



Invoice Management System GST Portal



1. Key Features



Key Features

- The new Invoice Management System (IMS) is set to revolutionize the way invoices are managed under the GST regime.
- Starting October 1, 2024, this system will enable suppliers to upload invoices to the GST portal, which will then be reflected in the recipient's IMS.
- As per 54th GST Council meeting, this will be an optional facility for taxpayers to reduce errors in claiming input tax credit and improve reconciliation.
- This is expected to reduce notices issued on account of ITC mismatch in the returns.



2. Flow of IMS



- **Supplier Uploads Invoices:**

Suppliers will upload invoices to the GST portal through GSTR forms such as GSTR-1/ IFF. The uploaded invoices will be reflected in the recipient's IMS.

- **Recipient's Action:**

The recipient can choose to either

- Accept the invoice
- Reject the invoice
- Leave the invoice pending

- **Implication of Actions:**

- Accepted invoices will be added to in GSTR 2B
- Rejected invoices will not be considered in GSTR 2B
- Pending invoices will not be considered in GSTR 2B and will be carried forward in IMS for further action in subsequent months.



- **Time lines**

Draft GSTR-2B will be made available to recipient on 14th of the subsequent month as currently being generated.

However, the recipient will be free to take actions of accept/reject or keep pending even after generation of GSTR-2B till the filing of GSTR-3B.

If recipient taxpayers have taken an action on any invoice after 14th of the month, then he would be required to recompute their GSTR-2B.

However, they will not be able to take any action after filing of GSTR-3B for the same month.

3. Benefits



- **Improved Transparency:**
IMS ensures transparency in invoice management, reducing errors and disputes.
- **Streamlined Process:**
The system automates the invoice management process, saving time and effort for suppliers and recipients.
- **Accurate ITC Claims:**
IMS ensures accurate ITC claims, reducing the risk of incorrect claims and subsequent penalties.
- **No compliance burden**
This functionality is a facilitation for the taxpayers and will not add any compliance burden on the taxpayers. *No Action* records shall be considered as *Deemed Accepted* and the taxpayer's intervention will only be required in case a record need to be *Rejected* or kept *Pending*.

THANK YOU



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