

Restricting taxpayers to opt for Composition Scheme, through Form CMP-02 and Form GST REG-01, based on their AATO & sending an alert on crossing the threshold limit

- Applicant Taxpayer will be blocked from applying for Composition Scheme for a PAN, using new registration application (REG-01), if the threshold of the said PAN based 'Aggregate Annual Turnover', computed for the already registered GSTINs (with same PAN) for the previous financial year is above the threshold limit.
- This restriction will also be applicable to the taxpayers, at the time of filing of Form GST CMP-02, to opt in for composition scheme, at the beginning of any financial year.
- As and when the threshold for composition scheme is exceeded (as per the specified quantum of Rs 1.5 Crore/ 75 Lakh, as notified for the respective States/UTs) for a taxpayer, alerts would be send to them, for information and necessary action at their end. Thereafter the Taxpayer can apply to opt out of Composition Scheme.

*Note: PAN based annual aggregate turnover are computed on the basis of the turnover declared in Form GST CMP-08 and return filed in Form GSTR-3B, by the Composition or Normal Taxpayers in their immediately preceding financial year and also for the current financial year.*