



# SERIES-1-CASE STUDIES IN PRESENTATION OF INPUT TAX CREDIT IN ANNUAL RETURN

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Category: [GST Updates](#)

## Series-1-Case Studies in Presentation of Input Tax Credit in Annual Return

There have been lot many errors while claiming Input Tax Credit by the Taxpayers. Some of very common errors was inadvertently claiming Excess ITC, Lapse of ITC, Claim of ITC under Wrong Heading, Deposit of RCM but failure to Claim ITC of RCM, Claim of ITC in RCM but failure to pay tax, Error in Reporting of ITC under Import of Goods/Import of Services/Tax Paid under RCM and reporting under "All Other ITC".

This series of Articles would be an effort in Highlighting the Issues and Suggestive Treatment. **However, opinion and views might differ since the suggestive treatment is on the basis of understanding of the Form.**

### Situation 1: Part Credit claimed till March 2018 and Balance till September 2018

Mr A has a credit of Rs 150000 in Books of Accounts and has out of the said credit, he as claimed Rs 100000 till March 2018 and Rest Rs 50000 from the period April to March 2019.

#### Reporting in Table 6/Table 13

Particulars	Amount	Treatment in Annual Return
ITC Available in Books of Accounts	Rs 150000	-
ITC Claimed in GSTR-3B (July 2017 to March 2018)	Rs 100000	Table 6
ITC Claimed in GSTR-3B (April 2018 to March 2019)	Rs 50000	Table 13

#### Reporting in Table 8

Particulars	Amount	Treatment in Annual Return
ITC Claimed in GSTR-3B (July 2017 to March 2018)	Rs 100000	Table 8B
ITC Claimed in GSTR-3B (April 2018 to March 2019)	Rs 50000	Table 8C

### Situation 2: Part Credit claimed till March 2018 and Part Credit Claimed till March 2019 and Balance could not be claimed

Mr A has a credit of Rs 150000 in Boks of Accounts and has out of the said credit, he as claimed Rs 100000 till March 2018 and Rest Rs 25000 from the period April to March 2019 and Rest Rs 25000 was not claimed by the Taxpayer.

#### Reporting in Table 6/Table 13

Particulars	Amount	Treatment in Annual Return
ITC Available in Books of Accounts:	Rs 150000	-
ITC Claimed in GSTR-3B (July 2017 to March 2018)	Rs 100000	Table 6
ITC Claimed in GSTR-3B (April 2018 to March 2019)	Rs 25000	Table 13
ITC Unclaimed	Rs 25000	ITC Lapsed

**Reporting in Table 8**

Particulars	Amount	Treatment in Annual Return
ITC Claimed in GSTR-3B (July 2017 to March 2018)	Rs 100000	Table 8B
ITC Claimed in GSTR-3B (April 2018 to March 2019)	Rs 25000	Table 8C
ITC Unclaimed	Rs 25000	Table 8E

**Situation 3: Part Reversal Made till March 2018 and Part Reversal made till September 2018**

Mr A had reversed ITC of Rs 50000 in Books of Accounts on account of Rule 42 and Rule 43/180 Days Reversal. However, he could only reverse ITC of Rs 25000 till March 2018 and balance ITC of Rs 25000 was reversed from the period April 2018 to September 2018.

**Reporting in Table 7/Table 12**

Particulars	Amount	Treatment in Annual Return
Total ITC Reversed in Books of Accounts	Rs 50000	-
ITC Reversed in GSTR-3B (July 2017 to March 2018)	Rs 25000	Table 7
ITC Reversed in GSTR-3B (April 2018 to Sep 2018)	Rs 25000	Table 12

**Reporting in Table 8**

Particulars	Amount	Treatment in Annual Return
ITC Reversed in GSTR-3B (July 2017 to March 2018)	Rs 25000	Not to be reflected in Table 8
ITC Reversed in GSTR-3B (April 2018 to Sep 2018)	Rs 25000	Not to be reflected in Table 8

**Situation 4: Part Reversal Made till March 2018 and Part Reversal made till September 2018 and Balance Reversal could not be made till Filing of Annual Return**

Mr A had reversed ITC of Rs 100000 in Books of Accounts on account of Rule 42 and Rule 43. However, he could only reverse ITC of Rs 25000 till March 2018 and Rs 25000 was reversed from the period April 2018 to September 2018. He could not reverse balance ITC of Rs 50000 and wants to reverse in Annual Return.

**Reporting in Table 7/Table 12**

Particulars	Amount	Treatment in Annual Return
Total ITC Reversed in Books of Accounts	Rs 100000	-
ITC Reversed in GSTR-3B (July 2017 to March 2018)	Rs 25000	Table 7
ITC Reversed in GSTR-3B (April 2018 to Sep 2018)	Rs 25000	Table 12
Balance ITC to be Reversed	Rs 50000	Table 7 and Pay by DRC-03

**Reporting in Table 8**

<b>Particulars</b>	<b>Amount</b>	<b>Treatment in Annual Return</b>
ITC Reversed in GSTR-3B (July 2017 to March 2018)	Rs 25000	Not to be reflected in Table 8
ITC Reversed in GSTR-3B (April 2018 to Sep 2018)	Rs 25000	Not to be reflected in Table 8
Balance ITC to be Reversed	Rs 50000	Not to be reflected in Table 8

**Situation 5: In correct Reporting of IGST Paid on import of Goods under "All other ITC"**

Mr A had imported goods and paid IGST of Rs 100000.00. He had other ITC of Rs 50000.00. While filing GSTR-3B, he inadvertently reflected entire ITC in "All other ITC" in Column 4(A)(5) of GSTR-3B. Can he show such amount correctly in GSTR-9.

**Reporting in Table 6**

<b>Particulars</b>	<b>Amount</b>	<b>Treatment in Annual Return</b>
Total IGST Paid on Import	Rs 100000	Table 6E
All Other ITC	Rs 50000	Table 6B
Aggregate ITC	Rs 150000	

**Reporting in Table 8**

<b>Particulars</b>	<b>Amount</b>	<b>Treatment in Annual Return</b>
Total IGST Paid on Import	Rs 100000	Table 8H
All Other ITC	Rs 50000	Table 8B

**Situation 6: Higher Credit claimed in GSTR-3B and Part Wrong availment adjusted till March 2018, Part Adjusted till September 2018 and Part could not be adjusted till filing of Annual Return (Reversal has been made through Table 4(B)(2) of GSTR-3B)**

Mr A had Input Tax Credit Books of Accounts of Rs 150000.00 He Inadvertently claimed credit of Rs 1500000.00. Out of which Rs 1000000.00 was reversed till March 2018. Rs 200000.00 was reversed till September 2018. (Reversal has been made through Table 4(B)(2) of GSTR-3B.)

Balance Rs 150000.00 could not be reversed.

**Reporting in Table 6/Table 7/Table 13**

<b>Particulars</b>	<b>Amount</b>	<b>Treatment in Annual Return</b>
ITC claimed in GSTR-3B	Rs 1500000	Table 6B

ITC Reversed during July 17 to March 2018	Rs 1000000	Table 7H
ITC Reversed from April to Sep 18	Rs 200000	Table 13
Balance ITC to be reversed	Rs 150000	Table 7H

It would be worthwhile to mention that Figures in Table 6B would auto populated in Table 8B. This would result in incorrect preparation of Table 8. But then the form offers not solution in this respect as any other way of filing the form would result in incorrect preparation of Table 9. The handbook released by ICAI also provides as follows:

*Sl. No. 8B: ITC as per sum total of 6(B) and 6(H)*

*Notes to consider If ITC is wrongly reported in GSTR-3B, the mistake shall get reflected in this clause*

### Reporting in Table 8

Particulars	Amount	Treatment in Annual Return
ITC claimed in GSTR-3B (July 17 to March 18)	Rs 1500000	Table 8B
ITC Reversed during July 17 to March 2018	Rs 1000000	Not to be reflected in Table 8
ITC Reversed from April to Sep 18	Rs 200000	Not to be reflected in Table 8
Balance ITC to be reversed	Rs 150000	Not to be reflected in Table 8

**Alternate Approach:** There might be an alternative view of showing the ITC in Table 6B as Rs 350000.00 and consequently in Table 8B and Rs 200000 in Table 12. (Though might not appear proper on an overall view of the form as all reversal made have to be reported in Table 7). Professional Judgement would be required to be exercised in the matter.

### Situation 7: Higher Credit claimed in GSTR-3B and Part Wrong availment adjusted till March 2018, Part Adjusted till September 2018 and Part could not be adjusted till filing of Annual Return (Reversal has been made through netting off subsequent credits in Table 4(A)(5) of GSTR-3B)

Mr A had Input Tax Credit Books of Accounts of Rs 150000.00 He Inadvertently claimed credit of Rs 1500000.00. Out of which Rs 1000000.00 was reversed till March 2018. Rs 200000.00 was reversed till September 2018 and Balance Rs 150000.00 could not be reversed. Reversal has been made after reducing subsequent credits in Table 4(A)(5) i.e. "All Other ITC" then reporting in GSTR-9 can be made as follows:

### Reporting in Table 6/Table 7/Table 13

Particulars	Amount	Treatment in Annual Return
ITC claimed in GSTR-3B (July 17 to March 18)	Rs 500000	Table 6B
ITC Reversed from April to Sep 18	Rs 200000	Table 13
Balance ITC to be reversed	Rs 150000	Table 7H

**Reporting in Table 8**

<b>Particulars</b>	<b>Amount</b>	<b>Treatment in Annual Return</b>
ITC claimed in GSTR-3B (July 17 to March 18)	Rs 500000	Table 8B
ITC Reversed from April to Sep 18	Rs 200000	Not to be reflected in Table 8
Balance ITC to be reversed	Rs 150000	Not to be reflected in Table 8

**Situation 8: Amount shown in GSTR-3B under "All other ITC" as net of Reversal**

Mr A had an input of Rs 150000.00 and had to reverse credit of Rs 10000.00 (non-payment of consideration for 180 days). He inadvertently reflected net credit of Rs 140000.00 in GSTR-3B in Column 4(A)(5). How same should be reflected in GSTR-9.

**Reporting Made in GSTR-3B**

<b>Particulars</b>	<b>Amount</b>
ITC as per Books of Accounts	Rs 150000
Reversal to be made	Rs 10000
Reporting in GSTR-3B in Table 4(A)(5)	Rs 140000

**Ideal Reporting in GSTR-3B**

<b>Particulars</b>	<b>Amount</b>
Reporting in GSTR-3B in Table 4(A)(5)	Rs 150000
Reversal in Table 4B(2)	Rs 10000

**Reporting in Table 6 and 7 in GST Annual Return**

<b>Particulars</b>	<b>Amount</b>	<b>Treatment in Annual Return</b>
ITC as per Books of Accounts	Rs 150000	Table 6B
ITC to be Reversed	Rs 10000	Table 7A