

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**LOK SABHA**

**UNSTARRED QUESTION No. 3387**

TO BE ANSWERED ON MONDAY, AUGUST 09, 2021/ SRAVANA 18, 1943 (SAKA)

**FILING OF GST RETURNS**

**3387. SHRI N.K. PREMACHANDRAN:**

Will the Minister of FINANCE be pleased to state:

- (a) whether it has come to the notice of the Government that small scale traders are in crisis due to imposing heavy fine for delay in filing the Goods and Services Tax (GST) returns and if so, the details of action taken for giving exemption;
- (b) whether the Government proposes to grant one time exemption for small traders having turnover less than 20 lakhs per annum for filing GST returns and if so, the action taken thereon;
- (c) whether it has also come to the notice of the Government that small traders having less than 20 lakhs turnover per annum are not able to do their interstate business due to lapse of GST registration on the ground of delay in filing returns and if so, the action taken for restoring the registration; and
- (d) whether the Government proposes to give relaxation to small traders considering the Covid-19 pandemic and if so, the details thereof?

**ANSWER**

**MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)**

(a) Yes, the Government has received representations regarding difficulties faced by taxpayers due to the burden of late fee for delay in furnishing GST returns. To provide relief to such taxpayers, the Government, on recommendations of the GST Council, has launched an Amnesty Scheme whereby late fee for non-furnishing of the return in **FORM GSTR-3B** for the tax periods from July, 2017 to April, 2021 has been reduced, if the returns for these tax periods are furnished between 01.06.2021 to 31.08.2021. Further, to reduce the burden of late fee on smaller taxpayers, the upper cap of late fee for delay in furnishing **FORM GSTR-1**, **FORM GSTR-3B**, **FORM GSTR-4** and **FORM GSTR-7** has been rationalized for prospective tax periods to align late fee with tax liability/ turnover of the taxpayers.

(b) The suppliers of goods or services having annual aggregate turnover upto Rs. 20 lakhs are not required to obtain registration under GST, except those liable for compulsory registration in specified cases. In addition, the suppliers who are engaged exclusively in supply of goods having

annual aggregate turnover upto Rs. 40 lakhs are also not required to obtain registration under GST, except in a few specified states where the said limit is Rs. 20 lakhs. Taxpayers who are not required to obtain registration under GST are also not required to furnish GST returns.

(c) In terms of current provisions of GST law, GST registrations, including those of inter-state suppliers, become liable for cancellation if such registered persons fail to furnish returns for a continuous period of six months. However, registered persons whose registration is cancelled may apply for revocation of cancellation of the registration within thirty days from the date of service of the cancellation order.

W.e.f. 01.01.2021, GST law has been amended to provide for extension of the period to file such an application by the Additional/Joint Commissioner, for a period not exceeding thirty days, and by the Commissioner, for a further period not exceeding thirty days.

Further, a one-time relaxation was provided vide Removal of Difficulty Order No. 01/2020-CT dated 25.06.2020 wherein the due date of filing of application of revocation of cancellation of registration in respect of all such cancellation orders passed up to 12<sup>th</sup> June, 2020, was effectively extended upto 30<sup>th</sup> September, 2020.

(d) The Government has taken a number of relief measures for the taxpayers in the year 2020 as well as year 2021, considering the difficulties due to COVID-19 pandemic. These measures, inter-alia, include reduction in interest for late payment of tax, reduction in late fee for delayed filing of returns and extension of due dates for various compliances under the GST Laws.

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