

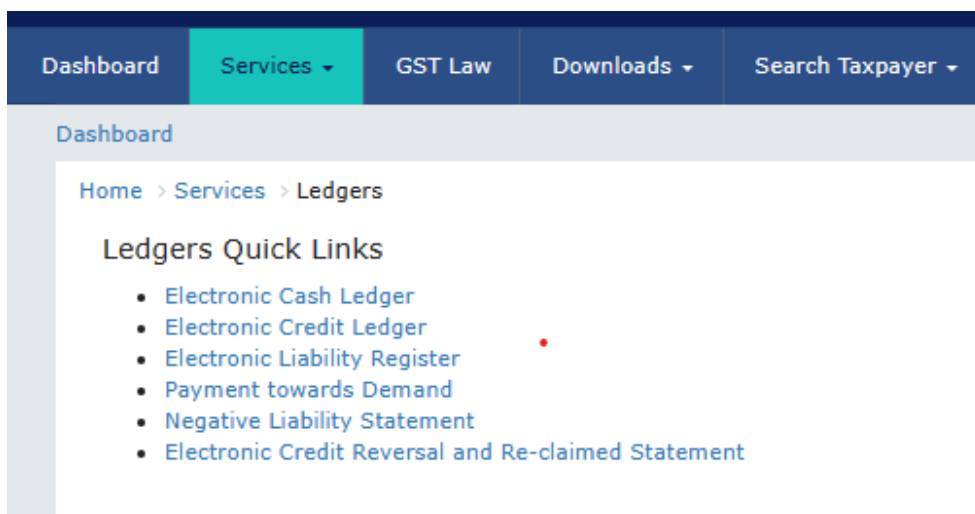
Electronic Credit Reversal and Re-claimed statement

GST portal has enabled a new statement named 'Electronic Credit Reversal and Re-claimed Statement' to track the ITC reversed and re-claimed in the GSTR3B in line with current Table 4 reporting requirements. This note contains certain information and reporting requirements of the said statement.

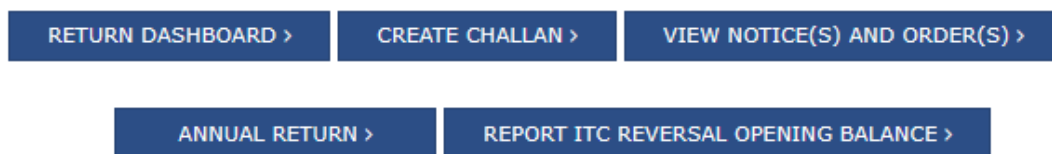
1. Accessing the Statement:

The statement can be accessed by following ways:

- User Services → Ledgers → Electronic Credit Reversal and Re-claimed Statement



- Login → Report ITC Reversal Opening Balance



2. Purpose of the Statement:

The purpose of the report is to track the ITC reversed by the taxpayer in Table 4 (B) (2) of the GSTR3B for availing in the subsequent period and re-availed. In case of any mismatch in the data i.e., ITC reclaimed as reported in Table 4 (D) (1) is higher than the amount of reversal made in Table 4 (B) (2), then the tax authorities would issue ASMT-

10 to recover such excess amount. For this purpose, this statement has been provided as a tracker.

3. Contents of the statement:

The statement contains the following details:

S. No.	Date	Reference No.	Return period	Description	ITC Claimed (Table 4A (5)) (₹) (All Other ITC)	ITC Reversal (Table 4B (2)) (₹) Eligible to Re-claim	ITC Reclaimed (Table 4D (1)) (₹)	Closing Balance (₹) (Opening Balance + Reversal (4B (2)) - Reclaimed (4D (1)))
1	-	-	-	Opening Balance				
2			Aug-23	Filing of Form GSTR-3B				
3			Sep-23	Filing of Form GSTR-3B				
4	-	-	-	Closing Balance				

The data from August 2023 is auto populated from the GSTR3B filed. However, the opening balance as on 31st July 2023 needs to be updated. Opening balance has to be updated before 30th November 2023. If the same is not updated by 30th November 2023, then it shall be deemed that there is no opening balance.

4. Reporting the opening balance:

Opening balance needs to be updated in the following path:

Electronic Credit Reversal and Re-claimed Statement → Report ITC Reversal Opening Balance

Financial Year	Month	ITC Reversal
2023-2024	October	-6,00,5

1. [Electronic Credit Reversal and Re-claimed Statement](#)
2. [Report ITC Reversal Opening Balance](#)

Fill the opening balance and file the statement with DSC/EVC. The opening balance is required to be filled separately for each tax head. The date mentioned in the date section not to be misunderstood as the date of opening balance. It represents the date of filing the declaration.

Declaration of Opening Balance of Accumulated ITC Reversal which is pending for re-claim

Date	Integrated Tax (₹)	Central tax (₹)	State/UT Tax (₹)	Cess (₹)
31/10/2023	0.00	0.00	0.00	0.00

Note: When reporting the accumulated balance of reversed ITC, it is important to take into account only those ITC which were previously reversed in Table 4B(2) but are eligible for re-claim and have not yet been re-claimed.

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](#) [SUBMIT WITH DSC](#) [SUBMIT WITH EVC](#)

5. Whether updating opening balance mandatory:

The statement is not notified under the GST provisions as mandatory. Therefore, even if the opening balance is not updated, the same will not lead to any non-compliance. However, the GST authorities may rely on this statement and issue ASMT-10 demanding for the recovery of the excess claimed ITC. Therefore, in order to avoid any potential risk of litigation, it is advisable to fill the opening balance.

6. Amendment of the opening balance filled:

Once opening balance is updated by 30th November 2023, it can be amended before 31st December 2023. Amendment is allowed to be carried out 3 times. Thereafter, no amendment can be carried out.

7. Opening balance to be reported:

As the purpose of the statement is to track the reversal and reclaim, the amount to be reported as opening balance is the following amount:

- ITC appearing GSTR2B up to the period of July 2023; and
- Do not form part of the NET ITC in GSTR3B; and
- Has not been reversed as permanent reversal in table 4 (B) (1); and
- Eligible to claim in the subsequent period.

For example, a transaction is appearing in GSTR2B of the month July 2023. However, the taxpayer has not received the goods covered by the supply and therefore, has not availed the ITC in the books. Such ITC is eligible for claiming in the subsequent period on receipt of the goods. Such ITC amount shall be reported as opening balance.

- Any other ITC, which is appearing in GSTR2B up to July 2023 but not availed in GSTR3B can also be considered for reporting in the opening balance if the same is eligible for availing in the subsequent period.
- Further, the amount of opening balance to be reported should also include the amount of ITC re-claimed in GSTR3B filed for the months of August 2023 and September 2023 to the extent that was appearing in the GSTR2B of earlier period, and which was availed and reversed before August 2023.
- ITC reversed for non-payment to the vendors within 180 days from the invoice date should also be included in the opening balance as the same would be eligible to claim once the payment is made.

8. Precautions to be taken while updating opening balance:

- a. Keep proper transaction level backup for the opening balance updated. It is possible that the tax authorities may ask for the transaction level details for the opening balance. Therefore, it is important to keep the backup for the amount filled.
- b. Review the credit notes appearing in GSTR2B but not accounted in books. Such credit notes required to be evaluated properly before including or excluding in the opening balance.
- c. Due care should also be taken to review the reversal made prior to the implementation of the revised Table 4 reporting in GSTR3B. If any credit reversed earlier but not yet re-claimed, such amount should be added to the opening balance.

Taxpayers have to ensure that they report the opening balance in this statement even though the same is not backed by any notification in order to avoid any notices from the department.

Advisory issued by the GSTN is given below:

Advisory on Reporting of ITC Reversal opening Balance

Please read the following advisory carefully before proceeding ahead for reporting the ITC Reversal opening balance:

1. Taxpayers are permitted to use this facility to report their ITC Reversal Balance that has not been re-claimed.
2. The taxpayer is advised to report solely those reclaimable ITC reversal balances that meet the legal criteria for re-claim and have not been previously claimed by the taxpayers.
3. Taxpayers may report their opening balance until **30th November 2023**. After 30th November 2023, the option to report the opening balance will be removed, and it will be assumed that the taxpayer has no ITC Reversal Balance to report.
4. Taxpayers may amend their opening balance until **31st December 2023**. Any reported balance after this date will be considered final and cannot be further amended.
5. After 31st December 2023, the updated value shall be frozen with no further attempts provided to the taxpayers to amend their ITC Reversal Balance and this ITC Reversal value will be sent to the Jurisdictional Tax Officer for review.
6. Due diligence should be done while reporting/amending the ITC reversal opening balance, because only **3 time amendment** is allowed.
7. The opening balance that has been reported or amended by the taxpayers shall be credited to the "Electronic Credit Reversal and Re-claimed Statement". This statement will be used to validate the taxpayer's ITC Re-claimed amount in Table 4A(5) & 4D(1) of form GSTR-3B.

Note: Taxpayers should only utilize this functionality if they have an ITC reversal balance that is eligible for re-claim but has not yet been re-claimed.

OK

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