

FAQ on proposed GST Payment Process

Q1. What are the main features of GST payment process?

Ans. The payment processes under proposed GST regime should have the following features:

- a) Electronically generated challan from GSTN Common Portal in all modes of payment and no use of manually prepared challan;
- b) Facilitation for the taxpayer by providing hassle free, anytime, anywhere mode of payment of tax;
- c) Convenience of making payment online;
- d) Logical tax collection data in electronic format;
- e) Faster remittance of tax revenue to the Government Account;
- f) Paperless transactions;
- g) Speedy Accounting and reporting;
- h) Electronic reconciliation of all receipts;
- i) Simplified procedure for banks;
- j) Warehousing of Digital Challan.

Q2 Which are the mode of payments through which dealer can pay their tax?

Ans Three modes of payment through which dealers can pay their tax are as follows----

- a) Payment by taxpayers through Internet Banking through authorized banks and through credit card/debit card;
- b) Over the Counter payment (OTC) through authorized banks; (available for payments up to Rs. 10,000/- per challan only.)
- c) Payment through NEFT/RTGS from any bank (including other than authorized banks).

Q3 Can dealers pay their tax directly in the bank through challan?

Ans Yes , dealers can directly pay their taxes in the bank through challan but these challan must be generated through the GSTN portal. This facility is available for payment upto Rs 10,000 per challan only.

Q4 What is E challan?

Ans E Challan is the challan generated through GSTN portal . The dealer has to enter his challan details in the portal and take the print out of the challan.

Q5 What are the methods of online generation Draft challan for the payment of taxes?

Ans The methods of online generation of draft challans are as follows---

- a) By Registered tax payer or his authorized person by logging on to GSTN Common Portal where basic details (such as name, address, email, mobile no. and GSTIN) of the tax payer will be auto populated in the challan;
- b) By authorized representatives of tax payers by logging on to the GSTN Common Portal whereafter the list of registered taxpayers represented by him will be displayed. He can select any tax payer on whose behalf he proposes to pay GST and challan details for such tax payer will be auto populated;
- c) By grant of temporary Registration number by any one Tax authority on GSTN Common Portal which can be used by both the tax authorities for facilitating tax payments on behalf of an unregistered person. Such a situation can arise during enforcement action by a tax authority and this temporary registration can be later converted into a regular registration number (GSTIN) if the tax payer has a regular GST liability to discharge after the enforcement action
- d) By creation of a challan without requirement of USER ID and Password, for enabling payment of GST by a registered or an unregistered person on behalf of a taxpayer as per the directions of the tax authority using the GSTIN (like the present provision under Service tax).

Q6 Can the dealer generate challan in multiple sittings?

Ans Yes , The tax payers can partially fill in the challan form and temporarily “save” the challan for completion at a later stage. A saved challan can be “edited” before finalization. After the tax payer has finalized the challan, he will generate the challan, for use of payment of taxes. The remitter will have option of printing the challan for his record.

Q7 Will there be any Unique no given to the challan?

Ans The challan so generated will have a 14-digit (yymm followed by 10-digit) Unique Common Portal Identification Number (CPIN), assigned only when the challan is finally generated, this will help the portal and other authorities in identifying the challan. The CPIN would be a running serial number to be initialized every calendar month. After the challan is generated, it will be frozen and will not be allowed to be modified.

Q8 Is there any validity for Common Portal Identification Number (CPIN) number?

Ans The CPIN/challan so generated would be valid for a period of seven days. In case of payment through NEFT/RTGS, CPINs would remain live with RBI for a period of 30 days. GSTN would purge all unused CPINs on the day immediately after the date on which the validity period is over (i.e. 7 days if CC/DC and OTC payment is selected and 30 days if NEFT/RTGS is selected for payment)

Q9 Will there be any service charges for Credit Card/Debit Card payment?

Ans -- Yes there will be service charges for Credit Card/Debit Card payment .The exact charge should be calculated separately by the gateway service provider. The gateway provider should collect this amount separately over and above the challan amount. The challan amount should be fully credited to respective Government accounts maintained with the authorised bank (acquiring bank for CC/DC payments), while the gateway charges should be retained back by the gateway provider.

Q10 Is the pre registration of credit card necessary in the GSTN portal for the GST payment?

Ans The taxpayer would be required to pre-register his credit card, from which the tax payment is intended, with the GSTN system. GSTN may also attempt to put in a system with banks in getting the credit card verified by taking a confirmation from the credit card service provider. The payments using credit cards can therefore be allowed without any monetary limit to facilitate ease of doing business.

Q11 What is the process of E Payment through Internet Banking?

Ans In case of payment through Internet Banking, once the taxpayer chooses a particular bank for payment of taxes, GSTN will direct him to the website of the selected bank. Alongside, GSTN will forward an electronic string to the selected bank carrying the following details for each challan on real time basis:

- a) GSTIN;
- b) CPIN;
- c) Challan Amount;
- d) Break Up of the Amount into CGST, IGST, Additional Tax and SGST ;
- e) State/UT Government to which SGST remittance pertains.

Q12 After the successful completion of payment will there be any new number given to the dealer?

Ans After the successful completion of a transaction, the concerned bank will create a unique Challan Identification Number (CIN) against the CPIN. This will be a unique 17-digit number containing 14-digit CPIN generated by GSTN for a particular challan and unique 3-digit Bank code (MICR based which will be communicated by RBI to GSTN).

Q 13 What is the process for over the counter payment of GST through authorized banks?

Ans Every tax payer who wants to avail the facility of OTC payment (only for paying tax upto Rs. 10,000/- per challan), will access GSTN for generation of a challan through which payment is to be made.

Upon creation of the draft challan, the taxpayer will fill in the details of the taxes that are to be paid. From the available payment options, the taxpayer would select option of cheque, DD or cash

based payment. The name of the authorized bank and its location (city/town/village) where the instrument/cash is to be presented is required to be filled in necessarily.

No outstation cheques are to be accepted except those which are payable at par at all branches of bank having presence at that location.

The challan so generated will have a Unique Common Portal Identification Number (CPIN), assigned only when the challan is finally generated, that will help the portal and other authorities in identifying the challan. GSTN will inform the challan details including validity period to the CBS (Core Banking System) of the selected bank on a real time basis.

Q 14 What will be the payment date in case of GST payment through Cheque/DD?

Ans In case of cheques/DD ,the date of realization of amount will be the payment date.