

GST | Council Meeting Highlights

After a 6 months gap from the last meeting, the GST Council met on 28 May 2021. Following are the key recommendations of the meeting.

I. COVID related items

a. Full exemption from IGST till 31 August 2021 on medical oxygen, oxygen concentrators, certain markers test kits, COVID-19 vaccines and Amphotericin B imported on payment basis (for donation to Government / relief agency or for commercial use)

b. More individual items would be declared as 'exempt' upon the recommendations of the newly constituted group of ministers.

II. Other goods and services: GST rates on DEC tablets to be reduced to 5% from 12%. Certain clarifications relating to taxability/ exemption to various goods/ services have been issued.

III. Relaxations in timelines and granting of amnesties

Particulars	Relief Granted
Amnesty Scheme for pending FORM GSTR-3B pertaining to July 2017- April 2021	
Tax payers with NIL liability	Maximum Rs. 500 (Rs. 250 for each, CGST and SGST return filing)
Other taxpayers	Maximum Rs. 1,000 (Rs. 500 for each, CGST and SGST return filing)
Time period allowed: 1 June 2021 – 31 August 2021	
Rationalization of late fee for delayed filing of FORM GSTR-3B or FORM GSTR-1	
Taxpayers having NIL liability in GSTR-3B or NIL outward Supplies in GSTR-1	Maximum late fees: Rs. 500 (Rs. 250 CGST + Rs. 250 SGST)
For other taxpayers:	
Turnover upto 1.5 Cr in preceding FY	Rs. 2,000
Turnover between 1.5 Cr to 5 Cr (PFY)	Rs. 5,000
Turnover exceeding 5 Cr (PFY)	Rs. 10,000
Rationalization of late fee for delayed filing of GSTR-4 by composition taxpayers	
Taxpayers with Nil Tax Liability	Rs. 500 per return
Other taxpayers	Rs. 2,000 per return
Late fee for delayed filing of GSTR-7 by Tax Deductors	Rs. 50 per day (Maximum Rs. 2,000 per return)
COVID-19 related relief measures	
Small taxpayers (aggregate turnover upto Rs. 5 crores)	<p>Reduction in interest rate For March 2021: Nil for first 15 Days, 9% for next 45 days and 18% thereafter For March 2021: Nil for first 15 Days, 9% for next 45 days and 18% thereafter For May 2021: Nil for first 15 Days, 9% for next 15 days and 18% thereafter</p> <p>Waiver of Late Fees For March 2021: Nil for first 60 Days For April 2021: Nil for first 45 Days For May 2021: Nil for first 30 Days</p>

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Particulars	Relief Granted
Large taxpayers (aggregate turnover > Rs. crores)	Reduction in interest rate: May 2021: 9% for first 15 Days 18% thereafter Waiver of late fees: For May 2021: Nil for first 15 Days
Composition Taxpayers	Reduction in interest rate: March 2021 quarter: Nil for first 15 Days, 9% for next 45 days and 18% thereafter Nil for first 15 Days
Extension of several other due dates	
Filing GSTR-1/ IFF of May'21	By 15 days
Filing GSTR-4 of FY 20-21	Till 31st July 2021
Filing ITC-04 of March'21	Till 30th June 2021
Other taxpayers Cumulative application of rule 36(4) for April to June'21	To be seen in June 2021 return
Allowing return filing by EVC instead of DSC	Till 31 August 2021
Extension of Time limit for completion of various actions, by any authority or by any person, under the GST Act	If it falls between 15 April to 29 June 2021: Extended upto 30th June 2021. (Except those cases where due dates are extended by honourable Supreme Court, where the SC mandated extensions will apply)
Filing of GSTR-9/9A/9C of FY 2020-21	GST Annual Returns i.e. GSTR-9/9A: optional for taxpayers with turnover upto Rs. 2 Crores. No GST Audit Certificate of CA in Form 9C required from FY 20-21 onwards GST Reconciliation Statement for Annual Return required for taxpayers with turnover exceeding Rs. 5 Cr (Self-certification by tax payer filing Annual Return GSTR 9, in GSTR 9C format, will be applicable for FY 2020-21)
Interest to be charged at net tax payment	Amendment in section 50 of the CGST Act to the effect that interest to be charged on net tax liability to be applied retrospectively from 1st July 2017