

COVID-19: Indirect Tax implications

The ongoing Coronavirus disease (COVID-19) pandemic has severely impacted the Indian economy. India Inc. is facing major challenges with the financial year closing and taxpayers therefore need to be more vigilant to minimise any potential impact.

Here's how you can HALT and proactively review your Indirect Tax action plan

Compliances

- Ensure compliances are undertaken within due dates prescribed.
- Stay updated regarding notifications/extension in due dates.
- Post grievances timely in case you are unable to file returns due to portal-related issues.

Litigations

- Ensure e-filings with relevant authorities are made within prescribed timelines.
- Wherever hard copy submissions are required, ensure all e-communication are shared with relevant forum/authorities as well.

Work-from-home

- Ensure timely compliance with laws and regulations as there is no clarity on resumption of business as usual and there could be likely extension of work-from-home period due to lockdown.
- However, as due dates are extended, sufficient time will also be provided to ensure compliances.

Government announcements

- Proposed business transactions or assessment of contractual obligations should be properly planned alongside any tax announcements.
- Stay updated about any notifications/communication from the government, as well as seek clarification and support, whenever required, from your tax advisors on any relevant aspects.

IT systems

- Ensure IT systems are able to facilitate smooth functioning during work-from-home period.
- IT systems should be capable of providing detailed necessary data extraction requirements.

Benefit schemes

- Due dates of many benefit schemes such as SEIS/MEIS is 31 March 2020.
- Ensure e-applications are made within prescribed due dates.

Introspection

- This is an opportunity to introspect on your existing compliance framework and possible improvements, as well as assessments and litigation strategies. This often takes a back seat due to ongoing operational deliverables.
- Work out preparedness and implementation of action plans with regard to various upcoming changes such as e-invoicing, automation of returns and reconciliation, ERP requirements, etc.





Extension in due dates

S. No.	Compliance	Revised dates
1	Turnover less than INR 5 crore	Due date to file GSTR-3B extended till last week of June 2020 for returns of March, April and May 2020 without any interest, late fee or penalty.
2	Turnover more than INR 5 crore	Due date to file GST return extended till last week of June 2020 for returns of March, April and May 2020. Interest @ 9% from 15 days after the due date. No late fee or penalty, if complied before 30 June 2020.
3	Composition scheme	Due date to opt for composition scheme, making tax payment for Q4 and filing of return for 2018-19 has been extended till 30 June 2020.
4	Annual return	Due date to file return has been extended to 30 June 2020.
5	GST/Customs compliance	In case time limit for issuing of any communication such as notice, notification, appeal, reports, or any compliance under GST/Customs is expiring between 20 March 2020 and 29 June 2020, due date for the same is extended to 30 June 2020.
6	Sabka Vishwas Scheme	Payment date extended to 30 June 2020. No interest applicable if payment made before the given extended date.

[Click here to download the Grant Thornton Halt-Plan-Refresh guide](#)



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