

To,

Date: 03.05.2024

The Hon'ble Home Minister

Shri. Amitji Shaha Saheb

Subject: **Representation on various issues under Goods and services Tax Act 2017.**

Respected Sir,

As tax professionals, we hereby try to represent some issues / difficulties faced by the dealers under GST Law. That are as under-

1) Disallowance of ITC U/s 16(4)-

We all know that, the GST is largest revolution in the history of indirect system in India. Many tax payers are not correctly disclosed input tax credit in GST returns filed. According to Section 16(4) of the MGST Act, 2017, the taxpayer has to claim their input tax credit in respect of their invoice on or before 30th September/ 30th October of the next year. There are so many tax payers who are not able to file their returns properly and not showed the ITC on or before the stipulated time as mentioned in Section 16(4). So there are so many cases in which huge liability of GST along with interest & penalty has been raised by the Nodal officer in order passed in DRC-07. In such cases, the tax payer is not able to pay the burden of dues arise due to Section 16(4) of the GST Act, 2017. These taxpayers has preferred to file appeals before the first appellate

authority against the said orders passed by the nodal officer U/s 16(4). It is nothing but double taxation because the supplier has already paid the tax into Government treasury. Due to denial of such ITC U/s 16(4) the basic principle of seamless flow of credit doesn't get achieved. We invite your attention towards the cases pending before the Hon'ble Supreme Court in case of Shan Motors Vs Union of India and Ors (SLP (Civil) No. 4474/2024 and Mrityunjay Kumar Vs Union of India (SLP(C) No. 28270 of 2023). In both cases, the Supreme Court has issued notice to the respondent. Respondent (Government) has also not filed a reply to the Hon Supreme Court for the said issue. The liability involved in such cases is so huge including interest & penalty hence the tax payer is not going to pay the dues into Government treasury. So once again such appeals will file before the Hon'ble Tribunal. We know that the appellate tribunal is yet not in function and so the option available to the tax payer is to file declaration in form annexure I before the Nodal officer regarding filling of second appeal before the tribunal. Even after case disposal, actual tax recovery might be minimal, considering the fact that dealers would be preferring appeals at higher forums. So we request you to please provide relief in such cases.

2) Service of Notices and Orders under GST laws :-

Though the GST compliance is entirely based on GST Portal and e-governance, it has been seen that in many cases the Registered Persons has not been able to access their emails daily or in many cases even for months. Also small time traders and business persons are not accustomed to accessing their email regularly and are dependent on their accountants and consultants for GST compliances. Many Registered Persons who have been served the notices and orders electronically have thus missed on the deadline for filing the appeal and are saddled with huge liabilities without any further recourse. Appropriate

instructions must be issued to service all notices and orders physically along with the portal in order to facilitate the tax payers to comply with the same and take necessary action in time.

3) Amnesty scheme for payment of dues under GST :-

We all know that GST is a largest reform in the history of Indirect taxation in India. Now already six years are passed and it is noticed that dealers have done numerous mistakes in respect of filling of returns and payment of taxes in initial stage of implementation of GST. i.e. 17-18 and 18-19 etc. Now the officers are passing the assessment orders in such a cases and huge liability has been created upon the dealers along with interest and penalty. So they are not in position to pay the assessment dues. Most of the dealers are filed appeals before the appellate authority and the huge GST tax are pending for recovery in appellate forum.

So we request you to give some relief in such cases by way of amnesty scheme. After introduction of GST, the Government has not declared any amnesty scheme to the dealers for payment of tax, interest and penalty. The defaulters can make payment of tax, interest and penalty under amnesty scheme. So now amnesty scheme is the need of the hour for the dealers at large.

We hope that you will look into the matter in positive manner.

Thanking you.

For The Tax Practitioner's Association of Ratnagiri District

President

CA. Varadraj S. Pandit

Head of the Representation Committee

Adv. Abhijeet A. Berde