



## Summary of the Notifications issued by CBIC on 10<sup>th</sup> November 2020.

### Quarterly Returns Monthly Payment Scheme (QRMP)

<b>QRMP Scheme</b>	<ul style="list-style-type: none"> <li>➤ Decided on 42<sup>nd</sup> council meeting</li> <li>➤ Effective from 01.01.2021</li> <li>➤ Applicable only to Registered Person having aggregate turnover of up to Rs. 5 crores in the preceding financial year</li> </ul>
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### Procedure to opt in and out

<b>Registered person – Turnover =&lt; Rs. 5 crores in the preceding financial year</b>	<ul style="list-style-type: none"> <li>➤ No need to opt in separately – default migration to this scheme</li> <li>➤ Should have filed GSTR-3B of October 2020 within November 2020</li> </ul>
<b>Registered person – Turnover &gt; Rs. 5 Crores in the preceding financial year</b>	<ul style="list-style-type: none"> <li>➤ Not eligible to opt in</li> </ul>
<b>Registered person – Turnover from Rs. 1.5 crores to Rs. 5 crores in the preceding financial year</b>	<ul style="list-style-type: none"> <li>➤ No need to opt in separately – default migration to this scheme</li> </ul>
<b>Registered person – Turnover =&lt; Rs. 1.5 crores in the preceding financial year</b>	<ul style="list-style-type: none"> <li>➤ Registered person who have opted for monthly returns - default option of monthly scheme – can opt in this scheme between 05.12.2020 to 31.12.2021</li> <li>➤ Registered person opted for quarterly returns – default migration into this scheme</li> </ul>
<b>Registered person in normal scheme, when can they opt for the quarterly scheme? (Turnover less than Rs.5 crore)</b>	<ul style="list-style-type: none"> <li>➤ Can opt into this scheme from 1st day of the second month of the preceding quarter to last day of the first month of the quarter eligible to be opted in</li> <li>➤ For example, if the registered person intends to avail the scheme for July to September quarter, he can exercise the option during 1st May to 31st July</li> </ul>
<b>Newly registered persons and persons opting out of composition scheme during the year</b>	<ul style="list-style-type: none"> <li>➤ Can opt in this scheme from 1st day of the second month of the preceding quarter to last day of the first month of the quarter eligible to be opted in</li> <li>➤ For example, if the registered person intends to avail the scheme for July to September quarter, he can exercise the option during 1st May to 31st July</li> </ul>
<b>Turnover during the year crosses Rs. 5 crores</b>	<ul style="list-style-type: none"> <li>➤ Should opt out of the scheme electronically on the common portal from the succeeding quarter, that means if he crosses the turnover suppose in June 2021, then for July to Sept 2021 quarter the registered person should opt out of the scheme.</li> </ul>



<b>Registered person having Multiple GSTIN's</b>	<ul style="list-style-type: none"> <li>➤ Each GSTIN will have option to opt for the scheme.</li> <li>➤ Registered person can have few GSTIN's in monthly scheme and few GSTIN's in quarterly scheme.</li> </ul>
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### **Timeline of returns (QRMP option)**

<b>In case of GSTR-1</b>	<ul style="list-style-type: none"> <li>➤ Invoice furnishing facility – for the 1<sup>st</sup> two months of the quarter</li> <li>➤ GSTR-1 for the third month</li> </ul>
<b>In case of GSTR-3B</b>	<ul style="list-style-type: none"> <li>➤ GST PMT-06 for the 1<sup>st</sup> two months of the quarter</li> <li>➤ GSTR-3B for the third month</li> </ul>

### **Invoice Furnishing Facility (IFF)**

<b>IFF</b>	<ul style="list-style-type: none"> <li>➤ Optional to avail</li> <li>➤ Invoices to be filed between 1<sup>st</sup> day to 13<sup>th</sup> day of the succeeding month</li> <li>➤ Only B2B Invoices – Maximum limit of Rs. 50 lakhs per month can be filed</li> </ul>
<b>Reasons</b>	<ul style="list-style-type: none"> <li>➤ ITC to be reflected in GSTR 2B of recipient</li> </ul>

### **GST PMT-06**

<ul style="list-style-type: none"> <li>➤ New form introduced</li> <li>➤ Due date – 25<sup>th</sup> day succeeding the month</li> <li>➤ Two modes of payment available for first two months of the quarter</li> <li>➤ Fixed Sum method</li> <li>➤ Self-assessment method</li> <li>➤ No option to disclose input tax credit (will be disclosed in GSTR-3B for the 3 months)</li> </ul>
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<b>Fixed sum method</b>	<ul style="list-style-type: none"> <li>➤ Deposit 35% of total tax paid in the preceding quarter</li> <li>➤ For the first two months</li> </ul>
<b>Self-assessment method</b>	<ul style="list-style-type: none"> <li>➤ Taxpayer to self-assess his tax and make monthly payment</li> </ul>

### **Due dates under this scheme**

<b>GSTR-3B</b>	<ul style="list-style-type: none"> <li>➤ Due date – 22<sup>nd</sup> and 24<sup>th</sup> of succeeding month of such month</li> </ul>
<b>GSTR-1</b>	<ul style="list-style-type: none"> <li>➤ Due date – 13<sup>th</sup> of succeeding the month of such month</li> </ul>



## **Late fees and Interest**

<b>Late fees</b>	<ul style="list-style-type: none"><li>➤ Only applicable for delayed filing of GSTR-3B</li><li>➤ Calculated from due date till date of filing</li></ul>
<b>Interest</b>	<ul style="list-style-type: none"><li>➤ Applicable for both PMT-06 and GSTR-3B in case of delayed filing</li><li>➤ Calculated at net tax liability</li></ul> <p><b><u>If opted for fixed sum method</u></b></p> <p>No interest to be paid if as per the system 35% is paid in the first two months of the quarter, even if the actual liability was more than the amount paid. The PMT 06 has to be paid within the due date every month. If the PMT 06 challan is not filed by due date, then applicable interest will be charged from the due date till the date of actual payment.</p> <p><b><u>If opted for self-assessment method</u></b></p> <p>Interest will be paid for the shortfall for each month from the due date of filing till the date of actual filing of PMT 06</p>

<b>FORM GST ITC-04</b>	Due date extended to 30.11.2020 for the period July 2020 to September 2020
<b>E-Invoicing – Mandatory</b>	Registered person with turnover more than Rs. 100 crores in the preceding financial year – applicable from 01.01.2021

**\*Turnover wherever mentioned means aggregate turnover**

**By Chandrasekhar Kutty**