

Changes in Form GSTR-3B



PAKSH LEGAL

INNOVATE – DISCOVER – THRIVE

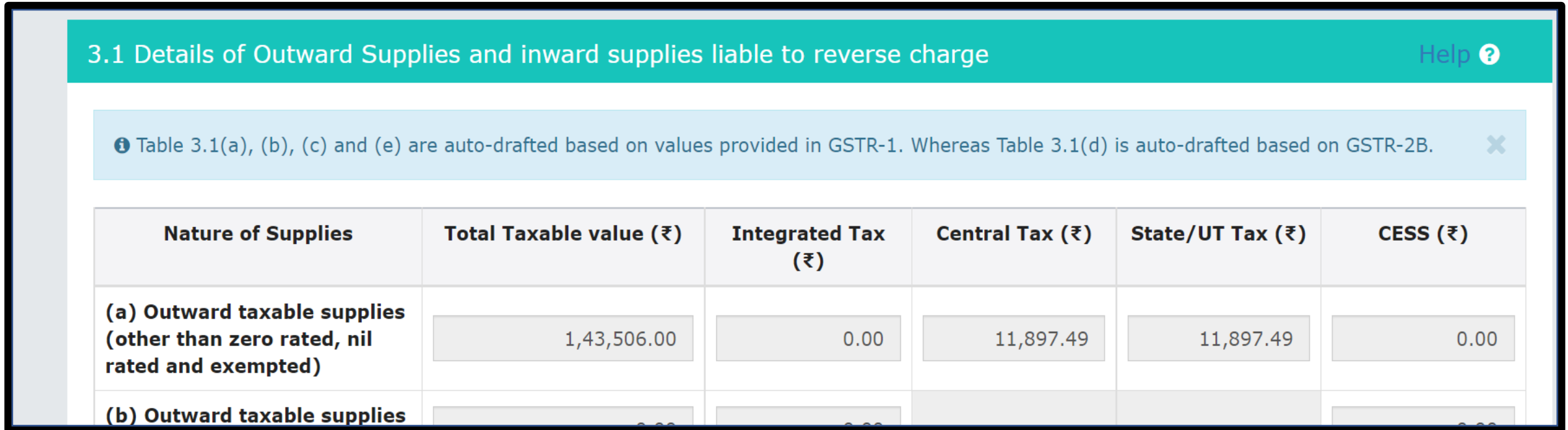
A new Era of GST Compliances

S. No.	Description	Page No.
1.	Modification in Heading of Table 3.1	3 – 8
2.	Modification in Heading of Table 3.2	9 - 10
3.	Effect of amendments in Table 3	11
4.	Amendment in Table 4(B)(1)	12
5.	Manner of Reporting of Input Tax Credit under Table 4	13 - 19
6.	Advisory of Reporting of Inter-State Supplies	20

Modification in Heading of Table 3.1

CBIC vide notification 14/2022 dated 06-08-2022 has amended the heading of Table 3.1 of Form GSTR-3B. As per this amendment in the heading, after the words “liable to reverse charge”, the brackets, words and figures “(other than those covered in 3.1.1)” shall be inserted.

Before the amendment, the heading of Table 3.1 was represented as follows:



The screenshot shows the heading of Table 3.1 in GSTR-3B: "3.1 Details of Outward Supplies and inward supplies liable to reverse charge". A help icon is visible in the top right corner. Below the heading, there is a light blue information box stating: "Table 3.1(a), (b), (c) and (e) are auto-drafted based on values provided in GSTR-1. Whereas Table 3.1(d) is auto-drafted based on GSTR-2B." Below this, a table is displayed with the following data:

Nature of Supplies	Total Taxable value (₹)	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)
(a) Outward taxable supplies (other than zero rated, nil rated and exempted)	1,43,506.00	0.00	11,897.49	11,897.49	0.00
(b) Outward taxable supplies					

Modification in Heading of Table 3.1

After the amendment, the Heading reads as follows:

3.1 Details of Outward Supplies and inward supplies liable to reverse charge (other than those covered by Table 3.1.1) Help					
Nature of Supplies	Total Taxable value (₹)	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)
(a) Outward taxable supplies (other than zero rated, nil rated and exempted)	0.00	0.00	0.00	0.00	0.00
(b) Outward taxable supplies (zero rated)	0.00	0.00			0.00
(c) Other outward supplies (Nil rated, exempted)	0.00				

Insertion of Table 3.1.1

CBIC vide notification 14/2022 dated 06-08-2022 has inserted table 3.1.1 in FORM GSTR-3B. The said change is reflected in the Form GSTR-3B for the period July 2022 onwards. Before amendment, the GSTR-3B appeared as follows:

3.1 Tax on outward and reverse charge inward supplies		3.2 Inter-state supplies		4. Eligible ITC	
Integrated Tax ₹0.00	Central Tax ₹11,897.49	Taxable Value ₹0.00	Integrated Tax ₹0.00	Integrated Tax ₹104.74	Central Tax ₹0.00
State/UT Tax ₹11,897.49	CESS (₹) ₹0.00			State/UT Tax ₹0.00	CESS (₹) ₹0.00
5. Exempt, nil and Non GST inward supplies		5.1 Interest and Late fee for previous tax period		6.1 Payment of tax	
Inter-state supplies ₹0.00	Intra-state supplies ₹0.00	Integrated Tax ₹0.00	Central Tax ₹58.33	Balance Liability ₹0.00	Paid through Cash ₹23,806.00
		State/UT Tax ₹58.82	CESS (₹) ₹0.00	Paid through Credit ₹105.00	

Insertion of Table 3.1.1

After the said amendment, the Form GSTR-3B appears as follows:

3.1 Tax on outward and reverse charge inward supplies	3.1.1 Supplies notified under section 9(5) of the CGST Act, 2017	3.2 Inter-state supplies
Integrated Tax ₹0.00	Integrated Tax ₹0.00	Taxable Value ₹0.00
Central Tax ₹0.00	Central Tax ₹0.00	Integrated Tax ₹0.00
State/UT Tax ₹0.00	State/UT Tax ₹0.00	
CESS (₹) ₹0.00	CESS (₹) ₹0.00	
4. Eligible ITC	5. Exempt, nil and Non GST inward supplies	5.1 Interest and Late fee for previous tax period
Integrated Tax ₹0.00	Inter-state supplies ₹0.00	Integrated Tax ₹0.00
Central Tax ₹0.00	Intra-state supplies ₹0.00	Central Tax ₹0.00
State/UT Tax ₹0.00		State/UT Tax ₹0.00
CESS (₹) ₹0.00		CESS (₹) ₹0.00

turn.gst.gov.in/returns/auth/gstr3b/interstatesupplies/

Top

Details to be reported under Table 3.1.1

As per section 9(5) of the CGST Act, 2017, on specified categories of services, the tax shall be paid by the electronic commerce operator if such services are supplied through it. Vide Notification No. 17/2021 effective from 01-01-2022, the following services have been specified:

- (i) **services by way of transportation of passengers** by a radio-taxi, motorcab, maxicab, motor cycle, omnibus or any other motor vehicle;
- (ii) services by way of providing **accommodation in hotels, inns, guest houses, clubs**, campsites or other commercial places meant for residential or lodging purposes;
- (iii) services by way of **house-keeping, such as plumbing, carpentering** etc,
- (iv) supply of “**restaurant service**” other than the services supplied by restaurants, eating joints etc. located at specified premises.

Details to be reported under Table 3.1.1

The said supplies are to be reported under Table 3.1.1 as follows:

3.1.1 Details of supplies notified under section 9(5) of the CGST Act, 2017 and corresponding provision in IGST/UTGST/SGST Acts Help ?					
Description	Total Taxable Value(₹)	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)
(i) Taxable supplies on which electronic commerce operator pays tax u/s 9(5) [to be furnished by electronic commerce operator]	0.00	0.00	0.00	0.00	0.00
(ii) Taxable supplies made by registered person through electronic commerce operator, on which electronic commerce operator is required to pay tax u/s 9(5) [to be furnished by registered person making supplies through electronic commerce operator]	0.00				

CANCEL **CONFIRM** 05 August 2022

Modification in Heading of Table 3.2

CBIC vide notification 14/2022 dated 06-08-2022 has amended the heading of Table 3.2 of GSTR-3B. As per this amendment in the heading, after the words, figures, brackets and letter “supplies shown in 3.1(a)”, the word, figures, brackets and letter “and 3.1.1(i)” shall be inserted.

Before the amendment, the heading of Table 3.2 was represented as follows:

Help ?
3.2 Of the supplies shown in 3.1 (a), details of inter-state supplies made to unregistered persons, composition taxable person and UIN holders

Supplies made to Unregistered Persons -

	Place of Supply (State/UT)	Total Taxable value (₹)	Amount of Integrated Tax (₹)
<input type="checkbox"/>	Select ▼	0.00	0.00

Modification in Heading of Table 3.2

After the amendment, the Heading reads as follows:

3.2 Of the supplies shown in 3.1(a) and 3.1.1(i), details of inter-state supplies made to unregistered persons, composition taxable persons and UIN holders Help ?

Supplies made to Unregistered Persons

<input type="checkbox"/>	Place of Supply (State/UT)	Total Taxable value (₹)	Amount of Integrated Tax (₹)
<input type="checkbox"/>	Select v	0.00	0.00

ADD REMOVE

1. Supplier of services as notified under section 9(5) who supply through ECO, shall not report the value of supplies in Table 3.1. Said suppliers shall now report said values in Table 3.1.1 (ii). These suppliers are not required to report the values of inter-state supplies in Table 3.2 as well.
2. ECO shall now report the value of said supplies in Table 3.1.1 (i) and value of inter-state supplies out of above in Table 3.2.

Amendment in Table 4(B)(1)

CBIC vide notification 14/2022 dated 06-08-2022 has amended the narration of entry at Table 4 (B)(1) of GSTR-3B. As per this amendment the following narration shall be substituted “As per rules 38, 42 and 43 of CGST Rules and sub-section (5) of section 17”.

Before the amendment, the narration of entry at Table 4 (B)(1) was represented as follows:

(B) ITC Reversed				
(1) As per Rule 42 & 43 of CGST/SGST rules	0.00	0.00	0.00	0.00
(2) Others	0.00	0.00	0.00	0.00

Step-1: **Total ITC (eligible as well as ineligible) is being auto-populated** from statement in FORM GSTR-2B in different fields of **Table 4A of FORM GSTR-3B** except for:

- (a) ineligible ITC on account of limitation of time period as stated under sub-section (4) of section 16 of the CGST Act i.e., ITC cannot be claimed after 30th day of November following the end of financial year to which such invoice or debit note pertains furnishing of the relevant annual return, whichever is earlier;
- (b) or where the recipient of an intra-State supply is located in a different State / UT than that of place of supply).

Step-2: In **Table 4(B)(1) reversal of ITC, which are absolute in nature and are not reclaimable** are to be reported which are as follows:

- (a) On account of rule 38 (reversal of credit by a banking company or a financial institution),
- (b) On account of rule 42 (reversal on input and input services on account of supply of exempted goods or services),
- (c) On account of rule 43 (reversal on capital goods on account of supply of exempted goods or services) of the CGST Rules
- (d) On account of ineligible ITC under section 17(5) of the CGST Act (B) (1).

Manner of Reporting of Input Tax Credit under Table 4

Step-3: In Table 4(B)(2), reversal of reversal of ITC which are not permanent in nature and can be reclaimed in future subject to fulfilment of specific conditions, such as

- (a) On account of rule 37 of CGST Rules (non-payment of consideration to supplier within 180 days);
- (b) On account of section 16(2)(b) (the goods/services has been received);
- (c) On account of section 16(2)(c) (the tax charged in respect of such supply has been paid to the government)

Paksh Notes:

1. Such ITC can be reclaimed in Table 4(A)(5) on fulfilment of necessary conditions. Further, all such reclaimed ITC shall also be shown in Table 4(D)(1).
2. The reversal of ITC on account of section 16(2)(a) i.e., tax invoice not received is also not permanent un nature and can be reclaimed in future.
3. For temporary reversal under section 16(2)(c), there is no mechanism for the recipient to verify whether the tax has been paid by the supplier or not. In GSTR-2A, the recipient can only check the status of GSTR-3B.
4. It is not practically possible to determine whether the tax has been paid to the supplier or not.
5. Table 4 (B) (2) may also be used by registered person for temporary reversal of any ITC availed in Table 4(A) in previous tax periods because of some inadvertent mistake.

Paksh Notes:

6. As the details of ineligible ITC under section 17(5) are being provided in Table 4(B), no further details of such ineligible ITC will be required to be provided in Table 4(D)(1).
7. Accordingly, reversal of ITC of ineligible credit under section 17(5) or any other provisions of the CGST Act and rules thereunder is required to be made under **Table 4(B) and not under Table 4(D) of FORM GSTR-3B.**
8. Ineligibility of ITC on account of PoS being in a State other than the recipient State is a Question of Law subject to different views by different school of law. Therefore, non-auto population of said amounts in Table 4A is not reasonable.

Clarification Required:

1. **How to report the ITC which was temporarily reversed prior to introduction of Table 4(D)(2) and is to be reclaimed now? At the time of not claiming said ITC, new Table 4B(2) and 4D(2) was not there.**

Paksh view: This ITC is not to be reported under Table 4(D)(2). It should only be reported under Table 4(A)(5). It is advised to maintain proper reconciliations of the said ITC reclaimed with the amounts appearing in Form GSTR-2B of previous tax periods.

Manner of Reporting of Input Tax Credit under Table 4

(B) ITC Reversed	
(1) As per Rule 42 & 43 of CGST/SGST rules	0.00
(2) Others	0.00
(C) Net ITC Available (A) - (B)	104.74
(D) Ineligible ITC	
(1) As per section 17(5)	0.00
(2) Others	0.00

(B) ITC Reversed	
(1) As per rules 38, 42 and 43 of CGST Rules and sub-section (5) of section 17	0.00
(2) Others	0.00
(C) Net ITC Available (A) - (B)	0.00
(D) Other	
(1) ITC reclaimed which was reversed under Table 4(B)(2) in earlier tax period	0.00
(2) Ineligible ITC under section 16(4) and ITC restricted due to PoS provisions	0.00

Example-Manner of Reporting of Input Tax Credit under Table 4

A Registered person, M/s ABC is a manufacturer (supplier) of goods. He supplies both taxable as well as exempted goods. In a specific month, say April, 2022, he has received input and input services as detailed in Table 1 below.

The details of auto-population of Input Tax Credit on all Inward Supplies in various rows of Table 4 (A) of FORM GSTR-3B are shown in column (7) of the Table 1 below.

S. No.	Details	IGST	CGST	SGST	Total	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	ITC on Import of goods	1,00,000	-	-	1,00,000	Auto- populated in Table 4(A)(1)
2	ITC on Import of Services	50,000	-	-	50,000	
3	ITC on Inward Supplies under RCM	-	25,000	25,000	50,000	Auto- populated in Table 4(A)(3)
4	ITC on Inward Supplies from ISD	50,000	-	-	50,000	Auto- populated in Table 4(A)(4)
5	ITC on other inward supplies	2,00,000	1,50,000	1,50,000	5,00,000	Auto- populated in Table 4(A)(5)
6	Total	4,00,000	1,75,000	1,75,000	7,50,000	

Other relevant facts

Note 1: Of the other inward supplies mentioned in row (5), M/s ABC has received goods on which ITC is barred under section 17(5) of the CGST Act having integrated tax of Rs. 50,000/-.

Note 2: In terms of rule 42 and 43 of the CGST Rules, M/s ABC is required to reverse ITC of Rs. 75,500/- integrated tax, Rs. 52,000/- central tax and Rs. 52,000/- state tax.

Note 3: M/s ABC had not received the supply during April, 2022 in respect of an invoice for an inwards supply auto-populated in row (5) having integrated tax of Rs. 10,000/-.

Note 4: M/s ABC has reversed ITC of Rs. 500/- central tax and Rs. 500/- state tax on account of Rule 37 i.e. where consideration was not paid to the supplier within 180 days.

Note 5: An amount of ITC of Rs 10,000/ central Tax and Rs 10,000/- state tax, ineligible on account of limitation of time period as delineated in sub-section (4) of section 16 of the CGST Act, has not been auto-populated in Table 4(A) of FORM GSTR-3B from GSTR-2B.

Example-Manner of Reporting of Input Tax Credit under Table 4

4. Eligible ITC				
(B) ITC Reversed / Reduced	IGST	CGST	SGST	Reasons
1. Reversal of ITC as per rule 38, 42 and 43 of CGST Rules	125,500	52,000	52,000	1. Refer para 4.3 (B) of circular
				2. Ineligible ITC of Integrated tax of Rs. 50,000/- under section 17(5) [Note 1]
				3. 2. Reversal of Rs. 75,500/- integrated tax, Rs. 52,000/- central tax and Rs. 52,000/- state tax under rule 42 and 43 [Note 2]
2. Others	10,000	500	500	1. Refer para 4.3 (C) of circular 2. Reversal of integrated tax of Rs. 10,000/-, where supply is not received [Note 3] 3. Reversal of ITC of Rs 500/- central tax and Rs 500/- state tax on account of Rule 37 [Note 4]
(C) Net ITC Available (A)-(B)	2,64,500	1,22,500	1,22,500	C=A1+A2+A3+A4+A5-B1-B2
(D) Others				
1. ITC Reclaimed which was reversed under Table 4B(2) in earlier tax period	-	-	-	1. Refer para 4.3 (E) of circular 2. Reversals under section 17(5) are not required to be shown in this row. The same are to be shown under 4(B)(1) 3. As and when reasons for temporary reversals made under Table 4(B)(2) are removed, ITC would be reclaimed under Table 4A(5) and would also be reported in Table 4D(1).
2. Ineligible ITC under section 16(4) and ITC restricted due to PoS provisions.		10,000	10,000	1. Refer para 4.3(F) of circular 2. Ineligible ITC on account of limitation of time period as delineated in sub-section (4) of section 16 of the CGST Act, which has not been auto-populated in Table 4(A) of GSTR-3B [Note 5]

Vide Circular No. CBIC-20001/2/2022-GST dated 06th July 2022, it has been mandated for furnishing of proper information of Inter-State supplies. It has been advised that the registered persons undertaking inter-state supplies:

- i) **to the unregistered persons**, shall also report the details of such supplies, place of supply-wise, in Table 3.2 of FORM GSTR-3B and Table 7B or Table 5 or Table 9/10 of FORM GSTR-1, as the case may be;
- ii) **to the registered persons** paying tax under section 10 of the SGST/CGST Act (composition taxable persons) and to UIN holders, shall also report the details of such supplies, place of supply-wise, in Table 3.2 of FORM GSTR-3B and Table 4A or 4C or 9 of FORM GSTR-1, as the case may be, as mandated by the law.
- iii) shall update their **customer database properly with correct State** name and ensure that correct PoS is declared in the tax invoice and in Table 3.2 of FORM GSTR-3B while filing their return, so that tax reaches the Consumption State as per the principles of destination-based taxation system.

- Paksh Legal is a firm having expertise in Indirect-tax, Direct-tax, Corporate Law Advisory, Mergers-Amalgamations and related areas.
- Firm provides entire gamut of services like tax advisory; tax attorney; tax reviews; tax representation; tax training through seminars, webinars and recordings.
- Along with its tax practice, firm also caters to requirements of corporates in civil matters like disputes under Consumer Protection Act, Negotiable Instrument Act, Arbitration and Conciliation Proceedings. Besides this, dedicated team of attorneys work to cater the requirements under Rent Act, Specific Relief Act and Matrimonial laws.
- Leaders experience as well as qualifications in the field of Chartered Accountancy, L.Lb fosters them to perform the job in terms of requirements of the law.
- Its strength lies in ability to deliver customized solutions and apply law aptly on the facts of each case. The dedicated team of professionals strive willingly to deliver best to the client and In the process, discover the law through their wisdom to innovate.
- The endeavour is to serve the right of clients i.e. right to get served 'To the best'.



Contact us:

A: C-1/605, Milan Vihar, I.P. Extension, Patparganj, Delhi – 110092
Chamber No. 209 & 333, District Court, Sector-43, Chandigarh –
160043

M: +91 85108 06440

E: Kashish@pakshlegal.in; delhi@pakshlegal.in

Web: www.pakshlegal.in

Linked In: <https://www.linkedin.com/in/ca-kashish-gupta-401bba78/>

Youtube: https://www.youtube.com/channel/UCH7NVyZIKO-YAq4LnmE_20A

Twitter: <https://twitter.com/LegalPaksh?s=09>

Instagram: https://www.instagram.com/pakshlegal/?utm_medium=copy_link

Confidential

© 2022 Paksh Legal