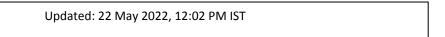


GST Council may modify monthly tax payment form, summary return for better input tax credit reporting



The Goods and Services Tax (GST) Council is expected to propose modifying the summary return and monthly tax payment form, GSTR-3B, at its meeting in June - with the goal of detecting bogus input tax credit (ITC) claims and expediting the settlement of real ones, according to an official. The updated form, according to officials, will clarify the gross input tax credit (ITC) due to the taxpayer, the amount claimed in a given month, and the net amount remaining in the taxpayer's ledger. A meeting of the GST Council, the highest decision-making body on the GST matter, is expected to take place in June.

GSTR-3B, a monthly GST payment form and summary statement, is filed in three parts on the 20th, 22nd, and 24th of each month for various taxpayer categories.

"The law committee of the GST Council is looking at streamlining the GSTR-3B so that there is further clarity on ITC disclosure. The modified GSTR-3B is expected to be put up before the Council in its next meeting," the official told PTI.

The revisions in the monthly tax payment form, according to AMRG & Associates Senior Partner Rajat Mohan, will help identify taxpayers who are claiming ineligible tax credits. He noted that accurate reporting of the gross tax credit will help to eliminate delays in tax revenue sharing between the federal government and the states.

"The new form would bring in changes in the reporting of gross tax credit by financial institutions, including banks and NBFCs, companies in the oil and gas sector, extra neutral alcohol manufacturing, public transportation services, healthcare and educational services," Mohan said.

A group of state ministers unanimously earlier agreed to raise the GST rate on casinos, race courses and online gaming to 28%, as well as devise a method for valuing these services for the purposes of levying this tax. Casinos, horse racing, and online gaming services are currently subject to an 18% GST. The mechanism of valuing the services would be decided by the GoM.