**FAQs on Goods & Services Tax**

**12.Returns Process and matching of Input Tax Credit**

**Q 14. Do tax payers under the composition scheme also need to file GSTR-1 and GSTR-2?**

Ans. No. Composition tax payers do not need to file any statement of outward or inward supplies. They have to file a quarterly return in Form GSTR-4 by the 1st of the month after the end of the quarter. Since they are not eligible for any input tax credit, there is no relevance of GSTR-2 for them and since they do not pass on any credit to their recipients, there is no relevance of GSTR-1 for them. In their return, they have to declare summary details of their outward supplies along with the details of tax payment. They also have to give details of their purchases in their quarterly return itself, most of which will be auto populated.

**Q 15. Do Input Service Distributors (ISDs) need to file separate statement of outward and inward supplies with their return?**

Ans. No, the ISDs need to file only a return in GSTR-6 and the return has the details of credit received by them from the service provider and the credit distributed by them to the subsidiaries. Since their return itself covers these aspects, there is no requirement to file separate statement of inward and outward supplies.

Source:http://cbec.gov.in/resources//htdocscbec/deptt\_offcr/faqongst.pdf;jsessionid=825C7C194F0FC0652FFE5A809FE81F69

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