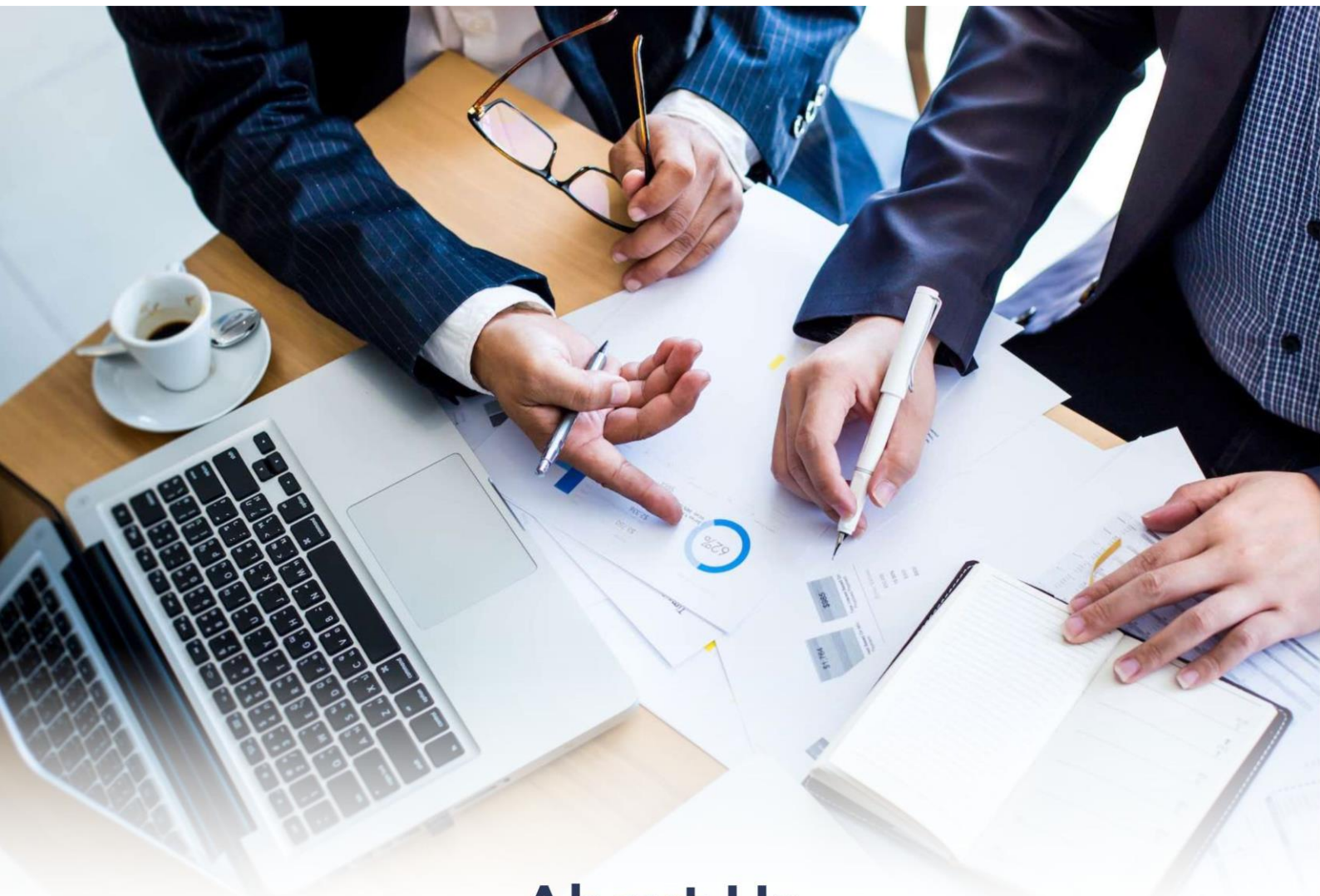




Year end GST compliance checklist FY 2023-24



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About Us

- ☞ Dealing in Indirect Tax Law – Litigation / Advisory / Audits / Compliances
- ☞ Founded and led by Partners having experience in leading firms (**LKS / Big 4s**)
- ☞ Team of more than **60 peoples**
- ☞ Serving more than **150 Corporates/MNCs** across various sectors.
- ☞ Knowledge partner of **PHD Chamber, Webtel Electrosoft** etc
- ☞ Recognised by **ECONOMIC TIMES** for contribution in the field of **Finance and Taxation**
- ☞ Awarded by **Achromic Point** as "Indirect Tax Consulting Firm of the Year" and "Best Investigation Team"



ACHROMIC POINT®



GST Compliances for end of FY 2023-24

The end of Financial Year 2023-24, it is important to keep certain parameters in mind regarding GST Compliances in order to:

- ✓ Minimize or correct unintentional errors made in the GST returns filed.
- ✓ Prevent any unexpected liabilities resulting from such mistakes.
- ✓ Promptly review checkpoints to detect issues early in the reporting process.
- ✓ Misrepresentation which would act as a guide to adopt corrective measures in the coming tax periods.
- ✓ Timely identification and communication with the vendors for correction in their GST returns within the statutory time limit.

Outward supplies

- ✓ Reconciliation of the turnover and tax liability declared in GSTR-1 & GSTR-3B in FY 2023-24.
- ✓ Reconciliation of turnover declared in GST returns with turnover accounted in the books of accounts.
- ✓ Reconciliation of B2B invoices recorded in books of accounts and on which IRN has been generated through e-invoice portal.
- ✓ Ensure the correct HSN/ SAC code and GST rate has been opted.
- ✓ Ensure correct digit of HSN is adopted to report in invoice basis the turnover. Where turnover in previous FY is
 - Up to 5 Crores - 4 digits
 - Above 5 Crores - 6 digits
- ✓ Disclosure of exempt income in GST returns if not reported yet.
- ✓ Check books of accounts for unusual transactions:
 - Sale of an old asset
 - Exchange on old asset
 - Recovery from employees
 - Transactions between related parties

- ✓ Reconciliation of the E-invoices and E-Way Bill invoices reported in GST returns.
- ✓ Ensure that the goods or capital goods sent for job-work are received within 1 year or 3 years, respectively.
- ✓ Ensure that the taxes have been paid on advances received for agreement of supply of services and simultaneously adjusted in the GST Returns on timely basis.

Input Tax Credit (ITC)

- ✓ Reconcile ITC as per purchase register with ITC claimed in GSTR-3B in FY 2023-24.
- ✓ Reconcile ITC as per GSTR 3B with ITC in GSTR-2B for FY 2023-24.
- ✓ Reconcile all Bill of Entries (BOEs) with GSTR-2B/ ICEGATE for FY 2023-24. If certain BOEs are not reflecting in GSTR-2B/ ICEGATE then it is advisable to file a grievance and claim ITC which is eligible. Also, ensure to use the Fetch Bill of Entry utility.
- ✓ Review and scrutinize ITC availed but not eligible in terms of Section 17(5).
- ✓ Finalisation of cross-charge for the FY 2023-24 and advisable to identify transactions on which cross-charge is applicable and on which ISD mechanism is applicable and follow applicable mechanism 01.04.2024 onwards.
- ✓ Ensure that ITC on goods in transit is claimed on the basis of receipt only.
- ✓ Check GSTR-2B to track GSTR 3B filing status of vendors and place of supply. Further, ITC reflecting in GSTR-2B in respect of invoices issued by the suppliers who have not filed their GSTR-3B may be availed in terms of Rule 37A but ensure that the said supplier filed GSTR-3B before September 2024.
- ✓ Ensure that new reporting system in Table 4 of GSTR-3B as clarified vide Circular No. 170/2022 dated 06.07.2022 is being followed from 01.04.2024 onwards.
- ✓ Check if ITC has been reversed as per Rule 42 and 43 (including on sale of securities).
- ✓ Recompute ITC reversal on annual basis as per Rule 42.
- ✓ Confirmation from vendor regarding deposit of GST with the Government.
- ✓ Check if all payments are made to the vendors within 180 days from the date of tax invoice. Reversal of ITC in case of non-payment.
- ✓ Ensure the registration status of regular vendors is 'Active' on the GST portal.
- ✓ Reconciliation of e-way bill in respect of inward supplies.

Reverse Charge Mechanism

- ✓ Reconcile tax paid under reverse charge as per books and GSTR-3B.
- ✓ Ensure that self-tax invoice and payment voucher are prepared and reported in GSTR-1.
- ✓ Reconcile taxes paid under reverse charge with ITC claimed on the same.
- ✓ Ensure that ITC is not claimed on any ineligible items on which taxes were paid under RCM.
- ✓ Scrutinize expenses as per Trial balance to check if any expense on which liability arises under reverse charge has been missed to be pay. Such as:
 - Goods Transport Agency
 - Rent-a-Cab
 - Legal Services
 - Government Services
 - Services from a director
 - Import of Services/ payment made in foreign currency
- ✓ Check RCM entries in GSTR-2B to ensure if any entry is missed to be recorded in books and accordingly needful action should be taken on the same i.e., record the same in books or ask vendor to correct.
- ✓ Take declaration from GTA vendors if they are adopting to pay taxes under forward charge mechanism or reverse charge.
- ✓ GTA to file declaration in Annexure V or Annexure VI to pay GST under forward charge mechanism or reverse charge respectively for FY 2024-25.

Other compliances

- ✓ New document series should be created.
- ✓ Letter of Undertaking ('LUT') application should be filed (if applicable) for FY 2024-25 before 01.04.2024.
- ✓ Check turnover of previous years as E-Invoicing is applicable if aggregate turnover of previous years exceeds 5 crores.

- ✓ Reconciliation of electronic credit ledger and electronic cash ledger as per GST portal with ITC and Cash ledger balances as per books.
- ✓ Reconcile GST TDS/TCS credit reconciliation with E-Cash Ledger on GST portal with books of accounts.
- ✓ Last date to opt for Composition Scheme for Financial Year 2024-25 is 31.03.2024.
- ✓ Proper invoices issued by ISD registration.
- ✓ Check time period for completion of 2 years from the relevant date for refund application.
- ✓ Ensure updated information of businesses places, directors, authorized signatory, bank accounts, KYC are reflecting on GST portal and Registration Certificate.
- ✓ Ensure that the rent agreement of business places taken on rent are timely renewed.
- ✓ For the purpose of clause 44 of the Tax Audit Form for the FY 2023-24, entities subject to Tax Audit in accordance with the Income Tax Act, 1961 shall report the breakup of total expenditure made from registered and non-registered entities under GST.



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