

GST and JOHNNY- UPDATE No.81

JOHNNY
JOHNNY!!



Yes, Papa!



Does the portal provides facility
for auto-reconciliation of
monthly returns?



No papa



Why so?



This papa: - Many of the taxpayers receive notices from department from time-to-time that there is difference in their returns i.e. between GSTR 1 and GSTR 3B. At present, the GSTN portal does not provides the facility of Auto-Reconciliation of GSTR 1 with GSTR 3B filed for the respective month. A system validated auto-reconciliation facility must be provided, where the taxpayer gets a pop-up that there is difference between the outward supplies provided in GSTR 3B when compared with filed GSTR-1 and vice a versa.

Most of the times, the refund gets stuck of the taxpayers due to difference between GSTR 1 and GSTR 3B. Due to confusion in terminologies of zero rated and outward supply, the taxpayers generally mentions the export details in the column 3.1(a) and automatically leads to non reconciliation between the returns.

These check points will alert the taxpayers at a very pre stage and thereby resulting in faster process of refunds and avoidance of reply to multiple notices from department.

A facility of monthly, quarterly ,half-yearly and annual reconciliation of GSTR 3B and GSTR-1 should be enabled on the portal so that the law-abiding taxpayer can have a check on its return filing process without investing time towards manual reconciliation of the Returns.

This critical requirement would yield the full benefits of this major tax reform to the taxpayers. At present, the portal does provide a monthly reconciliation of returns but that is visible after filing of both returns. A pop up facility should be enabled before submitting of return be it GSTR 1 or 3B whichever is already filed.