

## **March end activities:**

**In order to prevent adverse consequences in future it is essential to comply with GST Act & Rules.**

- **This is the last month of the financial year 2017-18.**
- **Many changes occurred during the current year in GST laws.**
- **All rectification in the books of accounts should be done before 31st March, 2018.**
- **All the taxpayers should complete their pending work before 31st March., 2018.**
- **The taxpayers, who are liable to make payment, should do the payment on time.**
- **Filing of returns, if pending, should be done before due dates.**
- **Everyone should follow the correct tax system from this new financial year.**
- **So, pay the tax as per provisions of the Act and file your returns in time.**
- **Carryout all adjustments, corrections etc. before March 2018 Otherwise taxpayers will have to face consequences in the future.**

**Following is the check-list for taxpayer:**

- 1. Reversal of Input tax credit** – As per the rules of Input tax credit, after issuance of tax invoice if receiver does not made the full payment of amount within 180 days then the credit taken on that invoice is to be reversed. And whenever the payment is made, the receiver can take the credit of the amount. Therefore the aging analysis of the debtors and creditors is to be done. all old invoices issued before 1<sup>st</sup> October, 2017, should be paid before 31<sup>st</sup> March 2018.  
  
Ex. Suppose the fees Rs. 10000 is payable to the Chartered Accountant on 15<sup>th</sup> September, 2017, and the credit on that of Rs. 1800 has been taken in the return of that month, then the fees should be paid before 31<sup>st</sup> Marsh, 2018. Otherwise the extra payment of Rs. 1800 is to be made in the month of March.
- 2. E way bill** – It is compulsory to issue E way bill from 1<sup>st</sup> April, 2018 for inter-state transport. In case of inter-state supply, the goods are in transit as on 1<sup>st</sup> April, 2018, it is compulsory to generate e way bill for them. Therefore, it is necessary to take the registration under E way bill system before 31<sup>st</sup> March.
- 3. Reconciliation** – All the taxpayers should reconcile the cash ledger, credit ledger and liability ledger with their books of accounts. All the entries should be done before the year end. Also debit note, credit note, rate difference, discount, etc. also to be reconciled.
- 4. HSN Code in the Invoice** – Before preparing first invoice in the new financial year, taxpayers should check the turnover for the year 2017-18. Taxpayers whose turnover is above Rs. 1.5 crores but below Rs. 5 crores shall use 2-digit code and the taxpayers whose turnover is Rs. 5 crores and above shall use 4-digit code. Taxpayers whose turnover is below Rs. 1.5 crores are not required to mention HSN Code in their invoices.

- 5. New series for tax invoice** – If anyone wants to change the series for billing in the New Year, then he can do that from 1<sup>st</sup> April. New numbering should be started from 1<sup>st</sup> April.
- 6. Composition scheme** – If any taxpayer wants to register under composition scheme then he can apply in Form GST CMP – 02 before 31<sup>st</sup> March. Similarly, those who want to cancel the registration under composition scheme, they have to apply in Form GST CMP – 04 before 7<sup>th</sup> April. They have to calculate the effects of ITC on closing stock.
- 7. Due dates of the returns** – There are various due dates in the April month for filing the returns relating to 31<sup>st</sup> March. Such as GSTR 3B for March is to be filed up to 20<sup>th</sup> April. GSTR 1 is to be filed up to 10<sup>th</sup> April. GSTR 4 is to be up to 18<sup>th</sup> April and GSTR 6 is to be filed up to 13<sup>th</sup> April.
- 8. Monthly/ Quarterly returns** – Taxpayers should check the turnover for the year 2017-18. If the aggregate turnover is above Rs. 1.5 Crore then the taxpayers have to file monthly return. If the aggregate turnover is below Rs. 1.5 Crore then the taxpayers have an option to file the quarterly GST returns. Taxpayer can choose any of the options.
- 9. Form GST TRAN 2** – The taxpayers who have filed the TRAN 1 and have taken the credit of Excise duty paid, without any documents, they have to file the details of outward supplies for six months in TRAN 2 before 31<sup>st</sup> March 2018 for availing 40%/ 60% credit.
- 10. GSTR 6** – Input service distributor has to file GST return in form GSTR 6. So 31<sup>st</sup> March is the due date to file GSTR 6 from July 2017 to February 2018.
- 11. Refund** – As in Maharashtra VAT, there was a provision of refund for excess input tax credit, there is no such provision in GST law. Excess credit needs to be carried forward compulsorily.
- 12. GSTR 2** – Details of purchases are reflecting on the portal in the form GSTR 2A. All the taxpayers should check the details of purchases before 31<sup>st</sup> March.
- 13. Valuation of the closing stock** – At the time of valuation of closing stock as on 31<sup>st</sup> March, the input tax credit taken on raw material, consumables, semi-finished goods is to be calculated. In Excise, there was a concept of making provision for the tax payable on the finished goods as on 31<sup>st</sup> March, no such concept was introduced in the GST.
- 14. Depreciation on the capital asset** – At the time of calculating depreciation on the capital goods (other than building), if ITC has been claimed, then the tax amount needs to be ignored at the time of calculating depreciation.
- 15. Anti-profiteering** – Do the comparative check of the gross profit earned for March 2018 with the gross profit of financial year 2016-2017 or gross profit for April 2017 to June 2018. If the gross profit ratio for the March 2018 is higher, then taxpayer should check whether he is trapped in the Anti-profiteering or not?