**EXPORT PROMOTION COUNCIL FOR EOUs AND SEZs**

**(Setup by Ministry of Commerce, Government of India)**

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**Dy. Director General** June 5, 2020

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**Subject : GST Updates : GST Newsletter for May 2020**

GST Council of India has published GST Newsletter for the month of May 2020 to update on GST issues. In this Newsletter details of bifurcation of Economic Stimulus Package as announced by Hon’ble Prime Minister of India, are provided. The Newsletter provided synopsis of the financial package like Business including MSMEs, for non-banking institutions, for employees, for taxpayers, for power distributing companies, for real estate, for migrant labour, rental accommodations, MUDRA Shishu Loan, Street Vendors, tribals, housing, farmers, coal, mineral, defence, civil aviation, power sector, space sector, atomic energy, health, education, Ease of Doing Business etc.

The Newsletter for updated about new functionalities available on GST Portal as under:-

(i)                  **Filing GSTR-3B through EVC :**The taxpayers who are required to mandatorily use DSC to file Form GSTR-3B, now have an option to file it using EVC. This is applicable to all categories of Companies, registered under Companies Act, 2013. This option is available for returns filed in Form GSTR-3B during the period from 21-04-2020 to 30-06-2020. (Proviso to sub-rule (1) of in rule 26 has been inserted vide Notification No. 38/2020 CT dated 5.5.2020)

(ii)                **Adjustment of negative ITC, while distributing credit to its units by ISD through GSTR-6** :  Previously, ISD were not able to adjust negative ITC to its units, under a major head through ITC available under another major head. ISD would now be able to adjust negative ITC while distributing credit through Form GSTR-6

(iii)               **Creation of Electronic Cash ledger and Liability Register for UIN holders** : UIN holders can claim refund under section 55 of the GST Act. The facility of cash ledger and liability register was not provided to UIN holders earlier, as they were only claiming refunds. A cash ledger and a Liability Register, for UIN holders, has now been created on the GST portal. A facility to make payment through challan has also been created in the Payment module for UIN holders. The UIN would now be able to make payment of the amount of excess refund claimed, on voluntary basis, through Form GSTDRC-03. It would also be possible for the Tax Officer to post the liability in Liability Register(Part-II), if the UIN holder does not pay the excess amount voluntarily.

(iv)              **Transfer/shift money available in Electronic Cash ledger**: Form GST PMT-09 is now available on GST portal and it enables a taxpayer to make intra-head or inter-head transfer of amount available in Electronic Cash Ledger. A taxpayer can file GST PMT-09 for transfer of any amount of tax, interest, penalty, fee or others available under one (major or minor) head to another (major or minor) head in the Electronic Cash Ledger. Form GST PMT-09 provides flexibility to taxpayers to make multiple transfers from more than one Major/Minor head to another Major/Minor head if the amount is available in the Electronic Cash Ledger. To file Form GST PMT-09 taxpayers are required to login on GST portal with valid credentials and navigate to Services > Ledgers > Electronic Cash Ledger > File GST PMT-09 For Transfer of Amount option. (the provisions of Rule 87 (13) has been given effect from 21.04.2020 vide Notification No.37/2020-CT dated 28.04.2020)

(v)                **Alert to Taxpayers on fake messages on GST Refund**: It has been observed that some fraudulent messages are being circulated on whatsapp, email and SMS, claiming to process GST refund. It clearly shows that some miscreants have started to take undue advantage of Covid-19 crisis, by sending out fake messages with phishing links. One such link takes to a portal claimed to have been developed by GSTN. The same is fake and Government has notified only [www.gst.gov.in](http://www.gst.gov.in/) as the common portal, under the GST Laws.

(vi)              **Facility for registration of IRP/RPs made available on the GST Portal :**Insolvency Resolution Professionals/ Resolution Professionals (IRPs/RPs), appointed to undertake corporate insolvency resolution proceedings for Corporate Debtors, in terms of Notification. No 11/2020-CT, dated 21st March, 2020 read with Notification No.39/2020-CT dt. 05-05-2020 can apply for new registration on GST Portal, on behalf of the Corporate Debtors, in each of the States or Union Territories, on the PAN and CIN of the Corporate Debtor, where the corporate debtor was registered earlier, within thirty days of their appointment as IRP/RP or by 30th June, 2020, whichever is later.

(vii)             **Amendment in Section 140 of CGST Act came into effect from 18 May, 2020** The amendment in transitional credit provisions (Section 140) of CGST Act has been done vide section 128 of the Finance Act, 2020. (Notification No. 43/2020-Central Tax dated 16 May, 2020, effective from 18 May, 2020). There are eight sub-sections to section 140 which deals with the transition of various types of credits pertaining to the existing law into the GST regime.

A copy of the GST Newsletter is attached along with for ready reference of the members.

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