

Punit Prajapati
& Co.

**GST UPDATES
APPLICABLE FROM
1ST JANUARY 2022**

- No ITC unless reflected in GSTR 2A/2B
- EWB violation subject to 200% penalty
- Direct recovery of diff. b/w. GSTR 1 & 3B
- Scope of Provisional Attachment widened

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CA Prakash Prajapati

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NO ITC UNLESS REFLECTED IN GSTR 2A/2B

Input Tax Credit shall not be available unless details of invoices uploaded by supplier in Form GSTR-1 are communicated to the recipient (i.e reflected in GSTR 2A/2B). Margin of 5% will no more be available.

DIFFERENCE B/W GSTR -1 & 3B: DIRECT RECOVERY

Section 75(12) is amended to provide that tax declared under GSTR-1 but not included in GSTR-3B, will be considered as “Self Assessed Tax” and hence, direct recovery of such tax under Section 79 will be possible even without issuing any Show Cause Notice.

SCOPE OF PROVISIONAL ATTACHMENT WIDENED

Provisional attachment is made applicable in all cases of proceedings of Assessment, Inspection, Search, Seizure and Arrest or Demands and recovery. Now, provisional attachment of property, like bank accounts, can be done not only in the case of Show Cause Notices and investigation but also for other proceedings like Scrutiny of Returns and tax collected but not paid.

PROVISIONAL ATTACHMENT OF ASSETS OF BOGUS BILLING BENEFICIARIES TOO

Not only supplier and recipients but assets of the beneficiaries of bogus billing can also be provisionally attached.



E-WAY BILL: 200% PENALTY TO RELEASE GOODS

At present, full tax and 100% penalty is required to be paid to release the goods which are seized for violation of E-way Bill related provisions and for non-carrying of other documents under Section 129. Now, it is provided that goods will be released on payment of penalty equal to 200% of tax and tax will be recovered through separate proceedings.

25% PRE-DEPOSIT FOR E-WAY BILL APPEALS

For filing appeals, before first appellate authority against order for violation of E-way bill and other provisions, it will be mandatory to pay pre-deposit of amount equal to 25% of penalty imposed.

E-WAY BILL CO-NOTICEE MAY NOT GET FREE BY PAYMENT OF 200% PENALTY BY MAIN NOTICEE

Where proceedings against main person liable to pay tax have been concluded under Section 74, proceedings against co-noticee are also deemed to be concluded as provided under Explanation 1(ii) to Section 74. However, now, such benefit will not be available to co-noticee for proceedings initiated to impose penalties for violation of E-way bill.