



KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R)



CA. Kumar S Jigajinni
President, KSCAA

CA. Pramod Srihari
Secretary, KSCAA

Date: 17th December 2020

To,
Smt. Nirmala Sitharaman
Hon'ble Chairman, GST Council
15, Safdarjung Road
New Delhi – 110001

Hon'ble Madam,

**SUBJECT: REQUEST FOR RELIEF FROM LATE FEES FOR DELAYED FILING OF GST
STATEMENTS / RETURNS FROM AUGUST 2020.**

The Karnataka State Chartered Accountants Association (in short 'KSCAA') is an association of Chartered Accountants, registered under the Karnataka Societies Registration Act, in the year 1957. KSCAA is primarily formed for the welfare of Chartered Accountants and represents before various regulatory authorities to resolve the professional problems faced by chartered accountants and business community.

We draw to your kind attention to section 47 of the CGST Act, 2017, which levies a late fee of Rs. 100/- per day of delay in filing statements u/s 37 or returns u/s 39 of the CGST Act, subject to a maximum amount of Rs. 5,000/-. This levy is a common fee on all taxpayers, irrespective of their turnover, which means that registered persons filing Nil Returns also have to bear late fees of upto Rs.10,000 (CGST + SGST).

Taking the situation of COVID-19 into consideration, your kind selves relaxed the above provision vide Notification No. 57/2020-Central Tax and Notification No. 52/2020-



KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R)



CA. Kumar S Jigajinni
President, KSCAA

CA. Pramod Srihari
Secretary, KSCAA

Central Tax, which is laudable. The said notifications capped the late fee payable under section 47 of the Act for the return periods May 2020 to July 2020 as follows –

Tax Payable	Relaxation	Return filing deadline to avail benefit
Other than NIL Return	Maximum late fees of Rs 250 each under CGST and SGST/UTGST per return period.	File returns for May – July 2020 latest by 30 th September 20
NIL Return	Full Waiver of Late Fees	

Earlier, similar waiver was made applicable for the period February, 2020 to July, 2020 subject to deadlines specified in Notification No. 52/2020 – Central Tax.

However, for the subsequent return periods (August, 2020 and onwards), late fee is currently being levied as per the Section 47 of the Act with an upper limit of Rs.10,000 (5,000 each under CGST & SGST/UTGST) disregarding the size / volume of business. Since the taxpayers have either not started or just started retrieving their business, it has been an uphill struggle for most of them to meet their fixed cost with unstable economy, workforce and crumbled business opportunities. Keeping the above in mind, we hereby pray for similar relaxations to be brought in for return periods from August, 2020 to March, 2021, by granting a waiver of late fees for delayed filing of GST Returns, especially for the small and genuine tax payers. This will boost the morale of such tax payers who are trying their best to revive the Indian Economy.

In view of genuine hardships which have arisen due to COVID-19 pandemic, we, on behalf of Karnataka State Chartered Accountants Association and also on behalf of the business community at large, hereby request your good selves to kindly consider our



KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R)



CA. Kumar S Jigajinni
President, KSCAA

CA. Pramod Srihari
Secretary, KSCAA

request and relax the late fee for delayed filing of Statements / Returns as required under the CGST Act, 2017.

Corresponding relaxations under the State Acts are also requested.

Yours Sincerely,

for Karnataka State Chartered Accountants Association ®

CA. Kumar S Jigajinni
President

CA. Pramod Srihari
Secretary

CA. Ganesh V Shandage
Chairman
Representation Committee

Cc to Hon. Shri Anurag Thakur, Minister of State, Finance