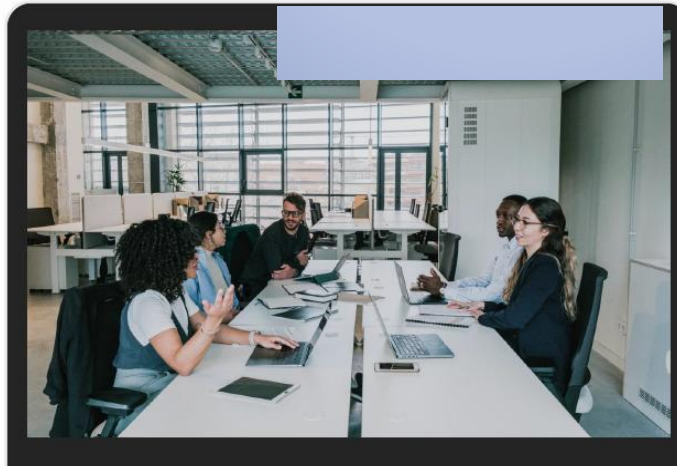


#GST #Changes in #July2025 - #GSTR-1, #GSTR-3B, #IMS

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Hard-locking GSTR-3B from July 2025 Period

A. What incase an invoice is issued wrongly and CN is issued just to cancel the invoice -

Customer will reject the CN but will not reject the Invoice. In such case Invoice may also be amended to “0” vide GSTR-1A. However, this may raise an assessment issue.

This makes “linking” of a CN to an invoice, even other than post sale discount cases u/s 15(3) mandatory.

B. Any invoice/ Debit Note amended downwards vide GSTR-1A - It would generate a “mismatch” between IRN Data and GSTR-1 Data and may result into a query.

Hence, incase recipients rejects our invoice, then reduction in the Liability vide GSTR-1 may create an assessment query

C. Any CN amended upwards vide GSTR-1A - It would generate a “mismatch” between IRN Data and GSTR-1 Data and may result into a query.

Suggested is to raise an additional CN rather than amending the CN upwards

D. GSTR-1A can be filed only once - GSTR-1A must be filed just before GSTR-3B, so that no amendment is missed out.

Hard-locking GSTR-3B from July 2025 Period

E. Focus on 3.1.d i.e. Liability incase of RCM - Same will not be frozen and needs to 'corrected' after being Auto-Generated.

Hence, 3.1.d which is auto populated from GSTR-2B/IMS where supplier has shown payment by recipient, should be accepted/ rejected in IMS itself and only the effect should be taken in 3.1.d

Ensure to scrutinize the Ledgers to check whether any RCM is not missed out, as they may not reflect in GSTR-2B/ IMS at all incase the supplier is unregistered

IMS Preparation

New Amendments in IMS -

- A. A new **'Pending'** status option is introduced for a specified time period (possibly 1 month) for Credit Notes & Other Documents
- B. **Taxpayers can now add optional remarks when rejecting or keeping a record as pending, providing additional context for their actions.**

Readiness -

- A. **For amendments/ rejections made by counter-party noticed once your own return is ready - Always check IMS before filing the GSTR-3B**

IMS Preparation

B. For Credit Notes Issued to Recipient Customers - They have the option only to accept/ reject CNs. Incase they reject, then the Output Tax Liability of the suppliers will be increased and need to be paid.

If supplier does not pay the amount in this month, then it needs to be paid in next month **with interest.**

C. For Credit Notes received from suppliers - Incase CN is “not rejected”, then the corresponding ITC needs to be reversed. Reconciliation is necessary every month accordingly. Reversal in next month will need to be done **with interest.**

D. Incase a recipient rejects a “CN” - Department may wish to know whether ITC has not been taken against the ‘corresponding invoice’.

Hence recipients needs to be careful on rejecting a supplier’s CN too

E. For Major Suppliers/ Customers suggested to have a monthly statement of CN Issued before filing GSTR-1 - This would make the process much more seamless

THANK YOU