT Act,1961
to mitigate hardships
to taxpayers arising
out of compliance of
TDS/TCS provisions**

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Due to outbreak of the Covid-19 pandemic, there is severe disruption in the normal working of almost all sectors. To mitigate the hardships of taxpayers, the CBDT has issued the following directions/clarifications by exercise of its power u/s 119 of the Income-tax Act, 1961 (the IT Act):

All the assesseees who have filed application for lower or nil deduction of TDS/TCS for F.Y. 2020-21 and whose applications are pending for disposal as on date and they have been issued such certificates for F.Y. 2019-20, then such certificates would be applicable till 30.06.2020 of F.Y. 2020-21 or disposal of their applications by the Assessing Officers, whichever is earlier, in respect of the transaction and the deductor or collector if any, for whom the certificate was issued for F.Y. 2019-20. **In cases where the assesseees could not apply for issue of lower or nil deduction of TDS/TCS in the Traces Portal for the F.Y. 2020-21, but were having the certificates for F.Y. 2019-20, such certificates will be applicable till 30.06.2020 of F.Y. 2020-21. However, they need to apply at the earliest giving details of the transactions and the Deductor/Collector to the TDS/TCS Assessing Officer as per procedure prescribed.** Further, on payments to Non-residents (including foreign companies) having Permanent Establishment in India, where the above applications are pending, tax on payments made will be deducted at the subsidised rate of 10% including surcharge and cess, on such payments till 30.06.2020 of F.Y. 2020-21, or disposal of their applications, whichever is earlier (Order passed on 31.03.2020).

In case of pending applications for lower/nil rate of TDS/TCS for F.Y. 2019-20, the Assessing Officers have been directed to dispose off the applications through a liberal procedure by 27.04.2020, so that the taxpayers may not have to pay extra tax which may cause liquidity issues to them (Order passed on 03.04.2020).

To mitigate the hardships of small taxpayers, it has been decided that if a person had submitted valid Forms 15G and 15H to the Banks or other institutions for F.Y. 2019-20, then these Forms would be valid up to 30.06.2020. This will safeguard the small tax payers against TDS where there is no tax liability (Order passed on 03.04.2020).

All the above orders passed u/s 119 of the IT Act are available on www.incometaxindia.gov.in under the head Miscellaneous Communications.

Complete Press Release can be accessed: <https://pib.gov.in/PressReleseDetail.aspx?PRID=1611042>

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News Flash

- **GST officers process 10,077 new registrations, 7,876 refund applications in 10 days of lockdown**
<https://www.a2ztaxcorp.com/gst-officers-process-10077-new-registrations-7876-refund-applications-in-10-days-of-lockdown/>
- **CBIC allows traders to import, export goods without furnishing bonds**
<https://www.a2ztaxcorp.com/cbic-allows-traders-to-import-export-goods-without-furnishing-bonds/>
- **Remuneration paid to directors to attract GST: AAR**
<https://www.a2ztaxcorp.com/remuneration-paid-to-directors-to-attract-gst-aar/>
- **GST: Centre relaxes e-way bill deadline, defers restriction of input tax credit**
<https://www.a2ztaxcorp.com/gst-centre-relaxes-e-way-bill-deadline-defers-restriction-of-input-tax-credit/>
- **Punjab CM writes for early release of GST arrears**
<https://www.a2ztaxcorp.com/punjab-cm-writes-for-early-release-of-gst-arrears/>
- **COVID-19: Medical Fraternity Demands Withdrawal Of GST On Hand Sanitizers, Masks**
<https://www.a2ztaxcorp.com/covid-19-medical-fraternity-demands-withdrawal-of-gst-on-hand-sanitisers-masks/>
- **Gujarat decides to amend state GST Act to provide relief**
<https://www.a2ztaxcorp.com/gujarat-decides-to-amend-state-gst-act-to-provide-relief/>
- **Finance Ministry exempts customs duty, cess on import of Covid-19 test kits, ventilators, face masks**
<https://www.a2ztaxcorp.com/finance-ministry-exempts-customs-duty-cess-on-import-of-covid-19-test-kits-ventilators-face-masks/>

**ABOUT US:**

A2Z TAXCORP LLP is a boutique Indirect Tax firm having professionals from Multi disciplines which includes Goods and Services Tax (GST), Central Excise, Custom, Service Tax, VAT, DGFT, Foreign Trade Policy, SEZ, EOU, Export – Import Laws, Free Trade Policy etc.

Thanks & Best Regards,

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