

FAQs > Form GSTR-7

About Form GSTR-7

1. What is Form GSTR-7?

Form GSTR-7 is a return which is required to be filed by the persons who deduct tax at the time of making/crediting payment to suppliers towards the inward supplies received. Tax deductor has a legal obligation:

- To declare his TDS liability for a given period (monthly) in Form GSTR-7;
- Furnish details of the TDS deducted under three major heads viz., Central tax, State/UT tax and Integrated tax in accordance with that return;
- File correct and complete return within stipulated time frame, given the fact that the TDS credit will be available to the counter party taxpayer (supplier) upon filing of TDS return in Form GSTR-7 by the Deductor (i.e., person liable to deduct TDS); and
- Issue TDS certificate to the deductee.

2. Who needs to file Form GSTR-7?

As per section 51 of the CGST Act, following persons/entities/establishments are required to deduct TDS.

1. a department or establishment of the Central Government or State Government;
2. local authority;
3. Governmental agencies; and
4. such persons or category of persons as may be notified by the Government on the recommendations of the Council.

3. By when do I need to file the Form GSTR-7?

The due date for filing Form GSTR-7 is 10th day of the succeeding month.

4. From where can I as Deductor file Form GSTR-7?

Form GSTR-7 can be accessed on the GST Portal, post login in the Returns Dashboard by the taxpayer. The path is **Services > Returns > Returns Dashboard**.

5. Is there any Offline Tool for filing Form GSTR-7?

Yes. GSTR 7 return can be filed through offline mode also.

6. Can the date of filing of Form GSTR-7 be extended?

Yes, date of filing of Form GSTR-7 can be extended by Government through notification.

Pre-conditions of Filing Form GSTR-7

7. What are the pre-conditions for filing Form GSTR-7?

Pre-conditions for filing of Form GSTR-7 are:

- Tax Deductor should be registered as Tax Deductor and should have a valid/active GSTIN.
- Tax Deductor should have valid User ID and password.

- Tax Deductor should have active & non-expired/ revoked digital signature (DSC) in case return is filed through DSC.
- Tax Deductor has made payment or credited the amount to the supplier's account.

Nil Form GSTR-7

8. Do I need to file Form GSTR-7 even if no TDS is deducted in the tax period?

It is not mandatory to file nil return, in such case.

Entering Details in Tables of Form GSTR-7

9. How can I discharge my TDS liability?

TDS liability can be discharged through Electronic Cash Ledger only at the time of filing return.

10. Can the deductee take action on the TDS credit declared by me?

The deductee can accept/ reject the TDS details auto-populated to TDS and TCS Credit received table of his/her return. Taking action by deductee is mandatory for crediting the amount of TDS to cash ledger.

11. When TDS amount will be credited to deductee's Electronic Cash Ledger?

TDS amount will be credited to deductee's Electronic Cash Ledger only after his/ her accepting of TDS and TCS credit received (which is auto populated on filing of returns by the deductor) and filing of this relevant form.

12. What will happen if the TDS credit entry is rejected by the deductee?

TDS credit entries rejected by the deductee will be auto-populated into Table 4 of Form GSTR-7 and the relevant details will be required to be amended by the deductor in Form GSTR-7 of next tax period. Post correction of such details in Form GSTR-7, the data will automatically flow to concerned GSTIN (supplier) for accepting or rejecting it. This process will be repeated until TDS details are accepted by counter-party.

13. What will happen if the TDS credit entry is rejected by the deductee?

The TDS credit entries rejected by the deductee will be auto-populated into Table 4 of Form GSTR-7 of next tax period of the deductor and the relevant details will be required to be amended by the deductor. Post correction of such details in Form GSTR-7 by the deductor, the data will automatically flow to TDS/TCS credit form of the deductee, for accepting or rejecting the same. This process will be repeated until TDS details are accepted by the deductee.

Note: If details are auto populated in table 4 under 'rejected by deductee' tab interest will be levied on differential amount, if TDS amount is increased.

14. I made no deductions during the tax period, however there is a rejected record in that tax period, do I need to file the return?

No, it is not necessary to file return for a tax period in which you have not made any deductions, even if there are rejected records in that month. The record will be auto-drafted in the subsequent tax period for which you intend to file the return, wherein you would be able to amend the rejected records in Table-4 of Form GSTR-7.

For example: Let us assume that the deductor doesn't have any TDS deductions for the month of April, 2020, but there is a rejected record in that tax period. In such case, it is not necessary to file Form GSTR-7 for April, 2020 by the deductor. In case the deductor has tax liability for the month of May, 2020, then in that tax period, the deductor can take action on such rejected records and file Form GSTR-7 for May 2020.

Filing & Paying Late Fee

15. Is there any late fee or interest levied on filing of GSTR-7 return beyond the due date?

Yes, late fee and interest are charged on filing of Form GSTR-7 beyond the due date. However, Form GSTR-7 need not be filed, if you have not deducted tax at source in a particular tax period.

For example: Let us assume that the deductor doesn't have any TDS deductions for the month of April, 2020, in such case it is not necessary to file Form GSTR-7 for April 2020.

16. How can I offset my liabilities?

You can offset the liabilities by clicking the table **5&6. Payment of Tax** tiles.

- If available cash balance in Electronic Cash Ledger is less than the amount required to offset the liabilities, then additional amount of cash payment will be required. You may create challan for that additional amount of cash required directly by clicking on the **CREATE CHALLAN** button at the bottom of page.
- If available cash balance in Electronic Cash Ledger is more than/equal to the amount required to offset the liabilities, no additional cash is required for offsetting liability.

Previewing & Signing Form GSTR-7

17. What are the modes of signing Form GSTR-7?

You can file Form GSTR-7 using DSC, or EVC.

Digital Signature Certificate (DSC)

Digital Signature Certificates (DSC) are the digital equivalent (that is electronic format) of physical or paper certificates. A digital certificate can be presented electronically to prove one's identity, to access information or services on the Internet or to sign certain documents digitally. In India, DSC are issued by authorized Certifying Authorities.

The GST Portal accepts only PAN based Class II and III DSC.

To obtain a DSC, please contact any one of the authorised DSC-issuing Certifying Authorities: http://www.cca.gov.in/cca/?g=licensed_ca.html

Electronic Verification Code (EVC)

The Electronic Verification Code (EVC) authenticates the identity of the user at the GST Portal by generating an OTP. The OTP is sent to the mobile phone number of the registered mobile phone of Authorized Signatory filled in part A of the Registration Application.

18. Can I preview the Form GSTR-7 before filing?

Yes, you can see the preview of Form GSTR-7 by clicking on 'Preview Draft GSTR 7' before filing on the GST Portal.

Post Filing of Form GSTR-7

19. What happens after Form GSTR-7 is filed?

After Form GSTR-7 is filed:

- ARN is generated on successful filing of Form GSTR-7 Return.
- SMS and email are sent to the applicant/TDS deductor on his/her registered mobile and email id.
- The details provided in Table 3 and Table 4 are sent to the deductee, the counter-party for action (Accept/Reject).
- The return will become available in the Dashboard of tax officer for view.