WHO CANNOT CLAIM ITC UNDER GST ACT

1) If a Company, Individual , HUF is not registered under GST ACT, Then he cannot claim Input Tax Credit.

2) If materials are not used by Registered person in his own Business.

3) If Not received **Tax Invoice / Other tax paying document** in Physical: i.e.

a) Debit Note u/s 34 of CGST Act
b) Bill of Entry in case of Import
c) Input Service Distributor invoice or Input Service Distributor credit not

4) If the registered person has not received the Goods or Services or both, then he can not claim ITC.

5) If the Supplier has not paid the Tax charged on Goods or Services or both, then recipient can not claim ITC.

6) If GSTR 1 and GSTR 2 (Return of Inward and outward Supply) not filed, Then recipient can not claim ITC.

7) Registered person shall not claim ITC on Goods received in lots or instalments. It will be available for all goods only on receipt of Last Instalment of goods.

8) If recipient of goods or service or both has not paid the supplier **within 180 days** from date of invoice, the amount of input tax credit availed of proportionate to such amount not paid to supplier along with the interest will be added to output liability of the recipient.

9) Where the registered person has claimed depreciation on the tax component of the cost of capital goods and plant and machinery under the provisions of the Income Tax Act, 1961, the input tax credit on the said tax component shall not be allowed.

10) A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both After the due date of furnishing of the return under **section 39** for the month of **September** following the end of financial year to which such invoice or invoice relating to such debit note pertains

or

Furnishing of the relevant annual return, **whichever is earlier**.

11) If Tax Invoice / tax paying document does not contain all specified particulars (e.g. GSTIN No not mentioned on Invoice etc.) or these particulars not filed in GSTR 2

(Inward Supply return). Then registered person can not claim Input Tax Credit.

12) If Tax Paid due to Demand confirmed for fraud, wilful misstatement or suppression of facts ,then registered person can not claim Input Tax Credit.

13) Time Limit to Avail Input Tax Credit in case taking GST Registration

- Person who has applied for registration under CGST Act within **30 days** from the date on which he becomes liable to registration
- A person who takes registration under sub-section (3) of section 25 (Voluntary Registration)
- Where any registered person ceases to pay tax under Composition Scheme and he becomes liable to pay tax under section 9 (Regular Scheme):
- Where an exempt supply of goods or services or both by a registered person becomes a taxable supply

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