

GSTN Advisory Update | GSTR-3B Enhancements effective January 2026

The GSTN has rolled out key system-driven enhancements in GSTR-3B aimed at improving accuracy, transparency, and statutory alignment of interest computation and tax liability reporting.

Key highlights:

1. Revised Interest Computation (Rule 88B compliance)

Interest will now be computed after factoring the minimum cash balance available in the Electronic Cash Ledger from the due date till the date of tax payment. The system will auto-populate minimum payable interest in Table 5.1, which will be non-editable downward (taxpayers may revise upward based on self-assessment).

2. Auto-population of Tax Liability Break-up

From January 2026 returns, the portal will auto-populate the Tax Liability Break-up Table based on document dates of earlier-period supplies reported in GSTR-1 / GSTR-1A / IFF but paid in the current GSTR-3B enhancing traceability and period alignment.

3. Flexible ITC Cross-Utilisation (Table 6.1)

Post exhaustion of IGST ITC, taxpayers can now utilise **CGST and SGST ITC in any order** towards IGST liability bringing operational flexibility in cash flow management.

4. Interest Recovery through GSTR-10

For cancelled registrations, interest on delayed filing of the last applicable GSTR-3B will now be levied and collected via GSTR-10 (Final Return).

Source: GSTN Advisory on Interest Collection and Related Enhancements in GSTR-3B