



ASSESSMENT UNDER GST



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Assessment means the determination of tax liability under the GST Act.

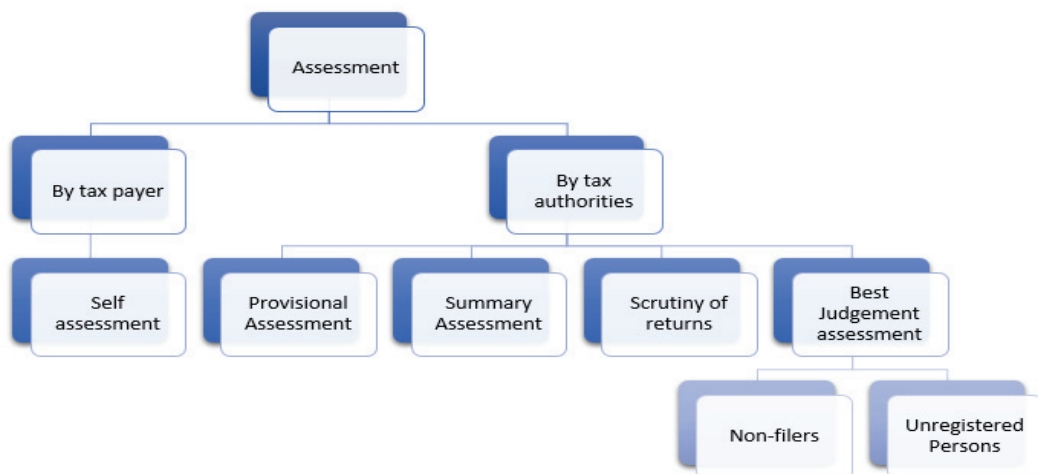
Types of Assessment under GST

- ★ S.59 - Self-assessment
- ★ S.60 - Provisional assessment
- ★ S.61 - Scrutiny of tax returns filed by registered taxable persons
- ★ S.62 - Assessment of registered person who has failed to file their GST returns
- ★ S.63 - Assessment of unregistered persons
- ★ S.64 - Summary assessment in Special Cases

Note:

- ★ Only self-assessment is done by the taxpayer himself. All the other assessments are by tax authorities.
- ★ Persons with GST registration must file GST returns and pay GST every month based on self-assessment of GST liability.
- ★ However, the Government at all times has the right to re-assess or perform an assessment by itself and determine if there is a short payment of GST.

Types of Assessment (In diagrammatic form):



Section 59 – Self Assessment

- ➡ The taxable person is required to pay tax based on self-assessment
- ➡ Every registered taxable person shall assess the taxes payable and furnish a return for each tax period.
- ➡ Hence, all GST return filings are based on self-assessment by the taxpayer.
- ➡ This means GST promotes self-assessment like the Excise, VAT and Service Tax.

Examples:

- * Filing of GSTR-1
- * Filing of GSTR-3B
- * Filing of CMP-08
- * Filing of GSTR-4
- * Filing of GSTR-9

Section 60 - Provisional Assessment

Theory:

An Assessee can request the officer for provisional assessment if he cannot **determine value or rate**.

Unable to determine **value** due to difficulty in –

- * Calculating the transaction value as per S.15
- * Understanding whether certain receipts should be included or not

Unable to determine the **rate of tax** due to difficulty in –

- * Classifying the Goods (HSN)/Services (SAC)
- * Identifying whether any notification is applicable or not

Section 61 - Scrutiny of Returns

- ➡ The proper officer can scrutinize the GST return and related particulars furnished by the registered person to verify the correctness of the return. This is called a scrutiny assessment.
- ➡ It is a non-compulsory pre-adjudication process
- ➡ The officer will ask for explanations on discrepancies noticed to the taxpayer vide Form GST ASMT-10

Circumstances under which Form GST ASMT-10 is issued:

1. Short payment of Tax, i.e., Diff between GSTR-1 Vs.

GSTR-3B

2. Excess ITC claimed in GSTR-3B Vs. Auto Populated in GSTR-2A / 2B
3. RCM not paid compared with Auto Populated in GSTR-2A / 2B
4. Additional Turnover declared in GSTR-9 but Tax not paid through DRC-03

Relevant Forms:

FORM GST ASMT – 10: Notice for intimating discrepancies in the return after scrutiny by the proper officer

FORM GST ASMT – 11: Reply to the notice issued under section 61 intimating discrepancies in the return by the taxpayer

FORM GST ASMT – 12: Order of acceptance of reply against the notice issued under section 61 by the proper officer.

S.62 Assessment of “Non-Filerers” of Returns:

The assessment u/s 62 will be conducted based on the following.

- * Based on the past returns
- * Information available with the Department
- * Based on the BJA

S.63 Assessment of un-registered persons:

- ➡ Where a taxable person **fails** to obtain registration even though liable to do so

(Or)

- ➡ Whose registration has been canceled under S.29(2) but who was liable to pay tax

- * The proper officer **may proceed to assess the tax liability** of such taxable person to the **Best of his judgment** for the relevant Tax period

(And)

- * Issue an assessment order within 5 years from the date specified u/s 44, i.e., Annual Return on or before the 31st Dec following such end of FY.



S.64 Summary Assessment in certain Special Cases

- * A GST Officer can on any evidence showing a **tax liability** of a person **coming to his notice**
- * Then, he can proceed to assess the tax liability of such person to **protect the interest of revenue** and issue an assessment order,
- * If he has sufficient grounds to believe that **any delay** in doing so may adversely affect the **interest of revenue**.
- * To issue order u/s 64; the proper officer is required to obtain prior approval from Additional Commissioner or Joint Commissioner
- * Such an assessment is called summary assessment. The summary assessment order shall be issued in Form GST ASMT-16.
- * The taxable person **may file an application** in

form ASMT-17 within 30 days from receipt of the order (or) the **Commissioner may on his motion** withdraw such order if he considers that such order is erroneous and follow the procedure laid down in section 73 to 74.

Conclusion:

Assessment is a part of GST compliance. It is to be well noted that while conducting the assessment, every taxpayer and the proper officer needs to follow the provisions in the act as well as the rules prescribed by the statute. So both of them should adhere to the procedure laid down in the act. The mechanism to issue the notice or order by the proper officer and reply given by the taxpayer is online, a user-friendly and simple process and the same can be accessed in the GST portal as follows.

Login to the GST portal → select Services → User Services → View Notices or Orders (or) View additional Notices / Orders → click on the notice.

