

## NDA Update on Invoice Management System under GST

Invoice Management System (IMS) under GST has been made available to taxpayers recently. This new system shall facilitate taxpayers in matching their records/invoices vis a vis issued by their suppliers for availing the correct Input Tax Credit (ITC).

IMS is launched from GSTR-2B return period of Oct'24. Hence, all the records eligible for GSTR-2B of Oct'24 return period onwards will be made available on the IMS dashboard. The first draft GSTR-2B on the basis of actions taken on invoices/records in the IMS dashboard would be generated and made available to all the taxpayers on 14<sup>th</sup> November, 2024 for the return period Oct'24. **It may be noted that invoices which are reflected in GSTR-2B of return period Sept'24 or any earlier period will not be reflected in IMS.**

**Taxpayer can take action on the invoices/records in their IMS dashboard and recompute their GSTR-2B of any return period till the time the taxpayer files his GSTR-3B for that period.** Thus, for Oct'24 return period, the tax payer can take action till 20<sup>th</sup> November, 2024 or the date of actual filing of GSTR-3B whichever happens earlier.

It is not mandatory to act on records in IMS dashboard for GSTR-2B generation. The records where no action is taken by the taxpayer would be treated as accepted by the system and a GSTR-2B would be generated as it is generated presently.

Team GSTN has issued Additional FAQs on IMS on 17.10.2024. The link to the same is <https://services.gst.gov.in/services/advisoryandreleased/read/536>. The same is reproduced below.

### Additional FAQ on IMS

1	Which invoices are visible on IMS dashboard since 14th Oct 2024?	IMS is launched from GSTR-2B return period of Oct'24. Hence, all the records eligible for GSTR2B of Oct'24 return period onwards will be made available on the IMS dashboard. All the invoices which are part of GSTR2B of Sep'24 or older return periods will not be reflecting in IMS.
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2	Which is the first GSTR2B prepared using actions taken on IMS? The first draft GSTR-2B on the basis of actions taken on invoices/records in the Invoice Management System dashboard would be generated and made available to all the taxpayers on 14th Nov 2024 for the return period Oct'24.	The first draft GSTR-2B on the basis of actions taken on invoices/records in the Invoice Management System dashboard would be generated and made available to all the taxpayers on 14th Nov 2024 for the return period Oct'24.
3	Can taxpayer take action after 14th Nov,2024 and regenerate GSTR-2B of Oct'24 return period? Taxpayer can take action on the invoices/records in their IMS dashboard and recompute their GSTR-2B of Oct 24' return period even after 14th November 2024 till the time the taxpayer files his GSTR-3B.	Taxpayer can take action on the invoices/records in their IMS dashboard and recompute their GSTR-2B of Oct 24' return period even after 14th November 2024 till the time the taxpayer files his GSTR-3B.
4	Is it mandatory to act on IMS? What happens if no action is taken? It is not mandatory to act on records in IMS dashboard for GSTR2B generation. The records where no action is taken by the recipient would be treated as accepted by the system and a GSTR-2B would be generated as it is generated presently.	It is not mandatory to act on records in IMS dashboard for GSTR2B generation. The records where no action is taken by the recipient would be treated as accepted by the system and a GSTR-2B would be generated as it is generated presently
5	When should an invoice/debit note be rejected?	Rejection of an invoice/debit note should be done very carefully as rejection will result in no ITC for the recipient. A record may be rejected if it does not pertain to the recipient, or the detail of the record is erroneous to such an extent that CN and DN cannot handle the situation.
6	In light of the time limit to avail ITC being till 30th November for FY 2023-24 or furnishing of annual return whichever is earlier, how can the ITC of erroneously rejected invoice in IMS, be taken by the recipient in the FY 2023-24?	In case the recipient taxpayer erroneously rejects an invoice in IMS, then the same invoice can be accepted in IMS again before filing of GSTR-3B. After accepting the said invoice, the recipient taxpayer should recompute the updated GSTR-2B for availing the credit in GSTR 3B for the FY 2023-24.

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7	How can recipient accept a genuine credit note issued by supplier in IMS as it will result further reduction of the recipient ITC, however recipient had reversed ITC corresponding to invoice itself because of 17(5), Rule 42, 38, 43 etc., or not availed the ITC at all because of POS or 16(4) etc., ineligibility?	In such cases recipient can accept the said credit note in IMS. As recipient had already reversed the ITC, there is no need for reversal of ITC again in case of such credit note.
8	What action shall be available on upward amended invoice/debit notes, where the upward amended invoice/debit notes is Saved by supplier and the same is not filed?	The recipient will not be able to take an action on an upward amended invoice/debit notes, if the said amended record has only been saved by supplier in GSTR-1/GSTR-1A/IFF but the same record has not been filed. The recipient will be able to take action once the supplier files such record.
9	What to do in case wrong invoice is corrected by issuance of Credit Note by the supplier instead of amending the same and such Credit note has been rejected by the recipient?	In the absence of linkage of Credit Note with the corresponding invoices, system cannot understand whether original invoice for this Credit Note was accepted or rejected. Therefore, if the invoice is not correct, then it is advisable to rectify the mistake through amendment of invoices in the GSTR 1 instead of issuance of a Credit Note.
10	Can the Credit Note be kept as pending in IMS? If no, then why?	Credit Note cannot be kept pending in the IMS by the recipient as the supplier has reduced its outward tax liability at the time of issuance of credit note. IMS does not change the existing flow where the documents/records reported by the supplier in the GSTR 1 is accepted and corresponding impact is reflected in the GSTR 2B. Now because of IMS, an additional option has been provided to recipient to reject the credit note if it does not belong to him.
11	Whether liability can be added in the same GSTR 3B in case where credit note has been rejected by the recipient before filing of GSTR 3B by the supplier?	No, if a credit note is rejected by the recipient, the liability of the supplier is increased on the portal to that extent in the GSTR 3B of subsequent tax period and not in the GSTR 3B of same tax period.