

Standard Operating Procedures (SOP) to be followed in case of non-filers of returns

In order to curb revenue leakage, the government has actively started taking various measures. From proposing to **restrict availment of eligible ITC from 20% to 10%** of the amount reflected in GSTR-2A to expanding the scope of **blocking of e-way bill** by covering non-filing of GSTR-3B along with GSTR-1 for two consecutive returns.

The government has now issued **Circular 129/48/2019-GST dt: 24.12.2019**, which lays down the SOP to be followed by the department in case of non-filing of GST returns viz GSTR-3B, GSTR-4/GSTR CMP 08 etc.

The following are the steps that will be followed by the department:

- 1) Registered person will get a **system generated message 3 days before the due date** reminding them to file their returns by the due date.
- 2) In case the registered person does not file the return within the due date, a **mail/message will be sent immediately after the due date** to the effect that the registered person has not furnished the return.
- 3) **5 days after the due date** of furnishing the return, a **notice in FORM GSTR-3A** shall be issued electronically to such registered person who fails to furnish their return, requiring him to furnish such return within 15 days from the issuance of such notice.
- 4) If the registered taxpayer **does not file the return within 15 days**, the proper officer shall pass a **best judgement assessment order** in **FORM GST ASMT-13** and upload a summary indicating the **amount of tax, interest and penalty** in **FORM GST DRC-07**.
- 5) In case the **defaulting taxpayer furnishes the return within 30 days** from passing of order in **FORM GST ASMT-13**, the said **assessment order** shall be **deemed to have been withdrawn**. However, if the said return **remains unfurnished 30 days**, then proper officer may initiate **recovery proceedings**.

The circular also gives powers to the proper officer **in deserving cases**, based on the facts of the case, to resort to **provisional attachment of property before issuance of FORM GST ASMT-13** in order to protect the revenue.

Further, the proper officer can also **cancel registration** in cases where the return has not been furnished for the period 3 consecutive tax periods (in case of quarterly return filers) or 6 consecutive tax periods (in case of monthly return filers)



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