

Expected Transformational changes in GSTN

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We start this fiscal year with the biggest health concern in the history of mankind, which has lead half of the world economies in shutdown. It is expected that in this financial year economies would become more inward-looking focusing on domestic manufacturing, distribution, and consumption leading to the lowering of exports. Indian businesses are expected to see a big blow to their top line, pushing them to adopt unfair means of doing business to maintain their economic numbers. It is imperative for the government to the implementation of newer technologies to catch hold of the tax evaders and also give a stable platform to the tax filers. Let us see various features, which would soon be added/ modified in GSTN in this Financial year.

Budget changes

In the budget 2020 presented by honorable Finance Minister, some major changes in GST were introduced which will eventually benefit the taxpayers such as **delink the date of issuance of debit note with that of the tax invoice for eligibility of tax credit**, no need to issue TDS certificate, new system of filing tax returns, E-invoice and QR code.

New return filing systems are expected to change the whole face of Indian GST compliances. It will ensure the real-time flow of invoices to the recipients, two-way matching of tax credit and abridged form of tax returns for MSME in the form of Sahaj & Sugam. This time again capabilities of the GSTN would be judged as the entire nation would need to match tax credit for the first time after July, 2017 implementation. Tax authorities are expected to continue with staggered dates for tax filings, which may make the process of credit reconciliations a bit extraneous. GSTN in a bid to become taxpayer-friendly will also permit Nil return filers to complete the compliance via an SMS only. Going forward taxpayer will be given an option to file amendment returns also, which is not possible in the current GSTR-1/GSTR-3B scenario.

E-invoice will help all the stakeholders, including banks, government, and recipient taxpayers real-time tracking of invoices prepared by a supplier. This will help the supplier by decongesting the compliance network as a one-time reporting of B2B invoices will help in filing returns, generating Eway bills, reduction in data entry errors, seamless credit matching, and vendor reconciliation. In addition to the above, this new system of e-invoicing aims to make invoice reporting an integral part of a business process and remove the tedious task of invoice-compilation at the end of a return period.

Staggered Due dates for filing

In a move aimed at de-stressing the GST system, the finance ministry introduced staggered due dates for filing FORM GSTR-3B and has provided three different timelines for filing tax returns. Technical glitches due to overburden on servers are a thing of the past, it is agreed that such a policy of staggered filing dates will continue in the new filing system also.

Eway bill integration

E-Way bill has been integrated with Vahan System of Transport Department. Vehicle number entered in E-way bill is now being verified with the Vahan System on real-time basis. With this pace, the government may soon consider connecting data of Local driving licensing authority to apprehend the tax evaders and the person who assists them. Besides this information sharing between GSTN, Eway Bill system, Vahaan system and NHAI- Fastag will become more instantaneous with the passage of time and systems will become mature and autonomous catching the evaders much before the completion of the transaction. Hiding away paper trail for non-movement of goods would become practically impossible in this year. However, menace created in the service sector would still need to be caught hold of. This would need seamless integration of all the service providers through their alma mater across the board in India, including accountants, engineers,

MBA's, lawyers, doctors, commission agents, and other consultants. Income tax authorities have been able to link tax audit filing forms with the data of the Institute of chartered accountants of India. GSTN may follow a similar approach and implement such changes under a pilot process by linking data of select professionals including chartered accountants and company secretaries.

Grievance redressal committee

GST Council in its 38th meeting approved the constitution of state-wise Grievance redressal committees which will examine and resolve all the grievances and issues being faced by the taxpayers, including procedural difficulties and IT related issues on GST. These committees have already been formed and it is expected that numerous taxpayers would be able to approach these committees quickly and effortlessly to get their issues resolved efficiently. Formation of such a committee would not only fasten the process of grievance redressal but would also give enough meet to the top GSTN bosses for implementing changes in the overall technological framework of the system.. These committees would also ensure that faults in GSTN are out in public pushing them to work towards a comprehensive user-friendly system.

Since the imposition of GST in the country the system glitches are getting deeper into the culture, it has become a monkey on the back for the government to simplify the GST Network as all the steps seem to be in vain. Now the government has tightened its armory to re-engineer the entire network making it agile and taxpayer-friendly. Even in the background of global health concerns and economic slump government is expected to successfully implement an array of changes in the GSTN making one of the most efficient tax systems in the world.