

GST and Central Excise, Chennai Outer

QRMP

Quarterly Return
Monthly Payment
Scheme

From
01st
January
2021

For migration to the scheme, taxpayers must file their GSTR-3B returns for the month of October 2020 by 30th November 2020



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Quarterly Return Monthly Payment (QRMP) Scheme

CBIC Circular No.143/13/2020-GST dated 10th November 2020

Eligibility

Taxpayers having aggregate turnover of up to 5 Crore rupees in the Preceding Financial year

1

Criteria

Taxpayer must have furnished the last return, as due on the date of exercising such option

2

Exercising option

Taxpayers can opt in for any quarter from first day of second month of preceding quarter to the last day of the first month of the quarter

3

Option once exercised

Taxpayers are not required to exercise their option every quarter, shall furnish return, unless they revise the said option

4

Migration

Taxpayers who have filed their return GSTR-3B for October, 2020, by 30th November, 2020, shall be migrated on the common portal

5

Invoice Furnishing facility (IFF)

Invoice details can be filed in GSTR-1 by using IFF for 1st and 2nd month of the quarter

6

New facility to furnish Invoice details – GSTR-1

For Taxpayers filing quarterly return from 1st January 2021

Invoice Furnishing Facility (IFF)

1st Month of
the quarter

2nd Month of
the quarter

Up to a cumulative value
of Rs.50 lakhs in each of
the months

From 1st day to 13th day of
the succeeding month

Notification No.82/2020 –
Central tax dated.10.11.2020
(w.e.f 01.01.2021)



QRMP Scheme (continued)



Class of Registered persons

01

Turnover of up to 1.5 Crore rupees and have filed GSTR-1 on Quarterly basis in the current FY

Quarterly return

02

Turnover of up to 1.5 Crore rupees and have filed GSTR-1 on monthly basis in the current FY

Monthly return

03

Turnover of more than 1.5 Crore rupees and up to 5 crore rupees in the preceding FY

Quarterly return

Monthly payment of Tax

Fixed sum method

Pay tax due in each of the first two months of the quarter

Deposit in PMT – 06 by 25th day of the month succeeding such month

Fixed sum method

An amount equal to thirty five percent of the tax paid in cash in the preceding quarter where return was filed quarterly or equal to tax paid in cash in the last month immediately preceding quarter where the return was filed monthly

Benefits of QRMP Scheme

- ❑ Compliance burden of the taxpayer will be reduced significantly.
- ❑ Taxpayers needs to file only 4 GSTR-3B returns instead of 12 GSTR-3B returns in a year.
- ❑ Taxpayers would be required to file only 4 GSTR-1 returns since Invoice Filing Facility (IFF) is provided under this scheme.

Benefits of QRMP Scheme

- ❑ Pay tax on monthly basis, either by fixed sum method (or) self-assessment method by generating pre filled challan selecting “**monthly payment for quarterly taxpayers**”.
- ❑ Furnish invoice details in IFF depending upon the requirement of their recipient, for first two months of the quarter. The remaining invoice details can be furnished in the quarterly GSTR-1.

Eligibility

- Taxpayers whose aggregate turnover is up to Rs. 5 Crore in the preceding financial year are eligible for QRMP Scheme.
- For computing Aggregate turnover, details furnished in returns for tax periods in the preceding Financial Year shall be taken into account.
- In case if the aggregate turnover exceeds Rs.5 crore during any quarter in the current financial year, they shall not be eligible for the scheme from the next quarter.

Exercising option

- Taxpayers can opt in for QRMP Scheme for any quarter from first day of second month of preceding quarter to the last day of the first month of the quarter.
- To exercise QRMP option, **taxpayer must have filed the last return.**
- Taxpayers not required to exercise the option every quarter, once exercised they shall continue under the scheme till such time they revise the option.

Exercising option

Taxpayers who have not fulfilled the criteria i.e. non filing of GSTR-3B for October, 2020 by 30th November, 2020 shall not be migrated as below.

Sl. No.	Class of registered person	Default Option
1	Registered persons having aggregate turnover of up to 1.5 crore rupees who have furnished FORM GSTR-1 on quarterly basis in the current financial year	Quarterly return
2	Registered persons having aggregate turnover of up to 1.5 crore rupees who have furnished FORM GSTR-1 on monthly basis in the current financial year	Monthly Return
3	Registered persons having aggregate turnover more than 1.5 crore rupees and up to 5 crore rupees in the preceding financial	Quarterly return

Exercising option

- **The default option has been provided for the convenience of the taxpayer.**
- **However, taxpayers are free to change the option from 5th of December, 2020 to 31st of January, 2021.**
- **All persons who have obtained registration or taxpayers opting out of composition scheme, during any quarter shall be able to opt for the scheme from first day of second month of preceding quarter to the last day of first month of the quarter.**
- **Opting of QRMP scheme is GSTIN wise. Distinct persons can avail QRMP scheme option for one or more GSTINs.**

Opting Out of the scheme

- Taxpayer whose aggregate turnover has exceeded Rs.5 Crore in the financial year shall opt out of the scheme.
- Also facility for opting out of the scheme for a quarter will be available from first day of second month of preceding quarter to the last day of the first month of the quarter.

Furnishing of outward supply details

- Taxpayers opting for the scheme shall file GSTR-1 on a quarterly basis.
- Taxpayer will have the facility (optional) to upload invoice details using IFF upto Rs.50 lakhs in each month (first and second month of the quarter) between the 1st day of the succeeding month till the 13th day of the succeeding month.
- Invoice uploaded using IFF will be reflected in Form GSTR-2A and GSTR-2B of recipient.
- The details of invoice furnished using IFF in the first two months are not required to be furnished again in GSTR-1.

Monthly Payment of tax

- ✓ Taxpayers would be required to pay tax due in each of the first two months of the quarter by depositing in pre filled Form GST PMT-06.
- ✓ The payment is to be made by 25th of the succeeding month.

Options for making monthly payment of tax

1. Fixed Sum method:

Taxpayer can pay tax by generating in challan for an amount equal to 35% of tax paid in cash in the preceding quarter if the return is furnished quarterly or make payment equal to the tax paid in cash last month if returns were filed monthly.

2. Self Assessment method:

Taxpayer opting for the scheme can pay tax due in Form GST PMT-06 by considering tax liability on inward and outward supplies and the input tax credit available.

Quarterly filing of Form GSTR-3B

- Taxpayers opting for the scheme are required to file quarterly GSTR-3B on or before 22nd or 24th of the month succeeding the quarter.
- Shall declare outward supplies and ITC availed during the quarter. Amount deposited in the first two months shall be debited solely for offsetting the liability.
- GSTR-3B has to be filed even if cancellation of registration was done during any of the first two months of the quarter.

Applicability of Interest

For fixed sum method taxpayers:

- No interest would be payable where taxpayer opts to pay tax due for first two months of quarter by due date at fixed sum method (i.e., 35% of their net cash liability declared and paid in the preceding quarter as declared in GSTR-3B) even if it is found later that the liability for the said month was higher, provided they file GSTR-3B of the quarter by due date by discharging the entire liability.
- If taxpayer makes monthly payment beyond due date, interest is payable at the applicable rate.
- In case form GSTR-3B is furnished beyond due date, interest would be payable as per provisions of Section 50 of the CGST Act for the tax liability net of ITC.

Applicability of Interest

For Self-Assessment method taxpayers:

- Interest would be payable as per provisions of Section 50 of CGST Act for tax or any part thereof (**net of ITC**) which remains unpaid/paid beyond the due date for the first two months of the quarter.
- Interest payable, if any, shall be paid through Form GSTR-3B.

Applicability of late fee

- ❖ Late fee would be applicable for delay in furnishing of quarterly return / details of outward supply.
- ❖ No late fee is applicable for delay in payment of tax in first two months of quarter.



Taxpayers please ensure that GSTR-3B returns for the month of October 2020 needs to be filed by 30th November 2020 for migrating to the scheme.

For complete details please logon to www.cbic.gov.in-GST-gstlaws, rules and rates- Circular – CGST- Circular No.143/13/2020-GST dated 10.11.2020

For updates on GST



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