

## **New GST return forms may force firms to change ERP systems**

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- Tax experts say the new return systems would require a lot of details such as purchases from unregistered dealers
- Instead of the GST returns being the current supplier-driven traffic, starting April next year, it would become a workflow driven mechanism

NEW DELHI : The new Goods and Services Tax (GST) returns from April 2020 that mandate providing more details may require companies to amend their enterprise resource planning (ERP) systems.

Tax experts and chartered accountants (CAs) said that the new return systems would require a lot of details such as purchases from unregistered dealers.

"Besides, bill of entry-wise import details and bill of entry-wise purchases from SEZs (special economic zones) would be required. As of now, there is one-way traffic. Presently, suppliers upload these data, but from April 2020, recipients will also have to upload all these data," said Vivek Jalan, Partner, Tax Connect Advisory Services LLP.

Instead of the GST returns being the current supplier-driven traffic, starting April next year, it would become a workflow driven mechanism, he added.

Moreover, electronic or E-invoicing for business to business (B2B) transactions would also kick in from January 1, 2020. This would also require changes in the ERP systems to ensure that every invoice is tracked by the tax authorities. The move is aimed at curbing tax evasion.

In addition to the current invoices which are generated on the companies' ERP, the new system would require automatic uploading of the data on government systems.

Amit Bhagat, Partner, Dhruva Advisors said that depending on the details required in the new return system, the ERP would need to be changed.

"It will not be something which will require complete overhaul of the system, but certainly some changes would be required after e-invoicing is implemented and more details in GST returns are required from early next year," Bhagat said.