From Jan 2022, GST Input Tax Credit - ITC is available only upto "What Is Reflected in GSTR 2B".

Here Is Flow Chart "What To Add (+) Less (-) From GSTR 2B" To arrive at "ITC To Be claimed" in GSTR 3B



- By CA SWAPNIL MUNOT

DOWNLOAD GSTR 2B FORM

(Generally It is available in the afternoon of 14th of every month)

FROM GSTR 2B - (REMOVE) INELIGIBLE ITC

[Such as Motor Car, Food, Health Insurance, Gift, Capital Expense Relating to Immovable Property etc]

FROM GSTR 2B - (REMOVE) ITC CLAIMED IN EARLIER PERIOD

[Example : Invoice date 10.12.2021. ITC taken in GSTR 3B of Dec 2021. However supplier disclosed same ITC recently and appearing in your GSTR 2B of Jan

FROM GSTR 2B - (REMOVE) GOODS RECEIVED IN NEXT MONTH

[Example: Invoice date 30.01.2022 and also appearing in GSTR 2B of Jan 2022. However Goods are received by company on 5th Feb 2022. This ITC is to be claimed in GSTR 3B of Feb 2022.]

FROM GSTR 2B – (REMOVE) ITC NOT RELATING TO YOUR BUSINESS

[Example - A sold goods to B. But in GSTR 1 shown GSTIN of D. Here, D needs to remove said ITC from his GSTR 2B]

FROM GSTR 2B - (ADD) IMPORT ITC TO BE TAKEN based on Bill of Entries

Example: In Jan 2022, 3 bill of entries are filed by company. However in GSTR 2B of Jan only 1 bill of entries is reflecting. Company can claim ITC of remaining 2 bill of entries too in Jan 2022, even though it is not reflecting in GSTR 2B

FROM GSTR 2B – (ADD) PENDING ITC

Example - Invoice Date 10.11.2021. Supplier filed his GSTR 1/3B within due date. However buyer has not taken ITC in Nov / Dec yet. Same can be now taken in Jan 2022.]

Note:

- a) It is important that utmost efforts are to be taken to ensure that ITC Balance as per Books and GST Return is matching.
- b) It is recommended that Reconciliation of ITC as per Books and GSTR 2B should be done monthly basis, to keep track of ITC mismatch