

Western India Regional Council of ICAI

Subject : Procedural Provisions under GST

- Registration
- Payment
- Invoice
- Return

Date & Day : 06th May, 2017

Venue : ICAI Tower,
Bandra Kurla Complex,
Mumbai

Faculty : CA Shraddha Mehta

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Relevant Provisions

| Particulars | Section | Rules |
|--------------|------------------------------|----------------------------|
| Registration | Section 22 to 30 of CGST Act | Registration Rules 1 to 18 |
| Payment | Section 49 to 52 | Payment Rules 1 to 4 |
| Returns | Section 37 to 43 | Return Rules 1 to 23 |
| Invoice | Section 31 to 34 | Invoice Rules 1 to 8 |

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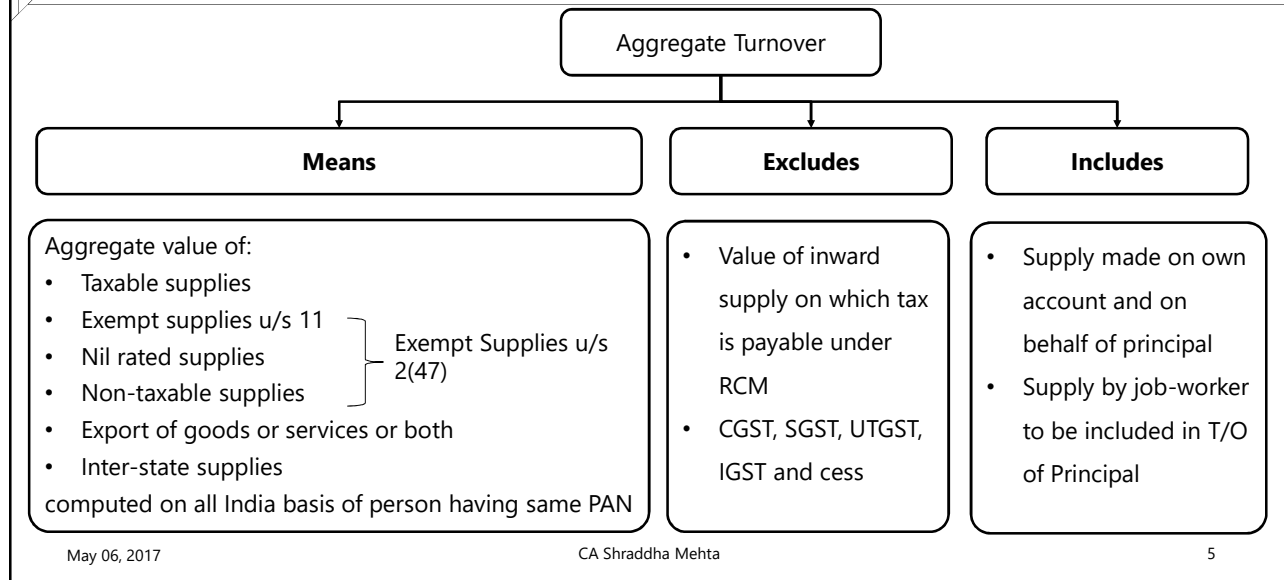
GST Registration

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| Persons liable to be registered – Section 22 | |
|--|---|
| Existing assesses | Assesses under excise, service tax, VAT and other laws which are to be subsumed in GST w.e.f. appointed day |
| Every supplier | <p>Aggregate turnover exceeds Rs. 20 lakh (Rs 10 lakhs for special category states)</p> <p>Liable to registered in State or Union territory from where he makes a taxable supply</p> <p>Relevant Extract of term "Place of business" defined in section 2(85) of CGST Act]:</p> <ul style="list-style-type: none"> • a place from where the business is ordinarily carried on; and • includes a warehouse, a godown or any other place where a taxable person stores his goods, supplies or receives goods or services or both |
| Transferee or successor of business | Where business is transferred as a going concern w.e.f. date of such transfer or succession |
| Transferee of business | In case of amalgamation / demerger by order of HC w.e.f. date on which ROC gives certificate of incorporation giving effect to order of HC |

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Aggregate Turnover [Section 2(6) r.w. sec 22 of CGST Act]



Compulsory registration – Section 24

| Persons making inter-state supply | Casual taxable person | Persons required to pay tax under RCM |
|--|---------------------------------------|---|
| Agent | Input service distributor | Non resident taxable person |
| Electronic commerce operator liable to pay tax u/s sec 9(5) | Every E-commerce operator | Person who supplies through E-commerce operator [other than supplies u/s 9(5)] who are required to collect tax u/s 52 |
| Every person supplying online information and database access or retrieval services from outside India to unregistered taxable person in India | Persons required to deduct TDS u/s 51 | such other person or class of persons as may be notified by CG or SG on recommendation of Council |

Persons not liable to be registered – Section 23

- Any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or are wholly exempt from tax under CGST Act or under IGST Act
- **Agriculturist, to the extent of supply of produce out of cultivation of land**
 - **Agriculturist means** an individual or HUF who undertakes cultivation of land [section 2(7) of CGST Act]:
 - By own labour; or
 - By the labour of family; or
 - By servants on wages payable in cash or kind or by hired labour under personal supervision or personal supervision of any member of the family
 - Term 'agriculture' was earlier defined under RMGL to include floriculture, horticulture, sericulture, raising of crops, grass or garden produce and grazing
 - Whether 'cultivation of land' includes floriculture, horticulture, sericulture, grass or garden produce and grazing?

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Registration – Important features

- Registration Application to be made within 30 days from the date assessee becomes liable for registration
- Separate registration for each state. **No concept of centralised registration**
- Single registration to be granted in one state or union territory
 - Exceptions:
 - Option to take separate registration in each state for multiple business verticals subject to conditions
 - SEZ unit or SEZ developer to obtain separate registration as a business vertical distinct from its other units located outside Special Economic Zone
- All the notices, certificates and orders under Registration Rules to be issued **electronically** through digital signature certificate
- **Display of registration certificate and GSTIN** on the name board exhibited at the entry of principal place of business and at every additional place of business

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Structure of GSTIN

- Tax payer will be issued 15 digit common identification number which will be called as "Goods & Service Tax Identification Number" (GSTIN):

| State | | PAN / TDS / TCS number | | | | | | | | | | Entity code | | Check |
|-------|---|------------------------|---|---|---|---|---|---|----|----|----|-------------|----|-------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| | | | | | | | | | | | | | | |

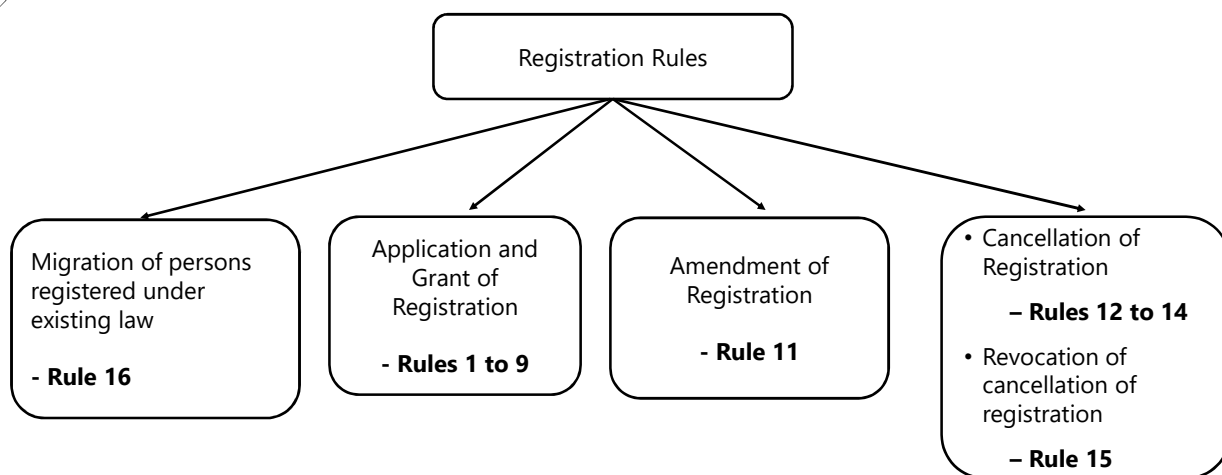
- 15 digit Alphanumeric structure
- State-wise
- Based on PAN
- 13th and 14th Digit for Business Verticals of entities with same PAN in same State
- 15th digit – Checksum

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Registration Rules



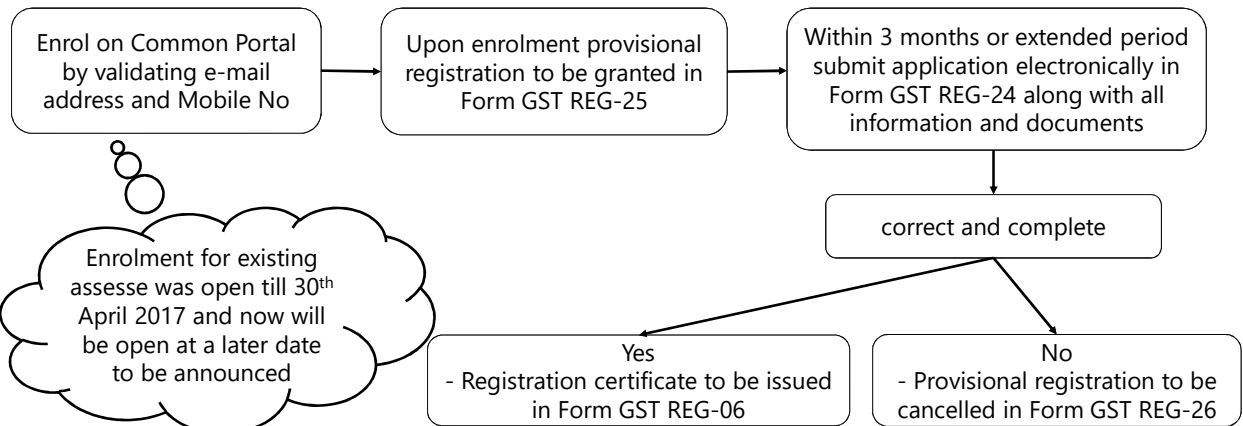
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Registration of Existing Dealers Under GST - Section 139 r.w. Rule 16

- **Section 139:** On and from appointed day, every person registered under any existing law and having valid PAN shall be issued a **Provisional Registration Certificate** subject to conditions and Rules prescribed:



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Migration of existing tax payers to GST [Section 139]

- Only one provisional registration to be granted to person having:
- Multiple registration under existing law on single PAN
 - Centralized registration under existing law in the State or Union Territory in which he is registered
- If person is not liable to registration u/s 22 or 24, provisional RC deemed to have not been issued if registration is cancelled by filing an application electronically in **Form GST REG-28** at common portal within 30 days from appointed day
- What if enrolment is not done by existing assessee?
- Section 22(2) provides that existing assesses liable to be registered
 - Section 139 provides that existing assesses having valid PAN to be issued provisional certificate
 - Power of suo-moto registration u/s 25(8)
 - Carry forward of ITC allowed only if Form GST TRANS-1 submitted within 60 days of appointed day

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Registration procedure - Rule 1, 2 and 3

Declare PAN, mobile number, email address and State or union territory in **Part A of Form GST REG-01**



Submit application duly signed along with documents electronically in **Part B of Form GST REG-01**



Acknowledgment to be issued in **Form GST REG-02**



Within 3 days of date of submission of application, Proper Officer to

Failure to take action within 3 days – registration deemed to be approved

Approve grant of registration and Registration certificate to be assigned in **Form GST REG-06**

If any deficiency, issue notice in **Form GST REG-03**

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Registration procedure - Rule 1, 2 and 3

If any deficiency, issue notice in Form GST REG-03



Submit details asked for in Form GST REG-04 within 7 working days from date of receipt of intimation



Within 7 working days, proper officer to:

Failure to take action within 7 days – registration deemed to be approved

Approve grant of registration and Registration certificate to be assigned in **Form GST REG-06**

Reject the application in **Form GST REG-05**

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Effective date of registration



| Scenario | Effective date | Remark |
|---|---|---|
| Registration Application made within 30 days from the date assessee becomes liable for registration | Date on which person becomes liable to for registration | Entitled to ITC in respect of inputs held in stock, inputs contained in semi-finished goods and finished goods up to expiry of one year from date of invoice. |
| Registration Application not made within 30 days | Date of grant of registration | ITC of pre-registration period may not be allowed |
| Deemed registration where proper officer fails to take action within 3 / 7 days | 3 days after the expiry of period of 3 / 7 days | Same as above |

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Suo-moto Registration [Rule 8]



- If a person who is liable to take registration fails to be obtain registration then proper officer may register such person on temporary basis and issue an order in Form GST REG-11
- Every person to whom temporary registration is granted has following options:
 - **Submit an application for registration** within 90 days from the date of grant of temporary registration; or
 - **File an appeal** against grant of temporary registration
 - If Appellate Authority upholds the liability for registration, application for registration to submitted within 30 days from date of such order
- Effective date of registration shall be the date of order granting temporary registration

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Amendment of Registration [section 28 r.w. Rule 11]

Changes requiring approval of proper officer

- Legal name of business
 - Addition, deletion or retirement of partners, director, Karta, etc
 - Address of principal / additional place of business
- Such change applicable to all registrations under same PAN

Changes NOT requiring approval of proper officer – Only Form GST REG 13 to be submitted

- Any change other than above
- Change in mobile number or email address of authorised signatory to be carried out only after online verification through Common portal

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Surrender and Cancellation [Section 29 r.w. Rule 12 and 13]

Cancellation of registration

On application by assessee

- Death of tax payer
- Closure of business of tax payer
- Gross Annual Turnover falling below threshold for registration
- Transfer of business including death of proprietor
- Change in constitution of the business
- Amalgamation of taxable person with other legal entities or de-merger

Suo-moto cancellation by proper officer when he has **reasons to believe:**

- Tax payer contravenes specified provision of the GST law
- Issues invoice or bill without supply of goods or services
- Does not conduct any business
- Non commencement of business within 6 month from the date of registration in case of voluntary registration
- Taxpayer opting for composition scheme has not furnish returns for three consecutive period
- Other taxpayer who has not furnish returns for period of 6 months

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Surrender and Cancellation [Section 29]

- Suo-moto cancellation can be done by proper officer only after giving opportunity of being heard
- Cancellation will not affect the liability of person to pay tax dues under this Act or discharge any obligations under the Act or Rules
- On cancellation of registration an amount in respect of inputs held in stock, inputs contained in finished goods or capital goods plant & machinery on the day immediately preceding the date of cancellation needs to be paid
 - In respect of stock, amount to be paid will be higher of:
 - Credit of input tax held in stocks, contained in semi finished or finished goods held in stock or capital goods or plant & machinery on the day immediately preceding the date of cancellation
 - Output tax payable on such goods
 - In respect of capital goods and plant & machinery, amount to be paid will be higher of:
 - Credit of input tax as reduced by certain percentage points
 - Tax on the transaction value of such capital goods or plant & machinery

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Revocation of Cancellation [Section 30]

- A person, whose registration was cancelled by tax authority on his own motion, may apply for revocation of registration within 30 days from the date of service of order
- Proper officer may revoke or reject the application after giving opportunity of being heard
- When registration is cancelled due to non-filing of returns application of revocation can be filed only after payment of:
 - Tax dues;
 - Interest thereon;
 - Penalties; and
 - Late fees

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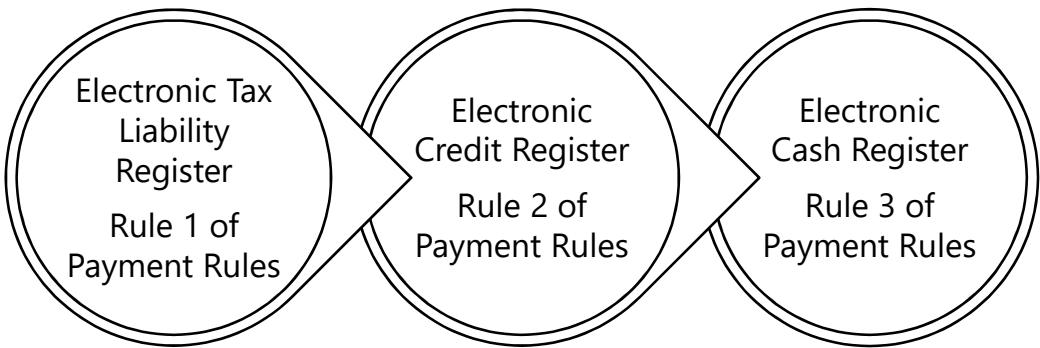
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Payment of Tax

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Electronic Registers - Types



Electronic Tax Liability Register
Rule 1 of Payment Rules

Electronic Credit Register
Rule 2 of Payment Rules

Electronic Cash Register
Rule 3 of Payment Rules

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Electronic Tax Liability Register – Rule 1 of Payment Rules

➤ To be maintained in Form GST PMT-01

Debited by following amounts:

- Tax, interest, late fee or any other amount payable as per the return furnished by the said person
- Tax, interest, penalty or any other amount payable as determined by a proper officer in pursuance of any proceedings under the Act or as ascertained by the said person;
- Tax and interest payable as a result of mismatch under section 42 or section 43 or section 50; or
- Interest that may accrue from time to time

Credited by following amounts:

- Payment made by way of debit in electronic credit ledger
- Payment made by way of credit in electronic cash ledger
- To the extent to relief given by Appellate authority or Tribunal or court
- Penalty imposed or liable to be imposed in SCN or Order if taxable persons makes payment of tax, interest and penalty

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Order of discharging tax liability

➤ Every taxable person shall discharge his tax and other dues in the following order:

- self-assessed tax, and other dues related to returns of previous tax periods;
- self-assessed tax, and other dues related to return of current tax period;
- any other amount payable under the applicable provisions

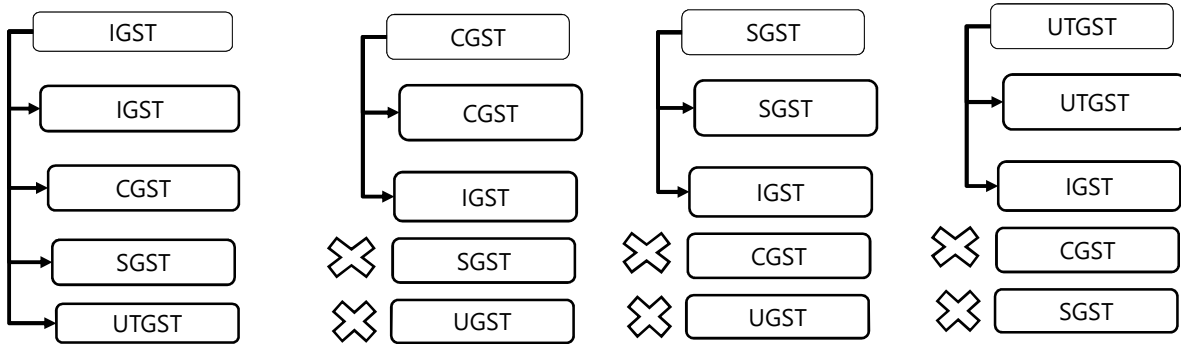
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Electronic Credit Ledger [Sec 49 r.w. Rule 2]

- To be maintained in Form **GST PMT-02**
- Input Tax credit as self assessed in the return to be credited to electronic credit ledger
- To be utilised for payment of only output tax
- ITC available in the ledger to be utilised in following manner:



Electronic Credit Ledger [Sec 49 r.w. Rule 2]

- It cannot be used for payment of:

| | | |
|----------|---------------------|------------------------------|
| Interest | Penalty | Fees |
| Fine | Liability under RCM | Tax under composition scheme |

- Unutilised balance of ITC in electronic credit ledger to carried forward
- Refund of unutilised balance can be claimed only in cases of:
 - Zero rated supplies without payment of tax
 - Inverted duty rate structure
 } Refund claimed to be debited to electronic credit ledger
- If Refund is rejected, amount debited earlier to be re-credited to the extent of refund rejected by way of Order in **Form GST PMT-03**
- **No entry in electronic credit ledger shall be made directly by taxable person**
- If any discrepancy in electronic credit ledger then it is to be communicated to proper officer in **Form GST PMT-04**

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Electronic Cash Ledger [Sec 49 r.w. Rule 3]

- Electronic cash ledger to be maintained in **Form GST PMT-05**

- Amounts to be credited in electronic cash ledger:

| | | | |
|-------------|-----------------------------------|------------------|---------|
| Tax | Tax under RCM | Interest | Penalty |
| Fees / Fine | TDS / TCS claimed in Form GSTR-02 | Any other amount | |

- **Modes of payment:**

- Internet Banking through authorized banks;
 - Credit card or Debit card through the authorised bank;
 - OTC payment through authorized banks for deposits up to Rs. 10,000 per challan per tax period, by cash/ cheque/ demand draft
 - NEFT or RTGS from any bank
- Balance in electronic cash ledger after payment of all tax dues to be refunded as per provisions of sec 54
 - If refund is rejected it will be credited again to electronic cash ledger

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Electronic Cash Ledger [Sec 49 r.w. Rule 3]

- **Form GST PMT-06:**

- Challan in FORM GST PMT-06 to be generated on the common portal for making payment
- Details of the amount to be deposited as tax, interest, penalty, fees or any other amount to be entered
- It shall be valid for 15 days. Hence, amount to be paid within 15 days of generation of challan

- **Challan Identification Number (CIN):**

- On successful credit to government account maintained in authorised bank, CIN to be generated by collecting bank
- Same shall be indicated in GST PMT-06 challan
- On receipt of CIN, said amount to be credited to electronic cash ledger
- In case the amount is debited from the bank/account but no CIN is generated, then such person has to represent electronically in FORM GST PMT-07 through the common portal to the bank or electronic gateway through which deposit is made

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Identification number for Each Transaction



- A unique identification number shall be generated at the common portal for each debit or credit entry in the electronic cash or credit ledger
- The unique identification number relating to discharge of any liability shall be indicated in the corresponding entry in the electronic tax liability register
- The purpose of such unique identification number is to identify the flow of payment from cash/credit ledger to the liability ledger

Tax Deducted at
Source ('TDS')

Tax Deducted At Source

| | |
|---|--|
| Person liable to deduct tax at source | <ul style="list-style-type: none"> • Central or State Government • Local authority • Governmental agencies • Such category of persons as notified |
| Threshold Limit for deduction | Contract value exceeding Rs. 2,50,000 |
| Time of deduction | Earlier of date of payment or credit to supplier |
| Rate of deduction | 2% [CGST 1% + SGST / UTGST 1% or IGST 2%] |
| Due date of payment | 10 th of subsequent month in which deduction is made |
| Due date to issue certificate | Within 5 days of crediting the amount to the appropriate Government |
| Late fees for failure to issue certificate | Rs.100 for every day of delay subject to maximum penalty of Rs.5,000 |
| Due date for filing TDS return | 10 th of subsequent month in which deduction is made |
| Excess or erroneous deduction by deductor | If credited to deductee's account – No refund If not credited to deductee's account – Refund to be granted to deductor |

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Tax Collection at Source ('TCS')

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E-Commerce – Tax collection at source (TCS)

| Section | Particulars | Obligations |
|---------|--|--|
| 52(1) | E-commerce operator to collect TCS | To be collected on net value of taxable supplies where consideration is collected by the operator Net Taxable Value = Aggregate value of taxable supplies made by suppliers through EO minus aggregate value of taxable supplies returned to supplier |
| 52(1) | Rate of TCS | 2% [1% CGST + 1% SGST / UTGST or 2% IGST] |
| 52(3) | Payment of TCS by e-commerce operator | To pay to appropriate Government within 10 days after the end of month in which tax collected |
| 52(4) | Furnishing of statement of electronically by e-commerce operator | Furnish Form GSTR 8 within 10 days from end of month for details of: <ul style="list-style-type: none"> • Outward supplies • Goods/ services returned • Amount collected towards outward supplies effected through e-commerce operator for each supplier |
| 52(5) | Furnishing of annual statement | To be furnished before 31 st December following end of financial year giving above referred details on annual basis |

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E-Commerce – Tax collection at source (TCS)

| Section | Particulars | Obligations |
|---------|---|---|
| 52(6) | Omission or incorrect particulars in the monthly return filed | <ul style="list-style-type: none"> • To be rectified in the month in which such omission or incorrect particulars are noticed • Differential is to be paid along with interest • No such rectification is permissible after 10th October following the end of Financial year or date of filing annual statement, whichever is earlier |
| 52(7) | Credit to supplier | TCS paid deemed to be tax paid on behalf of supplier and such supplier eligible to claim credit thereof in his electronic cash ledger |
| 52(8) | Matching of details | Following details to be matched (in the manner or time prescribed) for every supplier: <ul style="list-style-type: none"> • Details furnished in the statement filed by operator • Corresponding details of outward supplies furnished by the concerned supplier in his return |

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E-Commerce – Tax collection at source (TCS)

| Section | Particulars | Obligations |
|---------|--|---|
| 53(9) | Mismatch in aforesaid details | Discrepancy to be communicated to both persons in the manner and time prescribed |
| 53(10) | Failure to rectify discrepancy | It shall be added to the output liability of the supplier for month succeeding the month in which discrepancy is communicated |
| 53(11) | Obligation of supplier in whose output tax liability amount is added | Payment of tax and interest at rate prescribed on the amount so added from the date such tax was due till the date of its payment |

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E-Commerce – Tax collection at source (TCS)

| Section | Particulars | Obligations |
|---------------|--|--|
| 53(12) & (13) | Furnishing details to Deputy Commissioner ('DC') | DC may by notice require operator to furnish following details within 15 working days of the date of service of such notice: <ul style="list-style-type: none"> • Supplies effected through such operator during any period • Stock of goods held by suppliers in godowns/warehouses managed by operators and declared as additional places of business by such suppliers |
| 53(14) | Failure to furnish above information | Operator liable to pay penalty of Rs. 25,000/- in addition action to be taken u/s 122 |

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GST Returns

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Returns

| Section | Type of Return | Form | Period for filing Return |
|---------|-----------------------------------|---------|----------------------------------|
| 37 | Outward supplies | GSTR -1 | 10th of next month |
| 38 | Inward supplier | GSTR-2 | 15th of next month |
| 39(1) | Normal Assessee | GSTR-3 | 20th of next month |
| 39(2) | Assessee under composition scheme | GSTR-4 | 18 th of next quarter |
| 39(3) | Assessee paying TDS | GSTR-7 | 10th of next month |
| 39(4) | ISD | GSTR-6 | 13th of next month |

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Returns

| Section | Type of Return | Form | Period for filing Return |
|---------|----------------|---------|--|
| 44 | Annual Return | GSTR-9 | 31st December following Financial Year |
| 45 | Final Return | GSTR-10 | 3 months from date of cancellation or order of cancellation whichever is later |

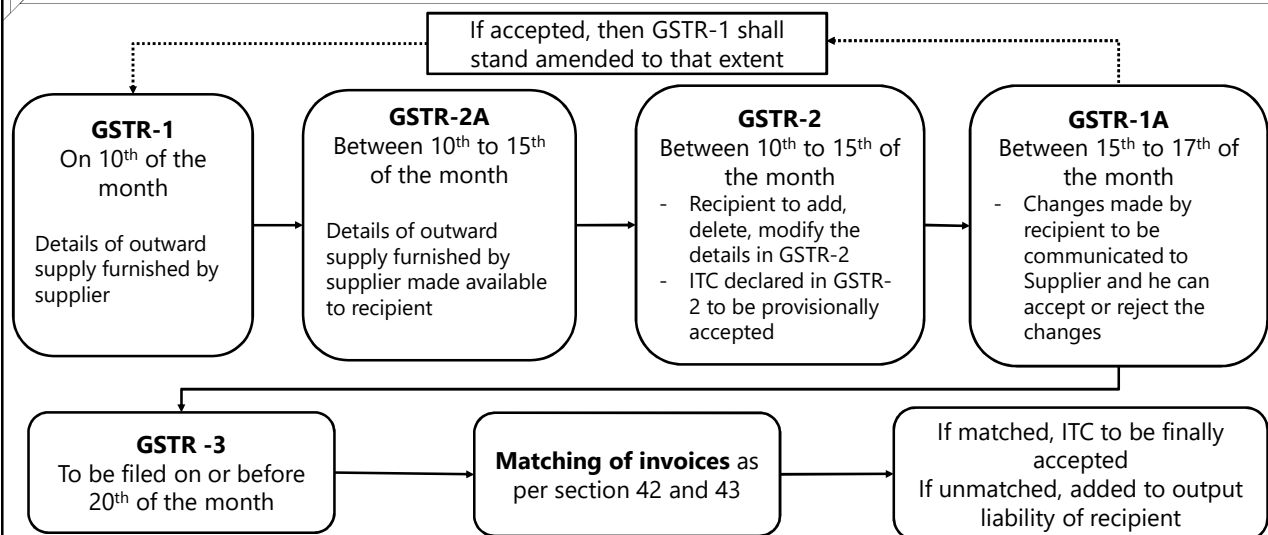
- Assessee (of reasonable size) having ISD facility and TDS obligation will have to file 61 returns in a year
- If assessee has branches in all 29 states from which goods are supplied or services are provided, there would be 49 returns per branch, 12 ISD returns i.e 1433 returns only

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Returns Process



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Outward Supplies Return – Section 37

- Details of outward supplies effected during tax period to be furnished in **form GSTR-1** for the month before 10th of the succeeding month
- Following details of outward supplies to be submitted:
 - **Invoice-wise details of:**
 - Inter-state and intra-state supplies made to registered person
 - Inter-state supplies made to unregistered persons where invoice value exceeds Rs. 2,50,000
 - **Consolidated details of:**
 - Intra-state supplies made to unregistered person
 - Inter-state supplies made to unregistered persons where invoice value is below Rs. 2,50,000
 - Debit notes or credit notes, if any, issued during the month for invoices issued previously
 - Advances received and adjustment of advances to be reflected in outward return
- Registered person not allowed to furnish details between 11th -15th of the month succeeding tax period

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Inward Supplies Return – Section 38

- Every registered person shall furnish following details electronically in form **GSTR-02** after 10th but before 15th of succeeding month:
 - Invoice details of all inter-state or intra-state supplies received from registered or unregistered persons
 - Import of goods and services made; and
 - Debit notes or credit notes, if any, received from supplier
- Details of following to be made available to recipient between 10th to 15th of succeeding month:
 - Outward supplies furnished by supplier in **Part A of Form GSTR-2A**
 - Invoices furnished by ISD in his return in **Part B of Form GSTR-2A**
 - TDS details in **Part C of Form GSTR-2A**
 - TCS details in **Part D of Form GSTR-2A**
- Every recipient to whom details are communicated, shall either accept or reject the details between **15th – 17th of succeeding month**
- Details of inward supplies added, corrected or deleted by recipient to be communicated to Supplier in **Form GSTR-1A**

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Inward Supplies Return – Section 38

- Any error or omission due to which details remain unmatched u/s 42 or 43 can be rectified up to earlier of:
 - Date of furnishing return for month of September following end of FY to which such details pertains
 - Date of furnishing relevant annual return
- If such error or omission results in short payment of tax, tax to be paid along with interest thereon in the return to be furnished for such tax period
- In form GSTR-2, registered person shall specify following:
 - Invoice-wise details of inward supplies in respect of which he is not eligible for ITC fully or partially where it can be determined at invoice level
 - Quantum of ineligible ITC on inward supplies where it cannot be determined

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Monthly Return – Section 38

- Every registered person to furnish monthly return in Form GSTR-3 on or before 20th of succeeding month containing following details:
 - Inward and outward supplies
 - Input tax credit availed
 - Tax payable
 - Tax paid
- PART A of GSTR-3 to be auto populated based on information submitted in GSTR-1 and GSTR-2
- Tax due as per such return to be paid on or before the last date on which GSTR-3 is to be filed i.e 20th of succeeding month
- Furnish the details of payment of tax in Part B of GSTR-3

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Monthly Return – Section 38

- Rectification of omission or incorrect details discovered after filing of GST-3 return allowed subject to payment of interest:
 - to be rectified in the return furnished for the month or quarter during which it was noticed
 - No such rectification allowed after:
 - 20th October following the end of FY
 - Actual date of furnishing relevant annual return
- No rectification is allowed if omission or incorrect details is on account of scrutiny, audit, inspection or enforcement activity by tax authorities
- Input tax credit as self assessed in the return to be credited on provisional basis in electronic credit ledger
- Such credit to be utilised only for payment of self assessed output tax as per the return
- A registered person shall not be allowed to furnish a return for a tax period if he has not furnished return for any previous tax periods
- In case of no activity, NIL return to be filed

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Returns - Others

- **Annual return (Section 44)**
 - Every registered taxable person (other than ISD, TDS deductor, casual taxable person and non resident taxable person) shall furnish an annual return for every F. Y. on or before 31st December following end of such FY
 - Return shall be file along with audited copy of the annual accounts and reconciliation statement
- **Final return (Section 45)**
 - On cancellation of registration, registered taxable person shall furnish a final return
- **Section 41 (Notice to return defaulter)**
 - If fails to file return u/s 39 or u/s 44 – notice shall be issue to furnish such return within 15 days

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Returns – Other Provisions

➤ Levy of Late Fees (Section 47)

| Default Under Section | Penalty |
|----------------------------|---|
| Section 32, 33, 34, and 40 | Rs.100/- per day (maximum Rs.5,000/-) |
| Section 39 | Rs. 100/- per day (maximum 0.25% of turnover) |

Tax invoice, Credit
and Debit Notes

Issue of invoice for supply of goods

Normal Supply - Section 31(1)



A Registered Taxable Person supplying taxable goods shall issue a tax invoice before or at the time of:

- a) Where supply involves movement of goods - **Removal of goods** for supply to the recipient
- b) In any other case – delivery of goods or making available thereof to recipient

showing

- Description
- value of services
- tax charged
- other prescribed particulars

Continuous Supply - Section 31(1)



Invoice to be issued before or at the time of:

- Where successive statement of accounts – each such statement is issued
- Where successive payments are involved – each such payment is received

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Removal of goods and Continuous supply of goods - Definition

- **“removal” in relation to goods means:** [section 2(96) of CGST Act]
 - despatch of the goods for delivery by the supplier thereof or by any other person acting on behalf of such supplier; or
 - collection of the goods by the recipient thereof or by any other person acting on behalf of such recipient
- **“continuous supply of goods” means:** [section 2(32) of CGST Act]
 - a supply of goods which is provided, or agreed to be provided;
 - **continuously or on recurrent basis,**
 - **under a contract,** whether or not by means of a wire, cable, pipeline or other conduit; and
 - for which the supplier **invoices** the recipient **on a regular or periodic basis;** and
 - includes supply of such goods as the Government may, subject to such conditions, as it may, by notification, specify;

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Issue of invoice for supply of service

Normal Supply -
Section 31 (2)



A Registered Taxable Person supplying taxable services shall issue a tax invoice :

Either Before or after the provision of service but **within 30 days** from date of supply

- showing:
- Description
 - value of services
 - tax charged
 - other prescribed particulars

Exceptions (Rule 2):

- Insurer
- Banking Company
- Financial institution
- NBFC
- Telecom operator

• **Supply to persons other than distinct persons:**

- issue invoice **within 45 days** from date of supply of service

• **Supply to persons distinct persons:**

- Before or at the time of recording in books of accounts by supplier
- Before expiry of quarter during which supply is made

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Issue of Invoice - Continuous Supply of Services

Continuous Supply of Service
[Section 31(5)]



a) Due date of payment is ascertainable from contract:

- On or before the due date of the due date of payment

b) Due date of payment is not ascertainable from contract:

- Before or at the time when supplier receives payment

c) Payment is linked to completion of Event:

- On or before date of completion of event

Continuous Supply of services means [section 2(33)]:

- Supply of services provided or agreed to be provided
- on continuous or recurrent basis
- Under a contract for a period exceeding 3 months with periodic payment obligations; and
- Includes supply of such service as Central / State government may notify in this regard

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Issue of invoice – Other cases

Bill of supply
[Section 31(3)(c)]

**Receipt voucher
and
Refund voucher**
[Section 31(3)(d) and (e)]

Revised invoice
[Section 31(3)(a)]

**Purchase from
Unregistered supplier**
[Section 31(3)(f) and (g)]

**Cease of service under
contract before
completion of supply**
[Section 31(6)]

Sale or approval
[Section 31(7)]

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Bill of Supply

- Bill of supply to be issued by a registered person:
 - Supplying exempted goods and/or services or
 - Paying tax under composition scheme
- Not to be issued if the value of goods/ services supplied does not exceed value of **Rs. 200**
- **Particulars prescribed U/R 4 of Invoice Rules:**
 - name, address and GSTIN of the supplier;
 - a consecutive serial number, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash and any combination thereof, unique for a financial year;
 - date of its issue;
 - name, address and GSTIN or UIN, if registered, of the recipient;
 - HSN Code of goods or Accounting Code for services;
 - description of goods or services or both;
 - value of supply of goods or services or both taking into account discount or abatement, if any; and
 - signature or digital signature of the supplier or his authorized representative:

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Receipt Voucher and Refund Voucher

- Receipt voucher to be issued on receipt of advance with respect to any supply of goods or services or both
- Where receipt voucher is issued but subsequently no supply is made and no tax invoice is issued, then refund voucher to be issued to the person to whom payment is returned
- **Particulars for receipt voucher prescribed U/R 5 of Invoice Rules:**
 - name, address and GSTIN of the supplier;
 - a consecutive serial number unique for a financial year;
 - date of its issue;
 - name, address and GSTIN or UIN, if registered, of the recipient;
 - description of goods or services or both;
 - Amount of advance taken
 - Rate of tax
 - Amount of tax
 - Place of supply in case of inter-state supply
 - signature or digital signature of the supplier or his authorized representative:

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Issue of invoice – Other cases

Revised Invoice [section 31(3)(a)]

- A registered taxable person may
- within one month from the date of registration
- issue a revised invoice against invoice already issued
- between the period starting from **effective date of registration**
- till the date of issuance of certificate of registration

Purchase from Unregistered supplier [Section 31(3)(f) and (g)]

Issue of Invoice:

- By registered person who is liable to pay tax under RCM
- on date of receipt of Goods or Services

Issue of Payment Voucher:

- By registered person who is liable to pay tax under RCM
- At the time of making payment to supplier

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Issue of invoice – Other cases

Cease of service under contract before completion of supply [Section 31(6)]

- Invoice is to be issued when the supply ceases ; and
- such invoice shall be issued to the extent of the supply effected before such cessation

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Supply on Sale or approval basis [Section 31(7)]

- Invoice shall be issued **earlier of:**
 - before or at the time of supply or
 - six months from the date of removal,

Tax Invoice not to be issued

➤ Tax invoice not to be issued when:

- Value of supply is less than Rs. 200;
- Recipient is unregistered person; and
- He does not require invoice

➤ Consolidated tax invoice to be issued for all such supplies at the close of each day

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Manner of Issuing invoice

- The invoice shall be prepared in **triplicate** in case of Supply of goods :
 - a) the original copy being marked as ORIGINAL FOR RECIPIENT
 - b) the duplicate copy being marked as DUPLICATE FOR TRANSPORTER; and
 - c) the triplicate copy being marked as TRIPLICATE FOR SUPPLIER

Duplicate copy is not required to be carried by the transporter if the supplier has obtained an Invoice Reference Number by uploading the tax invoice in Form GST Inv – 1.

- The invoice shall be prepared in **duplicate** in case of Supply of Services:
 - a) the original copy being marked as ORIGINAL FOR RECEIPT
 - b) the duplicate copy being marked as DUPLICATE FOR SUPPLIER

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| Government of India/State Department of Form <i>GST INV-1</i> (See Rule-.....) | | | | | | | | | | | | | | |
|---|--------------------------------|-----|------|------|-----------------|-------|---|---------------|------|------|------|------|------|------|
| Application for Electronic Reference Number of an Invoice | | | | | | | | | | | | | | |
| 1. GSTIN 2. Name 3. Address 4. Serial No. of Invoice 5. Date of Invoice | | | | | | | | | | | | | | |
| Details of Receiver (Billed to) Name Address State State Code GSTIN / Unique ID | | | | | | | Details of Consignee (Shipped to) Name Address State State Code GSTIN/Unique ID | | | | | | | |
| Sr. No. | Description of Goods | HSN | Qty. | Unit | Rate (per Item) | Total | Discount | Taxable value | CGST | | SGST | | IGST | |
| | | | | | | | | | Rate | Amt. | Rate | Amt. | Rate | Amt. |
| | Freight | | | | | | | | | | | | | |
| | Insurance | | | | | | | | | | | | | |
| | Packing and Forwarding Charges | | | | | | | | | | | | | |
| | Total | | | | | | | | | | | | | |
| Total Invoice Value (In figure) | | | | | | | | | | | | | | |
| Total Invoice Value (In Words) | | | | | | | | | | | | | | |
| Amount of Tax subject to Reverse Charges | | | | | | | | | | | | | | |
| Declaration: | | | | | | | Signature | | | | | | | |
| Electronic Reference Number | | | | | | | Name of the Signatory | | | | | | | |
| CA Shraddha Mehta | | | | | | | Designation / Status | | | | | | | |
| | | | | | | | Date – | | | | | | | |

Tax Invoice – Export of goods or service

- In case of export of goods or services invoice shall carry following endorsement:
 - "SUPPLY MEANT FOR EXPORT ON PAYMENT OF IGST"; or
 - "SUPPLY MEANT FOR EXPORT UNDER BOND OR LETTER OF UNDERTAKING WITHOUT PAYMENT OF IGST",
- It should contain all the particulars as specified in Rule 1:
 - Recipient details:
 - name and address of the recipient
 - address of delivery;
 - name of the country of destination; and
 - number and date of application for removal of goods for export

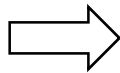
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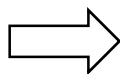
Issue of Invoice – Do's and Don'ts

Do's
Amount of Taxation
should be indicated in
tax invoice and other
documents
[Section 33]



- When supply is made for a consideration
- every person who is liable to pay tax for such supply
- prominently indicate in all documents relating to assessment, tax invoice and other like documents relating to
- the amount of tax which will form part of price at which such supply is made

Don'ts
Tax not to be collected
by unregistered
taxable person
[section 32]



- A person who is not registered taxable person shall not
- collect tax under CGST/SGST act
- in respect of any supply of goods and/or services
- Registered person should not make any such collection except in accordance with provisions of Act and rules made there under

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Credit note - section 34(1)

| | |
|--|--|
| When to issue | <ul style="list-style-type: none"> When a registered dealer issued a tax invoice for supply of goods or services; and in such invoice: <ul style="list-style-type: none"> the amount of tax charged and/or taxable value is more than the taxable value and/or tax payable; or goods are returned; or services supplied are deficient, then the taxable person, who supplied the goods, may issue a credit note to the recipient containing such particulars as may be prescribed |
| Declaration of details of such credit note in return | <p>To be declared in the return for the month during which such note has been issued</p> <p>But not later than:</p> <ul style="list-style-type: none"> 30th September following end of financial year to which such supply relates; or Date of furnishing annual return for such relevant year <p>Whichever is earlier</p> |
| No reduction in output tax liability | No reduction in output tax liability is permitted if the incidence of tax and interest on such supply has been passed by him to any other person |

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Debit note – section 34(2)

| | |
|--|---|
| When to issue | <ul style="list-style-type: none"> When a Registered Dealer issued tax invoice for supply of goods or services; and in such invoice the amount of tax charged and/or taxable value is less than the taxable value and/or tax payable Then, said taxable person who supplied the goods, may issue a debit note to the recipient containing such particulars as may be prescribed |
| Declaration of details | Details of such debit note to be declared in the return for the month during which such note has been issued |
| Expression 'debit note' includes supplementary invoice | |
| In case of: | <div style="border: 1px solid black; padding: 5px;"> <p>Invoice or debit note / supplementary invoice issued should prominently contain words: "INPUT TAX CREDIT NOT ADMISSIBLE"</p> </div> |
| <ul style="list-style-type: none"> Fraud, etc and demand made u/s 74 Detention of goods u/s 129 Confiscation of goods u/s 130 | |

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Supplementary Tax invoice and Credit Notes or debit Notes – Particulars

- As per Rule 4 of draft invoice rules, a debit note or credit note or supplementary invoice shall contain following details:
- a) name, address and GSTIN of the supplier
 - b) nature of the document
 - c) consecutive serial number
 - d) Date
 - e) name, address and GSTIN/ Unique ID Number, if registered, of the recipient
 - f) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is unregistered and where the taxable value of supply is fifty thousand rupees or more
 - g) serial number and date of the corresponding tax invoice or, as the case may be, bill of supply**
 - h) Taxable value of goods or services, rate of tax and the amount of the tax credited or, as the case may be, debited to the recipient
 - i) signature or digital signature of the supplier or his authorized representative

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THANK YOU

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