

# FAQs > Suo Moto Cancellation

## 1. Under which circumstances can a Tax Official initiate for cancellation of GST registration?

Suo Moto Cancellation of registration may be initiated by the Tax Official for various situations as mentioned in the provisions of GST law like: -

- Any Taxpayer other than composition taxpayer has not filed returns for a continuous period of six months
- Supplies any goods and / or services without issue of any invoice, in violation of the provisions of the Act or rules made thereunder, with the intention to evade tax
- Issues any invoice or bill without supply of goods and/or services in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilization of input tax credit or refund of tax
- Collects any amount as representing the tax but fails to pay the same to the account of the Central/State Government beyond a period of three months from the date on which such payment becomes due
- Fails to pay any amount of tax, interest or penalty to the account of the Central/State Government beyond a period of three months from the date on which such payment becomes due
- Person is no longer liable to deduct tax at source as per the provisions of GST Law
- Person is no longer liable to collect tax at source as per the provisions of GST Law
- Person no longer required to be registered under provisions of GST Law
- GST Practitioner is found guilty of misconduct in connection with any proceeding under the GST Law.
- Discontinuation/Closure of Business
- Change in Constitution leading to change in PAN
- Ceased to be liable to pay tax
- Transfer of business on account of amalgamation, merger/demerger, sale, lease or otherwise disposed of etc.
- Death of Sole Proprietor
- Composition person has not furnished returns for three consecutive tax periods,
- Registration has been obtained by means of fraud, willful misstatement or suppression of facts. Etc.

## 2. Will I be intimated before the Suo Moto Cancellation of Registration?

Yes. Registration cannot be cancelled without a Show Cause Notice being given to taxpayer and a reasonable opportunity of being heard by the Tax Official. Thus, in case of Suo Moto cancellation of registration, a Show Cause Notice shall be issued by the Tax Official/ Proper officer to the taxpayer and taxpayer would be given a chance to file clarifications in the stipulated time limit.

## 3. What is the precondition for Suo Moto Cancellation of Registration?

There must be a valid reason for initiation of proceeding for Suo moto cancellation as specified under Section 29(2) of the CGST/SGST Act.

## 4. What is the duration within which I need to file a response for Show Cause Notice regarding Suo Moto Cancellation of Registration?

You need to provide response within the prescribed time limit of 7 working days' time to file reply to the Show Cause Notice (SCN) using the **Services > Registration > Application for Filing Clarifications** link. If no response is given within prescribed 7 working days, the Tax Official can proceed with Cancellation of registration.

## 5. What will happen once Show Cause Notice is Dropped?

In case the Tax Official is satisfied with the response received from the taxpayer, on the Show Cause Notice issued, the proceedings can be dropped.

- a. Primary Authorized Signatory will be intimated about dropping of SCN by SMS & Email.
- b. Issuance of Order for dropping of SCN will also be intimated to the Primary Authorized Signatory by Email and SMS.
- c. Order will be made available on the taxpayer's dashboard to view, print and download.
- d. Status of GSTIN will change from "Proceeding for Cancellation Initiated" to "Active".

## **6. What shall be the effective date of cancellation of registration?**

Effective date of cancellation will be the date as mentioned in the cancellation order.

## **7. Will the cancellation of registration means that I have no liabilities?**

No, any liabilities prior to the date of suo moto cancellation will have to be paid by the taxpayer, irrespective of the fact that when determination of liabilities are done.

*Any liability which is related to that particular GSTIN is required to be paid by the taxpayer. It can be recovered later on even after the cancellation of GSTIN.*

## **8. Will the Suo moto Cancellation of registration be proceeded separately for each act?**

Cancellation of registration under the CGST Act or SGST/UTGST or IGST Act shall be deemed to be a cancellation of registration under SGST Act / UTGST Act or CGST Act respectively and vice versa.

## **9. What will happen once Registration is cancelled?**

- a) Once registration is cancelled by the Tax Authority, the taxpayer will be intimated about the same via SMS and Email. Order for Cancellation of Registration will be issued and intimated to the Primary Authorized Signatory by Email and SMS.
- b) Order will be made available on taxpayer's dashboard to view, print and download.
- c) Status of the GSTIN/UIN/GSTP ID from 'Proceeding for Cancellation initiated' to 'Inactive' and will be intimated to the other concerned Tax Authority.
- d) Taxpayer would not be allowed to file return or upload invoices for the period after date of cancellation mentioned in the cancellation order. Also, GSTP will not be able to carry out GSTP functions for any Taxpayer for the period after the date of cancellation mentioned in the cancellation order.
- e) Taxpayer will not be able to amend registration details after issuance of cancellation order. However, email address and mobile number can be updated till dues/ refund are cleared. The facility to file application for revocation (if applicable) will be open for the Cancelled Registration.

## **10. Will I be able to login after suo moto cancellation of registration?**

Yes, you can login to the GST Portal after suo moto cancellation of registration.

## **11. Can I update my email and mobile after suo moto cancellation of registration?**

You will not be able to amend registration after issuance of cancellation order.

However, email address and mobile number can be updated till dues/ refund are cleared.

## **12. Can I submit returns of the earlier period after suo moto cancellation of registration?**

You can submit returns of the earlier period (i.e. for the period before date of cancellation mentioned in the cancellation order), after suo moto cancellation of registration. However, you will not be allowed to file return or upload invoices for the period after date of cancellation mentioned in the cancellation order. Also, GSTP will not be able to carry out GSTP functions on your behalf for the period after the date of cancellation mentioned in the cancellation order.

## **13. Where can I view the Show Cause Notice regarding Suo Moto Cancellation of Registration?**

Navigate to **Services > User Services > View Notices and Orders** to view the Show Cause Notice regarding Suo Moto Cancellation of Registration.

To know more, you can refer the manual

[https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=View\\_Notices\\_and\\_Demand\\_Orders.htm](https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=View_Notices_and_Demand_Orders.htm)

## **14. How can I reply to the Show Cause Notice regarding Suo Moto Cancellation of Registration?**

Navigate to **Services > Registration> Application for Filing Clarifications** to reply to the Show Cause Notice regarding Suo Moto Cancellation of Registration.

To know more, you can refer the manual

[https://tutorial.gst.gov.in/userguide/registration/index.htm#t=Application\\_for\\_Filing\\_Clarification.htm](https://tutorial.gst.gov.in/userguide/registration/index.htm#t=Application_for_Filing_Clarification.htm)

## **15. Where can I view the date for personal hearing regarding Suo Moto Cancellation of Registration?**

Navigate to **Services > User Services > View Notices and Orders** to view the Show Cause Notice regarding Suo Moto Cancellation of Registration. Download the notice to view the personal hearing date.

To know more, you can refer the manual

[https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=View\\_Notices\\_and\\_Demand\\_Orders.htm](https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=View_Notices_and_Demand_Orders.htm)

## **16. Where can I view the order regarding Suo Moto Cancellation of Registration?**

Navigate to **Services > User Services > View Notices and Orders** to view the order regarding Suo Moto Cancellation of Registration.

To know more, you can refer the manual

[https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=View\\_Notices\\_and\\_Demand\\_Orders.htm](https://tutorial.gst.gov.in/userguide/taxpayersdashboard/index.htm#t=View_Notices_and_Demand_Orders.htm)

## **17. Can I submit application for cancellation of registration, in case Tax Official has already initiated the suo-moto cancellation of Registration?**

No, you cannot submit application for cancellation of registration, in case Tax Official has already initiated suo-moto cancellation of your Registration.

## **18. The status my GSTIN is showing as “Suspended” under My Profile. Why?**

When a taxpayer files an application for cancellation of registration or Suo Moto cancellation has been initiated by the Tax Official, the status of the GSTIN is shown as “Suspended”. This will be changed to “Active” only when application for cancellation of registration is rejected by the Tax Official or Suo Moto cancellation proceeding is dropped, after hearing.

## **19. The status my GSTIN is showing as “Suspended” under My Profile. Can I perform any activity on the GST Portal?**

When the status of your GSTIN is showing as “Suspended” status, you can perform certain activities on GST Portal like filing Appeal, making payment, filing for Refunds, reply to Assessment/Recovery/ Enforcement related orders/ notices, even make non-core amendment etc..

However, once GSTIN is suspended:

- During the suspension status, taxpayer will be allowed to file return or upload invoices only for the period before the registration was suspended.
- Taxpayer will not be able to file core amendment application till the time registration is suspended. However, email address and mobile number can be updated till dues/ refund are cleared.

## **20. What is the effective date of suspension?**

- **When a taxpayer files an application for cancellation of registration:** Date of Suspension will be the date on which Cancellation application was filed.
- **Suo Moto cancellation has been initiated by the Tax Official:** Date of Suspension will be the date on which notice for Cancellation of registration (Form GST REG-17) is issued.

## **21. What will happen once the status is changed from “Suspended” to “Active”?**

Once the status of GSTIN is changed from “Suspended” to “Active”, you will be again treated as an Active taxpayer and all the accesses given to the Active taxpayers on GST Portal will be enabled for you immediately.