

ANNEXURE-1

ADVISORY ON INTEREST CALCULATOR IN GSTR-3B

Annexure with illustrative example

1. To explain the new functionality, an illustrative example is being provided, showing sample data for a taxpayer, and how the details have to be entered in a GSTR-3B, and how the interest for the same will be computed & appear in the subsequent GSTR-3B.

Illustration :

- i. A monthly taxpayer is filing GSTR-3B for the tax period of October 2021. In the said GSTR-3B, the taxpayer has declared the following values in Table-3.1 of GSTR-3B :

Nature of supplies	Taxable value	Integrated tax	Central tax	State/UT tax	Cess
a) Outward taxable supplies (other than zero rated, nil rated and exempted)	10,00,000	90,000	45,000	45,000	2,80,000
(b) Outward taxable supplies (zero rated)	5,00,000	45,000			1,40,000
(c) Other outward supplies (Nil rated, exempted)	10,000				
(d) Inward supplies (liable to reverse charge)	2,00,000	12,000	6,000	6,000	0
(e) Non-GST outward supplies	1,00,000				
Total tax liability		1,47,000	51,000	51,000	4,20,000

However, these consolidated tax liability values consist of not only for *October 2021* but also for previous tax-periods of *July, August & September 2021*.

- ii. Hence, for the purpose of interest calculation, the taxpayer would be expected to declare the following tax-period wise break-up in GSTR-3B for October 2021, in the following manner :

Tax period	Integrated tax	Central tax	State/UT tax	Cess
October 2021	1,00,000	40,000	40,000	4,00,000
September 2021	40,000	8,000	8,000	20,000
August 2021	5,000	3,000	3,000	0
July 2021	2,000	0	0	0
Total	1,47,000	51,000	51,000	4,20,000
Other than reverse charge	1,35,000	45,000	45,000	4,20,000
Reverse charge	12,000	6,000	6,000	0

- iii. The interest calculation could be thereafter done by the system as per the aforesaid values declared by the taxpayer. However, this gap exists in the current GSTR-3B implementation, to cover which new feature has been added.

New feature in GSTR-3B

2. **Tax Liability Breakup, As Applicable** button in GSTR-3B: A new button called *Tax Liability Breakup, As Applicable* will be provided in GSTR-3B for furnishing the tax-period wise break-up of tax liability. This button will appear in GSTR-3B on the payment page, below the **Table 6.1 – Payment of tax.**

Description	Other than reverse charge Tax payable (₹)	Paid through ITC				Other than reverse charge Tax to be paid in Cash(₹)	Reverse Tax
		Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)		
1	2	3	4	5	6	7(2 - 3 - 4 - 5 - 6)	
Integrated Tax	1,35,000	50,000	0	0		85,000.00	
Central Tax	45,000	0	20,000			25,000.00	
State/UT Tax	45,000	0		20,000		25,000.00	
CESS (₹)	4,20,000				80,000	3,40,000.00	

BACK

PREVIEW DRAFT GSTR-3B

CREATE CHALLAN

MAKE PAYMENT/POST CREDIT TO LEDGER

PROCEED TO FILE

TAX LIABILITY BREAKUP, AS APPLICABLE

The *Tax Liability Breakup, As Applicable* button will be **enabled only after clicking the ‘Make payment/Post credit to ledger’** button. In other words, break-up of the tax-period wise values can be furnished by the taxpayers after making payment of the liability for this period.

Description	Other than reverse charge Tax payable (₹)	Paid through ITC				Other than reverse charge Tax to be paid in Cash(₹)	Reverse charge Tax payable (₹)	Reverse charge Tax to be paid in Cash(₹)	Interest Payable (₹)	Interest to be paid in cash (₹)	Late Fee Payable (₹)
		Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)						
1	2	3	4	5	6	7(2 - 3 - 4 - 5 - 6)	8	9	10	11	12
Integrated Tax	1,35,000.00	50,000.00	0.00	0.00		85,000.00	12,000.00	12,000.00	0.00	0.00	
Central Tax	45,000.00	0.00	20,000.00			25,000.00	6,000.00	6,000.00	0.00	0.00	1,000.00
State/UT Tax	45,000.00	0.00		20,000.00		25,000.00	6,000.00	6,000.00	0.00	0.00	1,000.00
CESS (₹)	4,20,000.00				80,000.00	3,40,000.00	0.00	0.00	0.00	0.00	

BACK

PREVIEW DRAFT GSTR-3B

CREATE CHALLAN

MAKE PAYMENT/POST CREDIT TO LEDGER

PROCEED TO FILE

TAX LIABILITY BREAKUP, AS APPLICABLE

This button will also appear on the filing page of GSTR-3B.

Dashboard > Returns > GSTR-3B > Filing of Tax

English

Verification

☐ I/We hereby solemnly affirm and declare that the information given herein above is true and correct (in respect of Form GSTR-3B) to the best of my knowledge and belief and nothing has been concealed therefrom.

BACK

TAX LIABILITY BREAKUP, AS APPLICABLE

PREVIEW DRAFT GSTR-3B

FILE GSTR-3B WITH EVC

FILE GSTR-3B WITH DSC

Video tutorial for filing with DSC

User Manual for filing with DSC

3. If the taxpayers click on this button, they will be provided with an option of declaring tax-period wise break-up of the tax liability discharged by them in this GSTR-3B. The values could be declared head-wise, and the total value for all the tax-periods put together should be equal to the tax liability paid in the GSTR-3B.

Dashboard > Returns > GSTR-3B > Filing of Tax

English

Breakup of tax liability

HELP

Period	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)	Action
October 2021	1,00,000.00	40,000.00	40,000.00	4,00,000.00	
August 2021	40,000.00	8,000.00	8,000.00	20,000.00	-
July 2021	5,000.00	3,000.00	3,000.00	0.00	-
June 2021	2,000.00	0.00	0.00	0.00	+ -

SAVE

Verification

☐ I/We hereby solemnly affirm and declare that the information given herein above is true and correct (in respect of Form GSTR-3B) to the best of my knowledge and belief and nothing has been concealed therefrom.

BACK

TAX LIABILITY BREAKUP, AS APPLICABLE

PREVIEW DRAFT GSTR-3B

FILE GSTR-3B WITH EVC

FILE GSTR-3B WITH DSC

4. On clicking the *Save* button, the option to *File* GSTR-3B through EVC or DSC will be enabled.

Breakup of tax liability

HELP

Period	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)	Action
October 2021	1,00,000.00	40,000.00	40,000.00	4,00,000.00	
August 2021	40,000.00	8,000.00	8,000.00	20,000.00	-
July 2021	5,000.00	3,000.00	3,000.00	0.00	-
June 2021	2,000.00	0.00	0.00	0.00	+ -

SAVE

Verification

☒ I/We hereby solemnly affirm and declare that the information given herein above is true and correct (in respect of Form GSTR-3B) to the best of my knowledge and belief and nothing has been concealed therefrom.

Authorised Signatory*

ANGAD ARORA

BACK

TAX LIABILITY BREAKUP, AS APPLICABLE

PREVIEW DRAFT GSTR-3B

FILE GSTR-3B WITH EVC

FILE GSTR-3B WITH DSC

Auto-population of system computed interest in next GSTR-3B

5. **System computation of interest** :After filing this GSTR-3B, the system will compute the interest liability on the basis of the values declared in this GSTR-3B. This computation will be done in accordance with the provisions of the Section-50 of the Act, **as amended**.

Interest will be computed for each tax-period as per the following formula :

Interest liability

=

Tax liability X

Number of days since the
Due date till the actual date
of filing GSTR-3B

Number of days in the year

X Rate of interest

Depending on the number of tax-periods declared by the taxpayer in the tax-period wise break-up, the interest liability for each tax-period will be calculated separately as per this formula. The interest values for different periods will then be added, and the total interest liability will be computed for each head by the system.

6. **Auto-population of interest** : The interest values computed above will be auto-populated in the *Table 5.1 – Interest and Late fee for previous tax period* of GSTR-3B of the next tax-period. The break-up and the manner of *interest* computation can be viewed by clicking the *System Generated GSTR-3B* button on this page.

This is on the lines of the auto-population of *Late fees* for the previous tax-period in the subsequent tax-period. Just like the system-computed *late fees* is auto-populated in the next tax-period, now the system-computed *interest* will also be populated in the GSTR-3B of the next tax-period. The system computed values will also be displayed to the user on mouse-hovering.

Dashboard > Returns > GSTR-3B > Interest and Late Fee

English

5.1 Interest and Late fee for previous tax period

View your Turnover

Help ?

ⓘ Declare interest payable on tax liabilities on supplies attracting reverse charge as well as other than reverse charge

✕

☒ Please select the check box if you wish to declare any Interest liabilities. Please note Interest amounts declared here under respective heads need to be paid in cash in addition to tax liabilities for the month. GSTR 3B can be filed only after complete payment of all liabilities.

Description	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)
Interest	4,374.41	1,251.80	1,251.80	8,949.04
Late Fees		1,000.00	1,000.00	

SYSTEM GENERATED GSTR-3B

CANCEL

CONFIRM

7. To begin with, system will not stop the users from changing the system computed interest values. However, the system will warn the taxpayers on *downward* editing of the interest values in any tax head. On *downward* editing of values, the concerned cell will become *Red* and the system computed values will also be shown during mouse hovering to caution the taxpayer from making a mistake.

Dashboard > Returns > GSTR-3B > Interest and Late Fee English

5.1 Interest and Late fee for previous tax period View your Turnover Help ?

⚠ The interest liability entered by you in cells highlighted in red is in variance with the auto-populated interest. The interest liability has been computed based on the tax liability breakup provided by you in previous period GSTR-3B. Kindly recheck and proceed.

✓ Please select the check box if you wish to declare any Interest liabilities. Please note Interest amounts declared here under respective heads need to be paid in cash in addition to tax liabilities for the month. GSTR 3B can be filed only after complete payment of all liabilities.

Description	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)
Interest	4,373.41	1,251.80	1,251.80	8,949.04
Late Fees		1,000.00	1,000.00	

SYSTEM GENERATED GSTR-3B **CANCEL** **CONFIRM**

- If the taxpayer attempts to file GSTR-3B with the *downward* edited values, the interest tile would become *Red* and also the system will provide a Warning regarding the same to the user. However, despite these warnings, the system will not stop the taxpayers from filing their GSTR-3B with changed values.

Warning

For table 5.1 - The information entered by you in tiles which are highlighted in red is in variance with the auto-populated interest. The interest liability has been computed based on the tax liability breakup provided by you in previous period GSTR-3B. Kindly recheck and proceed.

CANCEL **PROCEED**

- Depending on the number of tax-periods declared by the taxpayer in the tax-period wise break-up, the interest liability for each tax-period will be calculated separately as per this formula. The interest values for different periods will then be added, and the total interest liability will be computed for each head by the system.

Changes in user experience

- Even after the *interest calculator* is enabled on the GST Portal, there will be no change in the user experience for the taxpayers who have not made any delayed payment of tax liability pertaining to earlier period(s).

The taxpayer having tax liability pertaining to earlier tax period(s) can use the facility to provide the break-up of liability of the past period(s). If the previous period tax liability is not declared, the interest will by default be computed by assuming that the entire tax liability pertains to the present period.

For details of declaring tax-period wise tax liability, please refer to paras. 2-4 above.