

# GST ITC Adjustment

(ITC Set Off Rules)

# Adjustment No. 1

## CGST/SGST/IGST Payable

(All payable case,  
case of no adjustment)

	CGST	SGST	IGST
Output	xx	xx	xx
Input	<u>xx</u>	<u>xx</u>	<u>xx</u>
Payable	<u>xx</u>	<u>xx</u>	<u>xx</u>

Local Sales > Local Purchase  
&

Central Sales > Central Purchase

# Illustration

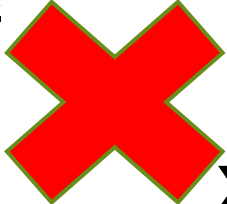
	CGST	SGST	IGST
Output	1000	1000	1500
Input	600	600	700
Payable	400	400	800

## Adjustment No.2

CGST and SGST cannot be adjusted  
among each other

# Case 1: CGST Payable and SGST Credit

	CGST	SGST
Output	XX	XX
Input	<u>XX</u>	<u>XX</u>
Payable	<u>XX</u>	
Or		
Credit		<u>XX</u>




# ILLUSTRATION

	<b>CGST</b>	<b>SGST</b>
<b>Output</b>	<b>1500</b>	<b>1500</b>
<b>Input</b>	<b>1200</b>	<b>1200</b>
<b>Opening cred</b>	<b>40</b>	<b>500</b>
<b>Total Input</b>	<b>1240</b>	<b>1700</b>
<b>Payable</b>	<b>260</b>	
<b>or</b>		
<b>Credit</b>		<b>200</b>

## Case 2: CGST Credit and SGST Payable

	CGST	SGST
Output	xx	xx
Input	<u>xx</u>	<u>xx</u>
Payable		<u>xx</u>
Or		
Credit	<u>xx</u>	





# Illustration

	<b>CGST</b>	<b>SGST</b>
<b>Output</b>	1500	1500
<b>Input</b>	1200	1200
<b>Opening credit</b>	350	50
<b>Total Input</b>	1550	1250
<b>Payable</b>		250
<b>or</b>		
<b>Credit</b>	50	

# Adjustment No.3

## Adjustment of igst payable with CGST & SGST credit

(Central sale & local purchase adjustment)

	CGST	SGST	IGST
Output	XX	XX	XX
Input	<u>XX</u>	<u>XX</u>	<u>XX</u>
Payable Or Credit	<u>XX</u>	<u>XX</u>	<u>XX</u>

First we will adjust CGST Credit then with SGST Credit.

# Illustration

	CGST	SGST
Output	1000	1000
Input	2500	2500
Payable		
or		
Credit	1500	1500
Adjustment of CGST credit	1500	
Adjustment of SGST credit		1000
Balance Credit	0	500

	IGST
Output	4000
Input	1500
Payable	2500
or	
Credit	
Adjustment of CGST credit	1500
Adjustment of SGST credit	1000
Balance Payable	0

# Adjustment No.4

## Adjustment of igst credit with CGST & SGST output

(Central PURCHASE & local SALES adjustment)

Phase 1: From 01.07.2017 to 31.01.2019

	CGST	SGST	IGST
Output	XX	XX	XX
Input	<u>XX</u>	<u>XX</u>	<u>XX</u>
Payable Or Credit	<u>XX</u>	<u>XX</u>	<u>XX</u>

1

2

First we will adjust IGST Credit with CGST Payable then with SGST Payable.

# Illustration

	CGST	SGST
Output	2500	2500
Input	1000	1000
Payable	1500	1500
or		
Credit		
Adjustment of IGST credit with CGST payable	1500	
Adjustment of IGST credit with SGST payable	0	1000
Balance Payable	0	500

	IGST
Output	1500
Input	4000
Payable	
or	
Credit	2500
Adjustment of IGST credit with CGST payable	1500
Adjustment of IGST credit with SGST payable	1000
Balance Credit	0

## Phase 2: From 01.02.2019 to 31.03.2020

	CGST	SGST
Output	2500	2500
Adjustment of IGST credit with CGST Output	2500	0
Adjustment of IGST credit with SGST Output	0	0
Balance Output	0	2500
<hr/>		
Input	1000	1000
Payable		1500
or		
Credit	1000	

Output	1500
Input	4000
Payable	
or	
Credit	2500
Adjustment of IGST credit with CGST Output	2500
Adjustment of IGST credit with SGST Output	0
Balance Payable	0

- ◆ **Output CGST** is first to be adjusted with **IGST Credit** and then balance with **Input CGST**.
- ◆ **Output SGST** is first to be adjusted with **IGST Credit** and then balance with **Input SGST**.



# Illustration

	CGST	SGST
Output	2500	2500
Adjustment of IGST credit with CGST Output	2500	0
Adjustment of IGST credit with SGST Output	0	0
Balance Output	0	2500
Input	1000	1000
Payable		1500
or		
Credit	1000	

	IGST
Output	1500
Input	4000
Payable	
or	
Credit	2500
Adjustment of IGST credit with CGST Output	2500
Adjustment of IGST credit with SGST Output	0
Balance Payable	0

## Phase 3: From 01.04.2019 till date

	CGST	SGST	IGST
Output	XX	XX	XX
IGST credit adjustment			
Output after adjustment	XX	XX	
Input Payable	XX	XX	XX
or			
Credit			XX

In Any order utilisation can be done

- ◆ **IGST ITC** is to be first utilised for payment of **IGST** liability and the remaining balance of **IGST ITC** can be used towards payment of **CGST/SGST** liability in any order.

# Illustration

	CGST	SGST
Output	2500	2500
Adjustment of IGST credit with CGST Output	1500	0
Adjustment of IGST credit with SGST Output	0	1000
Balance Output	1000	1500
Input	1000	1000
Payable		500
or		
Credit	0	

	IGST
Output	1500
Input	4000
Payable	
or	
Credit	2500
Adjustment of IGST credit with CGST Output	1500
Adjustment of IGST credit with SGST Output	1000
Balance Payable	0

**THANK YOU !!!**

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the slide, with a few smaller ones on the left. The overall composition is clean and modern.