

Facilitation measure for Goods Transport Agencies paying tax under forward charge mechanism

EXTENSION FOR AVAILING OPTION BY GTA TO PAY GST UNDER FORWARD CHARGE

In July 2022, the Government came out with a notification mandating the Goods Transport Agencies (GTAs) wanting to pay tax under forward charge, file a declaration in the prescribed format. This declaration is to be filed online by 15th March before the start of the relevant financial year.

This poses a problem for the GTAs who have taken new registration as the GSTN portal does not have any option to allow them to file the declaration online once the said deadline of 15th March expires.

Government has come up with problem-solving approach and issued a notification amending the previous one providing the following:

Particulars	Remarks
What is the last date for filing the declaration by registered GTAs for FY 2023-24?	The last date has been extended till 31 May 2023
What is the scenario for a GTA who has commenced a new business or has crossed the registration threshold?	Such a GTA would be allowed to file the declaration later of: • 45 days from the date of filing of GST registration application; or • 1 month from the date of obtaining registration.
What is the meaning of one month?	The term month is not defined. In contra-distinction to 45 days in first clause, it should mean day before the same date in the subsequent month. However, a suitable clarification would help.

(Reference: Notification No. 05/2023-Central Tax (Rate) Dated 09.05.2023, Notification No. 05/2023-Integrated Tax (Rate) Dated 09.05.2023 and Notification No. 05/2023-Union Territory Tax (Rate) Dated 09.05.2023.)

Abbreviations:	
GTA	Goods Transport Agency
CGST Act, 2017	Central Goods and Services Tax Act, 2017
SGST Act, 2017	State Goods and Services Tax Act, 2017
GST	Goods and Services Tax
GSTN	Goods and Services Tax Network