

GST Course for CA Students

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Chapter IV of CGST Act

Time of Supply

- **Why Time of Supply?**
- **Time of Supply of Goods (Section 12 of CGST Act)**
- **Time of Supply of Services (Section 13 of CGST Act)**
- **Time of Supply of Goods & Services in case of change in rate of tax (Section 14 of CGST Act)**

Why Time of Supply?

GST is levied but when the liability to pay GST SHALL arise?

Taxable event is supply of such Goods & Services

Subject matter of Levy is Goods & Services

Time of Supply of Goods Forward Charge

- **Earliest of:**
 - a) Date of Issue of Invoice or Last Date on which he is required to issue invoice as per section 31**
- OR**
- b) Date of Receipt of Payment by supplier**

Time of Supply of Goods Forward Charge

Invoice Date	Invoice Date	Due	Payment entered in BOA Supplier	Credit in Bank Account	Time of Supply
10/10/2017	20/10/2017	26/10/2017		30/10/2017	
30/10/2017	20/10/2017	10/10/2017		30/10/2017	
26/10/2017	20/10/2017	26/10/2017		26/10/2017	
10/10/2017	20/10/2017	Stock Trf		Stock Trf	
30/10/2017	10/11/2017	25/10/2017		30/10/2017	

Time of Supply of Services Forward Charge

- **Earliest of:**
- **a) Date of Issue of Invoice if invoice is issued within prescribed period or Date of Receipt of Payment whichever is earlier**

OR

- **b) Date of Provision of Service if Invoice is not Issued or Date of Receipt of Payment whichever is earlier**

OR

- **c) If not a & b above, Date of Receipt of Service in the Books of Accounts of Recipient**

Time of Supply of Services Forward Charge

Invoice Date	Invoice Due Date	Payment Entry in Suppliers BOA	Credit in Bank Account	Time of Supply
10/10/2017	20/10/2017	26/10/2017	30/10/2017	
30/10/2017	20/10/2017	10/10/2017	30/10/2017	
16/12/2017	16/12/2017	28/01/2017	31/01/2017	

Time of Supply of Goods & Services Forward Charge

- **Provided that where the supplier of taxable goods / Services receives an amount up to one thousand rupees in excess of the amount indicated in the tax invoice, the time of supply to the extent of such excess amount shall, at the option of the said supplier, be the date of issue of invoice in respect of such excess amount.**
- **Explanation 1.—For the purposes of clauses (a) and (b), “supply” shall be deemed to have been made to the extent it is covered by the invoice or, as the case may be, the payment.**
- **Explanation 2. —For the purposes of clause (b), “the date on which the supplier receives the payment” shall be the date on which the payment is entered in his books of account or the date on which the payment is credited to his bank account, whichever is earlier.**

Time of Supply in case of supply of Goods - Reverse Charge Basis

- **Earliest of:**
 - a) Date of Receipt of Goods**

OR
 - b) Date of Payment as per BOA of recipient or date of debit in Bank Account, whichever is earlier**

OR
 - c) 30 Days from the Date of Issue of Invoice**

OR
 - d) If Not a, b or c above, than date of entry in the books of accounts of recipient**

Time of Supply in case of supply of Goods - Reverse Charge Basis

- To illustrate, Mr. Jethalal being registered taxable person procures goods from Ms. Babita who is unregistered.
- The chronology of events are as follows:

Date of receipt of goods by Mr. A	15/07/2017
Date of payment entered in BOA of Mr. A	20/07/2017
Date of payment debited in bank account of Mr. A	22/07/2017
Date of entering purchase of goods in BOA of Mr. A	30/07/2017

Time of Supply in case of supply of Services - Reverse Charge Basis

- **Earliest of:**
 - a) Date of Payment as per BOA of recipient or date of debit in Bank Account, whichever is earlier**

OR

 - c) 60 Days from the Date of Issue of Invoice**

OR

 - d) If Not a or b above, than date of entry in the books of accounts of recipient**

Time of Supply in case of supply of Goods - Reverse Charge Basis

Invoice Date	Receipt of Goods	Payment by Recipient	Time of Supply
31/10/2017	20/11/2017	30/11/2017	
31/10/2017	20/11/2017	05/11/2017	
31/10/2017	05/01/2018		

Time of Supply in case of supply of Services - Reverse Charge Basis

Date of Invoice	Date of Completion of Service	Payment by recipient	Entry of Receipt of Services in BOA of Recipient	Time of Supply
31/10/2017	31/10/2017	20/11/2017	30/11/2017	
31/10/2017	31/10/2017	05/11/2017	31/10/2017	
31/10/2017	31/10/2017	10/01/2018	31/10/2017	
Service from URD Person & no payment made	30/11/2017		05/12/2017	

Time of Supply in case of supply of Vouchers (Goods & Services)

- If supply is identifiable at the time of issue of vouchers, time of supply shall be date of issue of voucher**
- Date of Redemption of voucher in any other case**

Time of Supply in case of supply of Vouchers (Goods & Services)

Issue of Vouchers	First Service / Delivery of Goods	Issue of Voucher	Redemption of Voucher	Last date for Redemption	Time of Supply
Voucher issued after supply, for specific Goods / Services	01/11/17	01/11/17	14/12/17	30/10/18	
Voucher issued after supply for any other Goods / Services	01/11/17	01/11/17	14/12/17	30/10/18	
Gift Voucher for any Goods / Services		01/11/17	25/12/17	31/03/18	

Time of Supply - Residuary Provisions (Goods & Services)

- **Periodic Return has to be filed than due date of such returns**
- **In any other case, date on which tax is paid.**

Time of Supply – Special Charges (Goods & Services)

- **Special charges imposed for delay in payment of consideration will enjoy the facility of time of supply being date of receipt of the charges imposed, that is, cash-basis of payment of GST.**

Time of Supply of Goods & Services in case of change in rate of tax

- in case the goods or services or both have been supplied Before the change in rate of tax:

Date of Issue of Invoice	Date of Payment	Time of Supply
After Change in rate of tax	After Change in rate of tax	Date of Invoice or Date of Receipt of payment, whichever is earlier
Before change in rate of tax	After change in rate of tax	Date of issue of Invoice
After Change in rate of tax	Before change in rate of tax	Date of Receipt of payment

Time of Supply of Goods & Services in case of change in rate of tax

Date of Change in Rate	Date of Supply of Goods / Services	Invoice Date	Payment by recipient	Time of Supply
01/09/2017	10/07/2017	20/10/2017	10/10/2017	
01/09/2017	10/07/2017	31/08/2017	10/10/2017	
01/09/2017	10/07/2017	10/10/2017	31/08/2017	

Time of Supply of Goods & Services in case of change in rate of tax

- in case the goods or services or both have been supplied AFTER the change in rate of tax:

Date of Issue of Invoice	Date of Payment	Time of Supply
Before Change in rate of tax	After Change in rate of tax	Date of Receipt of payment
Before change in rate of tax	Before change in rate of tax	Date of Invoice or Date of Receipt of payment, whichever is earlier
After Change in rate of tax	Before change in rate of tax	Date of issue of Invoice

Time of Supply of Goods & Services in case of change in rate of tax

Date of Change in Rate	Date of Supply of Goods / Services	Invoice Date	Payment by recipient	Time of Supply
01/09/2017	05/09/2017	31/08/2017	10/09/2017	
01/09/2017	05/09/2017	31/08/2018	15/08/2017	
01/09/2017	05/09/2017	10/09/2017	31/08/2017	