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## **ADVISORY ON AVAILMENT OF INPUT TAX CREDIT (ITC) FOR FY 2020-21**

Section 16(4) of the Central Goods and Services Act, 2017 provides that no taxpayer shall take input tax credit in respect records (invoices and debit notes) for supply of goods or services (or both) for Financial Year 2020-21 after due date of furnishing of return for the month of September 2021. In this regard, the GSTN issued an advisory for taxpayers which provides that:

- Records (invoice or debit notes) pertaining to Financial Year 2020-21 reported in GSTR-1 after due date of GSTR-3B of September 2021 will not reflect as “ITC Available” in GSTR-2B of the recipients. Such records will reflect in “ITC Not Available” section of GSTR-2B and such ITC shall in turn not be auto-populated in GSTR-3B.
- Records (invoice or debit notes) pertaining to Financial Year 2020-21 reported in GSTR-1 after due date of GSTR-3B of September 2021 will also not reflect as “ITC as per GSTR-2A” in Table-8A of GSTR-9 of the recipients.

### **VA Comments**

Taxpayers must ensure that records pertaining to Financial Year 2020-21 are reported on or before the due date of their GSTR-3B for the month September 2021, or for the quarter of July to September 2021 in case of quarterly GSTR-3B filers. Availment of ITC by the recipients contrary to the legal provisions in GST may entail action by the tax administrations in accordance with law.

**For any further information/ clarification, please feel free to write to:**

- Mr. Shammi Kapoor, Partner [shammi@vaishlaw.com](mailto:shammi@vaishlaw.com)
- Mr. Manik Sharma, Associate [manik@vaishlaw.com](mailto:manik@vaishlaw.com)

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