

GST Compliance Checklist

INTRODUCTION

This checklist is designed to assist businesses in ensuring adherence to Goods and Services Tax (GST) regulations. Regular compliance is essential to avoid penalties, interest, and disruptions to business operations.

REGISTRATION & DISPLAY

- **GST Certificate Display:** Ensure the GST Registration Certificate (Form GST REG-06) is displayed prominently at the principal place of business and every additional place of business.
- **GSTIN on Board:** The GST Identification Number (GSTIN) must be displayed on the name-board at the entry of the principal and additional places of business.
- **Amendment of Details:** Verify that all business details (address, mobile number, email, authorized signatory) are updated on the GST portal.

INVOICING & DOCUMENTATION

- **Tax Invoice Rules:** Ensure all tax invoices contain mandatory details:
 - Name, address, and GSTIN of supplier and recipient (if registered).
 - Consecutive serial number and date.
 - HSN/SAC code (digits based on turnover).
 - Description, quantity, value, tax rate, and tax amount.
- **E-Invoicing:** Verify applicability of E-Invoicing (based on turnover threshold). If applicable, ensure IRN and QR code are printed on invoices.
- **Bill of Supply:** Issue Bill of Supply for exempt supplies or if opting for the Composition Scheme.
- **Vouchers:** Maintain proper records of Receipt Vouchers (for advances), Refund Vouchers, and Payment Vouchers (for RCM).

INPUT TAX CREDIT (ITC)

- **Vendor Compliance:** Ensure vendors have filed GSTR-1/IFF so that credit appears in your GSTR-2B.
- **ITC Reconciliation:** Reconcile ITC claimed in GSTR-3B with GSTR-2B on a monthly basis.

- **Payment to Vendors:** Ensure payment to vendors (tax + value) is made within 180 days from the invoice date. If not, reverse the ITC with interest.
- **Ineligible ITC:** Identify and do not claim blocked credits under Section 17(5) (e.g., personal consumption, lost goods, food & beverages).

RETURNS FILING

- **GSTR-1/IFF:** File details of outward supplies by the 11th (monthly) or 13th (QRMP) of the following month.
- **GSTR-3B:** File summary return and pay taxes by the 20th, 22nd, or 24th (as applicable) of the following month.
- **Annual Return (GSTR-9/9C):** assess applicability and file by December 31st of the next financial year.
- **Late Fees & Interest:** Ensure timely filing to avoid late fees. Pay interest @ 18% p.a. on delayed tax payments.

E-WAY BILL

- **Generation:** Generate E-Way Bill for movement of goods exceeding the threshold limit (usually INR 50,000 for interstate).
- **Validity:** Ensure the validity of the E-Way Bill covers the duration of the transport. Extend validity if necessary.
- **Reconciliation:** Reconcile E-Way Bills generated with GSTR-1 data.

REVERSE CHARGE MECHANISM (RCM)

- **Identify Liabilities:** Identify transactions liable for RCM (e.g., GTA, Legal Services, Security Services, Renting of Motor Vehicles).
- **Self-Invoicing:** Issue self-invoices for purchases from unregistered persons where RCM applies.
- **Payment:** Pay RCM liability in cash (ITC cannot be used for RCM payment). Claim ITC on RCM paid in the same month.

ACCOUNTS & RECORDS

- **Record Retention:** Maintain books of accounts and related documents for at least 72 months (6 years) from the due date of the annual return.
- **Stock Register:** Maintain a true and correct account of production, manufacture of goods, inward and outward supply, stock of goods, and ITC availed.

Disclaimer: This checklist is for informational purposes only and does not constitute legal advice. Please consult with a tax professional for specific business requirements.