

FURTHER EXTENSION THE ONLY SOLUTION FOR GST ANNUAL RETURN & GST AUDIT

Highlights

- One must accept the fact that the said delays are not due to lethargy or non-compliance of the tax payers.
- There are various clarifications, interpretations and technical issues involved.
- GST annual returns 9, 9A and 9C for 2017-18 were available online in March, 2019 and offline in April, 2019.

The GST annual return & GST audit report for the first year, which is 2017-18, had to be submitted before December 31, 2018, but saw three extensions - March 31, 2019, June 30, 2019 and finally August 31, 2019. However looking at the recent statistics released by the authorities it is observed that only 15 % of annual returns and less than 1 % of the audit reports have been furnished.

Further tax officials have warned of severe consequences and heavy penalty if same are not filed in time. In the next 10 days it is expected that pending 99 % of the audit reports have to be furnished and balance 85 % of Annual Returns have to be furnished. One must accept the fact that the said delays are not due to lethargy or non-compliance of the tax payers. There are various clarifications, interpretations and technical issues involved. There has to be a proper technical cell to assist the taxpayers to resolve their technical issues.

CAG also said there were deficiencies in the GST system, indicating a “serious lack of coordination between the executive and the developers.” There will be unnecessary litigation as due to paucity of time the reports may be qualified and submission of wrong data will lead to unrequired tax liabilities. It may also lead to penal consequences on the trade and consultants for submission of incorrect

data. The due date for filing of income tax returns is also August 31, which clashes with the due date for submission of GST audit reports.

Various professional associations have already represented before the authorities to extend the due dates for the same. Considering the numerous problems and issues faced by the trade and professionals, it is the need of the hour to postpone the due date for filing Annual Returns and GST Audit Reports for the fiscal year ended March 2018 to November 30, 2019 and for year ended March 2019 postponing the due dates for annual return & GST audit will not impact the revenue of the government.

Source: The Economic Times