

Advisory on the Payment of pre-deposit while filing of appeal before First Appellate authority

1. Sometimes taxpayers voluntarily pay some amount during the investigation stage using Form GST DRC-03. Later, when the taxpayer wants to file an appeal application against the demand order issued after the investigation, they are required to pay a pre-deposit to file the appeal. However, many taxpayers complain that the GST portal still asks them to pay the pre-deposit even when they have already paid more than the required amount through Form GST DRC-03.
2. When a demand order (for example, Form GST DRC-07) is issued to a taxpayer, a Demand ID is created in Part II of the Electronic Liability Register on the GST portal. If the taxpayer makes a payment using the “Payment towards Demand” functionality on the portal, the amount is automatically adjusted against that Demand ID in the register. However, payments made through Form GST DRC-03 are not linked to the Demand ID and therefore do not appear as adjusted against the demand in the liability register.
3. While filing an appeal by Taxpayer, GST System auto calculates the **required amount** to be paid (i.e. Admitted amount + Pre-Deposit) and checks whether any amount is already paid by the taxpayer against the demand ID in the said liability register.
 - a. If such amount is equal to or greater than the required amount, then the portal will allow the taxpayer to file appeal without prompting for further payment. Portal will show the below message, if required amount is already paid the taxpayer.

Dashboard > Services > User Services > Payment Details English

Required Amount has been already paid. Please proceed with filing the application.

GSTIN/Temporary ID/UIN - 27LALAB1221EJZG **Legal Name -** AF COMPUTERS **Trade Name -** GSTN

Address - 252, Gold Hill Supreme, Shantipura Cross Roads, Electronic City Phase 2, , Thane, Maharashtra, 400123

Please note this data will be saved only when APL-01 is saved.

Disputed Amount/ Payment Details Indicates Mandatory Fields

Amount under Dispute

Description	Central tax (₹)	State/ UT tax (₹)	Integrated tax (₹)	Cess (₹)	
Tax/Cess	0	0	0	0	

- b. If such amount is lesser than the required amount, then Portal mandates the taxpayer for the payment of Balance payable.

Pre-deposit Payment made through DRC 03:

4. As explained earlier, any payment made through Form GST DRC-03 is not automatically recognized by the GST system against any specific Demand ID. Therefore, such payments are not considered by the system while calculating the pre-deposit amount required for filing an appeal. To ensure that the payment made through Form GST DRC-03 is counted against a particular demand order, the payment must be linked with the respective Demand ID by filing Form GST DRC-03A on the GST portal. Filing Form GST DRC-03A enables the payment made through DRC-03 to be mapped to the corresponding demand order, and the entry for the same becomes available in the Electronic Liability Register.

5. Consequently, at the time of filing an appeal, the system will recognize the payment (made through DRC 03 and adjusted using DRC 03A) and will not require the taxpayer to pay any additional amount again while calculating the mandatory pre-deposit.

Accordingly, taxpayers are advised to file Form GST DRC-03A to link payments made through Form GST DRC-03 with the relevant demand order before filing an appeal, wherever applicable. To know how to link any demand ID with a particular Form GST DRC 03, through the Form GST DRC 03A, Please refer the [manual](#) in available in GST portal.

Thanks,
Team GSTN