

Introduction of "Pending" Option for Credit Notes and declaration of Reversal amount in IMS

Oct 17th, 2025

A new facility in the Invoice Management System (IMS) has been recently introduced on the GST portal wherein the taxpayers are allowed to keep credit notes as "Pending" for one tax period. Further, the IMS functionality have also been enhanced providing a flexibility to the taxpayers to modify their ITC reversal on acceptance of such credit notes thereby resolving many business disputes. In this regard please [click here](#) to go through some FAQs for a better understanding on the new facility.

Thanking You,
Team GSTN

FAQ on New Changes in Invoice Management System (IMS) from October 2025 Tax Period

1	For which documents, pending option has been provided now which was not allowed earlier?	Pending option has also been provided for the following documents. - Credit notes, or upward amendment of Credit note, - Downward amendment of CN where original CN was rejected, - Downward amendment of Invoice / DN only where original Invoice already accepted and 3B has been filed, - ECO-Document downward amendment only where original accepted, and 3B has been filed.
2	What are the new changes being introduced in IMS?	The following new changes have been introduced in the IMS functionality: - 1. Allowing pending action for the records mentioned above in Question-1 - Option to declare the 'Amount of ITC to be reduced' in IMS by the recipient taxpayers for the records for which the ITC was already reversed or not availed by the taxpayers such as CNs, upward amendment of CN or downward amendment of Invoice/DN. - Option to provide a remark by the recipient taxpayers at the time of taking reject or pending action on the records.
3	Are these changes intended to be applied prospectively or retrospectively?	The new changes shall be implemented prospectively and the above mentioned options will be available to the taxpayers from October tax period onwards. Please refer to the examples mentioned below for better understanding. Examples: CN dated 15 Sept 2025, reported in GSTR-1 of Sept 2025 filed on 11 Oct 2025 → Appears in IMS but without Pending Option/new facility.

		2. CN dated 15 Oct 2025, reported in GSTR-1 of Oct 2025 on 15th Oct 2025 filed on 11 Nov 2025 → Appears in IMS with Pending Option/new facility at the time of record added in the GSTR 1 3. CN dated 15 Mar 2025, reported in GSTR-1 of Oct 2025 filed on 11 Nov 2025 → Appears in IMS with Pending Option/new facility, since GSTR-2B period is Oct 2025. 4. CN dated 20 Sept 2025, reported in GSTR-1A of Sept 2025 filed on 14 Oct 2025 → Appears in IMS with Pending Option/new facility at the time of adding the record, as its GSTR-2B period is Oct 2025.
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4	Till what date can Credit Notes and other specified records be kept pending?	1. For monthly taxpayer(recipient) – 1 tax periods (month) 2. For Quarterly taxpayer(recipient) – 1 tax period (One quarter) These records are allowed to keep pending as per formula below - <i>Due date of GSTR-3B filing of [applicable GSTR-2B period (as per date of filing of source return) + Specified period (i.e. 1 tax period)].</i> Example – <u>If Recipient is Monthly</u> GSTR-1 is filed by supplier on 10 November 2025 in GSTR 1 or IFF. So CNs reported in this GSTR-1 can be kept as pending on IMS dashboard by recipient taxpayer till 1 month as explained below • Applicable GSTR 2B period – October 2025 • Specified period – 1 Tax period i.e. one Month • Next tax period following the GSTR 2B period is October’25 + 1 Months = November’25
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		- Therefore, last date to keep the record as pending i.e. due date of GSTR 3B for November'25 = 20th December 2025 <u>If Recipient is Quarterly</u> GSTR-1Q for Oct -December Quarter is filed by supplier on 10th January 2026. So CNs reported in this GSTR-1 can be kept as pending on IMS dashboard by recipient taxpayer who is opted for QRMP till 1 tax period as explained below - Applicable GSTR 2B period – Oct-Dec 2025 - Specified period – one Tax period i.e. one Quarter - Next tax period following the GSTR 2B period is Oct-Dec 2025 + 1 Quarter = Jan-March 2026 Therefore, last date to keep the record as pending i.e. due date of GSTR 3B for Jan-March 2026= 22nd/24th April 2026
5	What will happen after the expiry of allowed period for keeping the record as pending	Pending action will be disabled after specified period. Hence, recipient has to accept or reject that record after the expiry of specified time period. If no action is taken then system will consider such record as deemed accepted.

6	Will the taxpayer get any option to declare the amount of ITC which need to be reversed?	Currently the system reverses the entire ITC amount in GSTR-2B of a taxpayer on acceptance of Credit note and similar records even if the taxpayer has not availed the ITC of the corresponding invoice or has reversed certain amount (partial reversal) in GSTR-3B as there are no option to declare the value of ITC need to be reversed on acceptance of such CN. Now as per the new changes introduced in the system from October 2025 tax period the recipient taxpayer shall have an option to declare the amount of ITC that needs to be reversed for a given record. On acceptance of the such record the below question will appear on screen.
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		“Whether ITC need to be reduced for the selected record(s)?” This question will be asked to the recipient taxpayer at the time of accepting the above-mentioned records so that recipient can reverse the correct ITC amount which was actually availed earlier by him. The taxpayer will be given 2 options (i) Yes or (ii) No If recipient select the option NO, that means he hadn’t availed any ITC for corresponding invoice hence ITC reversal is not required. Therefore, no ITC reduction will happen for the selected record despite acceptance of such record. If recipient selects Yes, it means full reversal or partial reversal is required. In case of partial reversal is required, once recipient selects Yes, then the recipient will get an option to declare the amount of ITC which need to be reversed for the selected record. This declaration of value is OPTIONAL for taxpayers and the value should be provided by the taxpayer in cases of partial reversal is required. In case where recipient require to reverse full ITC then recipient taxpayer will proceed by selecting the option YES and without declaring any value. In this case, recipient’s ITC will be reduced based on the full values of such record. Based on the above, ITC will be calculated in GSTR-2B of recipient taxpayer and will be populated in GSTR-3B.
7	Can I save the remark at the time of taking Reject/ Pending action.	Yes, at the time of taking Reject and Pending action on any of the record, taxpayer will get the option to save the remark. In case of Partial and no reversal remarks will be mandatory.

Record Type	Action taken on IMS and impact on R2B ITC credit						Impact on Supplier GSTR 3B Liability	
	Action on Original Record	Question - Whether ITC needs to be reduced?	ITC Amt	Action on Amendment Record	Question - Whether ITC needs to be reduced?	ITC Amt	Liability of the Record	Increase in liability on action taken
CN	Accept	Yes	- Full Amt /Declared Amt				- Full Amt	Nil
		No	No Impact					
	Reject	NA	Nil					+ Full Amt
	Pending	NA	Nil					
CNA Upward	Accept	Yes	- Full Amt /Declared Amount	Accept	Yes	- Delta/ Declared values	- Delta	Nil
					No	No Impact		
				Reject	NA	Nil		+ Delta
				Pending	NA	Nil		Nil
		No	No Impact	Accept	Yes	- Full Amt /Declared Amt	- Delta	Nil
					No	No Impact		
				Reject	NA	Nil		+ Delta
				Pending	NA	Nil		Nil
	Reject	NA	Nil	Accept	Yes	- Full Amt /Declared Amt	- Full Amt	Nil
					NO	Nil		Nil
				Reject	NA	Nil		+ Full Amt

	Pending/ No Action Taken	NA	Nil	Pending	NA	Nil	- Delta	Nil
				Accept	Yes	- Full Amt / Declared Amt		Nil
					NO	Nil		Nil
				Reject	NA	Nil		+ Full Amt
				Pending	NA	Nil		Nil
CNA Downward	Accept	Yes	- Full Amt / Declared Amt	Accept	NA	+ Delta	+ Delta	Nil
				Reject	NA	Nil		
				Pending	NA	Nil		
		No	No Impact	Accept	Yes	- Full Amt / Declared Amt	+ Delta	Nil
					NO	Nil		
				Reject	NA	Nil		
				Pending	NA	Nil		
	Reject	NA	Nil	Accept	Yes	- Full Amt / Declared Amt	- Full Amt	Nil
					NO	Nil		Nil
				Reject	NA	Nil		+ Full Amt
				Pending	NA	Nil		Nil
	Pending/No Action Taken	NA	Nil	Accept	Yes	- Full Amt / Declared Amt	+ Delta	Nil
					NO	Nil		Nil
				Reject	NA	Nil		+ Full Amt
				Pending	NA	Nil		Nil

B2BA/DNA Downward	Accept	NA	+ Full Amt	Accept	Yes	- Delta/ Declared values	- Delta	Nil
					No	No Impact		
				Reject	NA	Nil		+ Delta
				Pending	NA	Nil		Nil
