TAX INVOICE, CREDIT AND DEBIT NOTES, ACCOUNTS AND RECORDS

CA. RAGHAVENDRA T.N.

AGENDA

- Tax invoice & Bill of supply [Section 31 to 33]
- Credit notes and debit notes [Section 34]
- Maintenance of books of accounts [Section 35]
- Retention of books of accounts [Section 36]

QUESTIONS IN MIND

- What is Tax invoice?
- What is Bill of supply?
- Who and when to issue Tax Invoice or Bill of supply?
- Whether inclusive or exclusive of taxes?
- Whether invoicing pattern depend on the nature of business?

a) Trader
b) Manufacturer
c) Works Contractor
d) Input Service Distributor

FORMAT AND CONTENTS OF TAX INVOICE

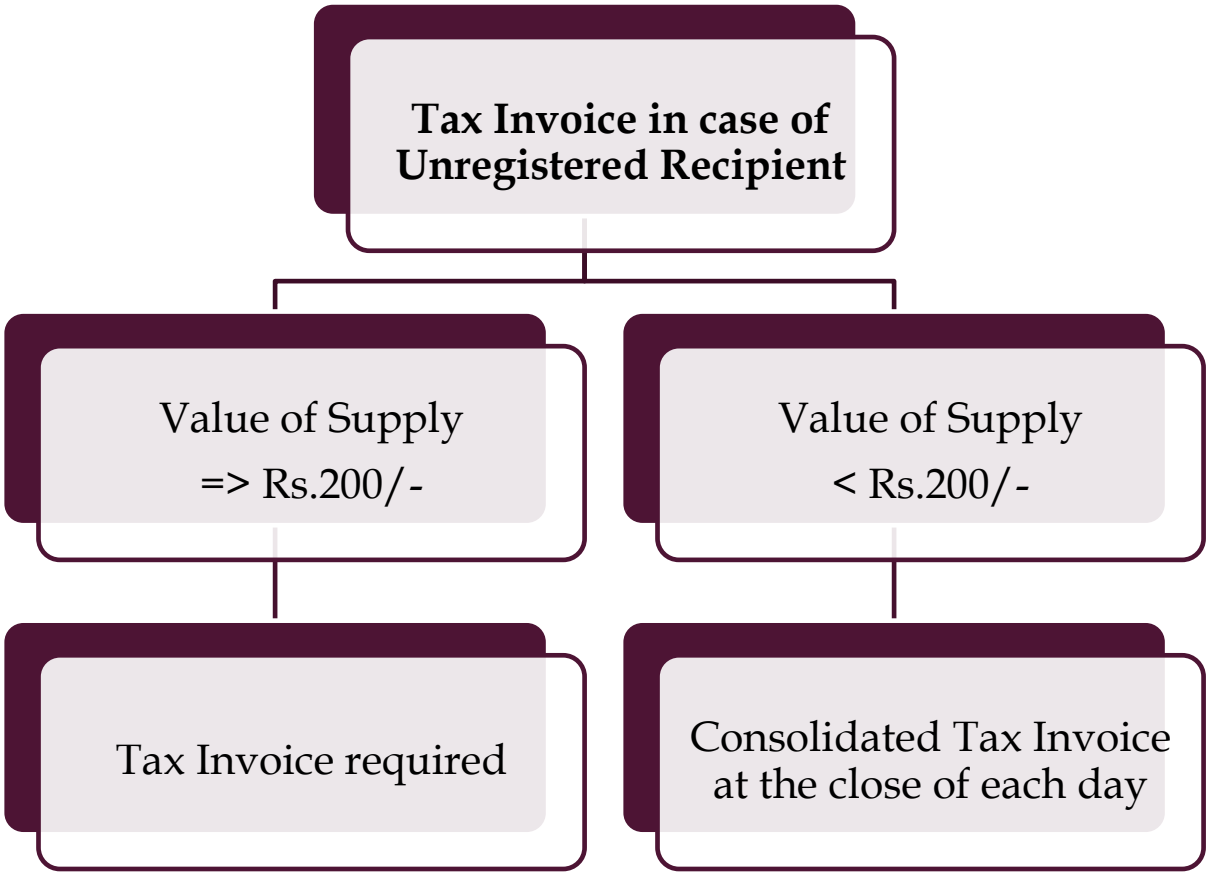
- The name and address of the supplier
- A consecutive serial number, in one or multiple series, containing alphabets or numerals or special characters hyphen or dash and slash symbolized as "-" and "/" respectively, and combination thereof, unique for a financial year. ***Example: ABC/2017-18/D001, ABC/2017-18/E001 etc.,***
- Date of its issue
- Name, address and GSTIN of the recipient, if registered.
- Affixing signature or digital signature of the supplier or authorized representative.
- Such other particulars as may be prescribed.

FORMAT AND CONTENTS OF TAX INVOICE

Adobe Acrobat Document

Tax Invoice

FORMAT AND CONTENTS OF TAX INVOICE – UNREGISTERED RECIPIENT



Notes:

- If value of supply > Rs.50,000/-, tax invoice shall contain name & address of recipient along with delivery address, state and state code shall be mentioned.
- If recipient is not registered person and the recipient does not require such invoice, consolidated tax invoice for all such supplies at the close of each day can be issued.

BILL OF SUPPLY

- Issued by a registered person

a) Supplying exempted goods or services or both, or

b) Is a composition dealer

- Bill of supply not required if the value of supply < Rs.200/-. If recipient is not registered person and the recipient does not require such bill, consolidated bill of supply for all such supplies at the close of each day can be issued.
- Other contents of bill of supply are similar to tax invoice.

FORMAT AND CONTENTS OF TAX INVOICE – EXPORTS

- Tax invoice shall carry an endorsement:

a) **"SUPPLY MEANT FOR EXPORT ON PAYMENT OF IGST" or**

b) **"SUPPLY MEANT FOR EXPORT UNDER BOND OR LETTER OF UNDERTAKING WITHOUT PAYMENT OF IGST"**

- Tax invoice should contain following details:

a) Name and address of the recipient

b) Address of delivery

c) Name of country of destination, and

d) Number and date of application for removal of goods for export ***[like ARE-1]***

MANNER OF ISSUING INVOICE

Invoice Type	Goods	Services
Original	Recipient	Recipient
Duplicate	Transporter	Supplier
Triplicate	Supplier	- NA -

TAX INVOICE – PASSENGER TRANSPORT SERVICES

Tax invoice shall include:

- Ticket in any form, by what ever name called
- Whether or not serially numbered
- Whether or not containing the address of the recipient
- Such other information as may be prescribed

TAX INVOICE – GOODS TRANSPORT AGENCY

Additional details to be included in Tax invoice with respect to GTA:

- Name & address of the consigner and consignee
- Gross weight of goods transported
- Registration number of the goods carriage
- Place of origin and destination
- GSTIN of the person liable to pay tax

TAX INVOICE – INPUT SERVICE DISTRIBUTOR

ISD Invoice shall contain the following details:

- The name, address and GSTIN of –

a) Input Service Distributor

b) Recipient to whom the credit is distributed

c) Supplier of services including invoice details as an annexure

- A consecutive serial number containing alphabets or numerals or special characters hyphen or dash and slash symbolized as "-" and "/" respectively, and combination thereof, unique for a financial year. ***Example: ABC/2017-18/001***
- Date of its issue
- Amount of credit distributed
- Signature or digital signature of ISD or his authorized representative

TRANSPORTATION OF GOODS WITHOUT TAX INVOICE

Circumstances where transportation of goods can be undertaken without the issue of tax invoice:

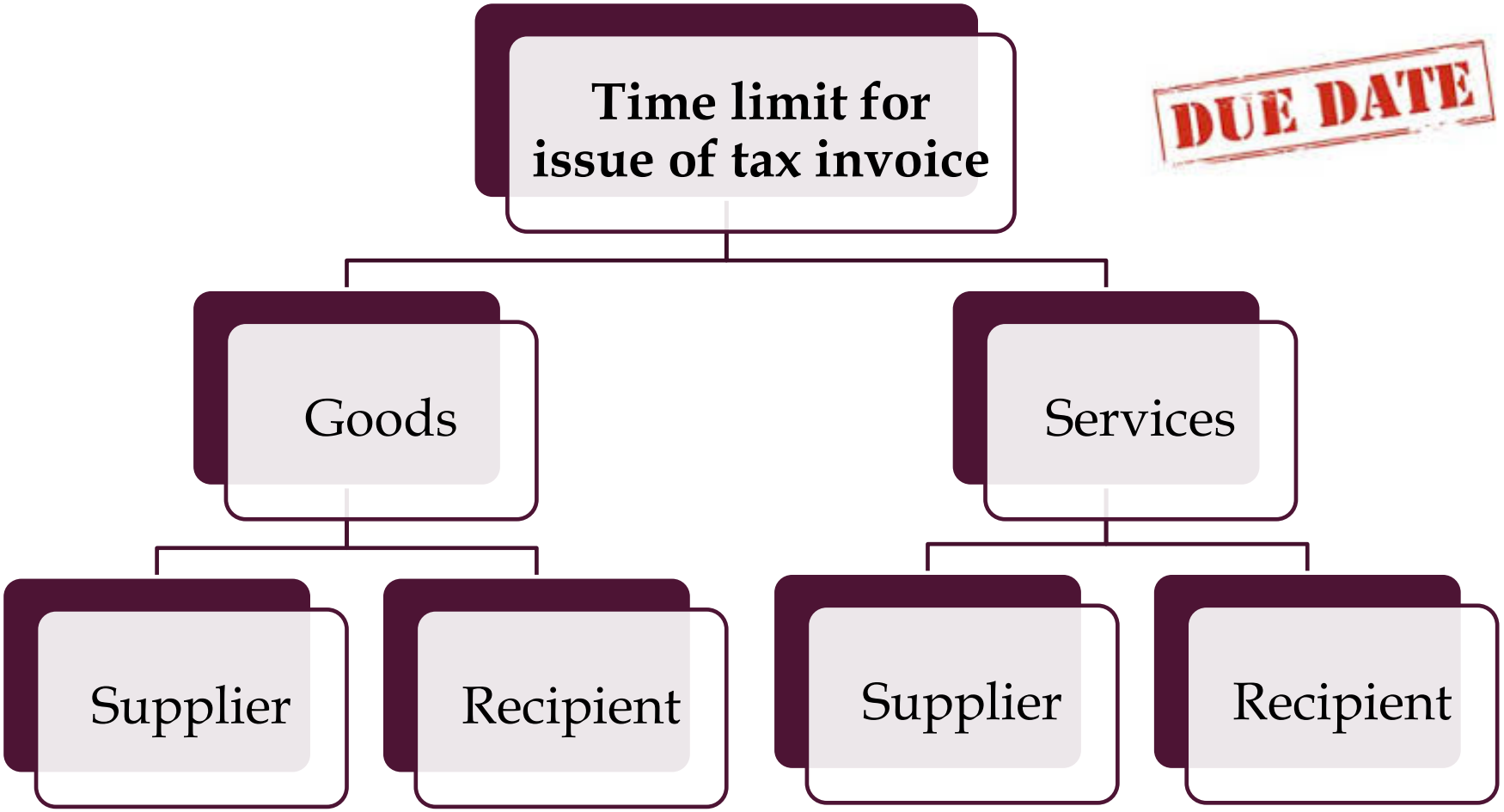
- Supply of liquid gas where the quantity at the time of removal from the place of business is not known
- Transportation of goods for job work
- Transportation of goods for reasons other than by way of supply, or
- Such other notified supplies

Consigner to issue delivery challan (e-Way bill) in prescribed form, in lieu of tax invoice.

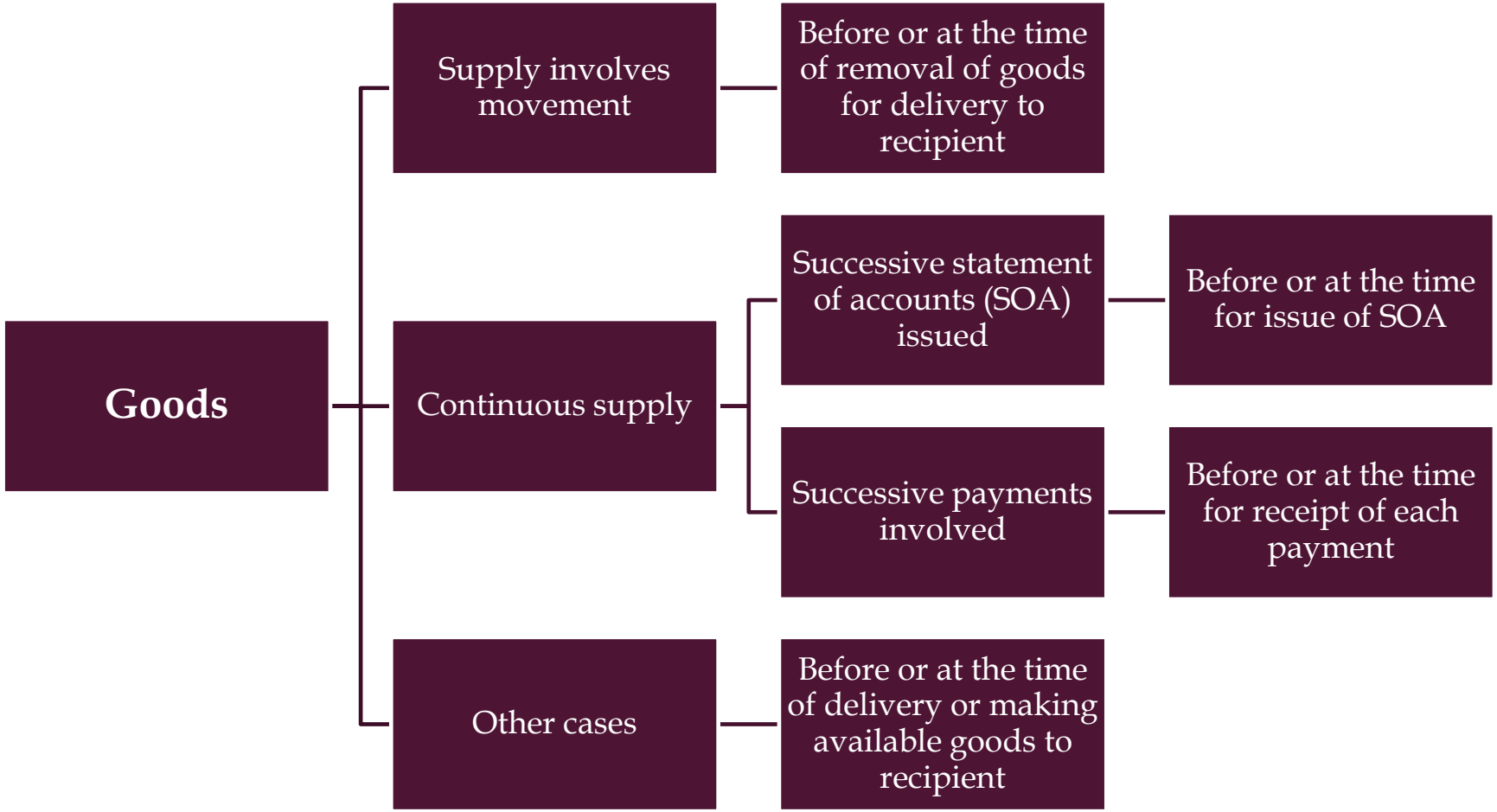
DOCUMENT TO BE ISSUED FOR ADVANCE RECEIVED

- Registered taxable person shall issue
- Receipt voucher evidencing such payment, and
- It shall include such particulars as may be prescribed

TIME LIMIT FOR ISSUE OF TAX INVOICE



TIME LIMIT FOR ISSUE OF TAX INVOICE – SUPPLIER OF GOODS



EXAMPLES FOR DUE DATE FOR ISSUE OF INVOICE

Removal of goods for supply	Delivery/Making goods available to Recipient	Payment received by Supplier*	Due date for issue of invoice
1-Jul-17	4-Jul-17	15-Jul-17	**On/ before 1-Jul-17**
2-Jul-17	1-Jul-17	15-Jul-17	**On/ before 1-Jul-17**
-NA-	1-Jul-17	2-Jul-17	**On/ before 1-Jul-17**
2-Jul-17	2-Jul-17	1-Jul-17	**On/ before 2-Jul-17**

DUE DATE FOR ISSUE OF INVOICE IN CASE OF CONTINUOUS SUPPLY OF GOODS

Issue of successive SOA	Receipt of successive payments	Due date for issue of invoice
5-Jul-17	-NA-	**On or before 5-Jul-17**
10-Jul-17	-NA-	**On or before 10-Jul-17**
-NA-	5-Jul-17	**On or before 5-Jul-17**
-NA-	10-Jul-17	**On or before 10-Jun-17**

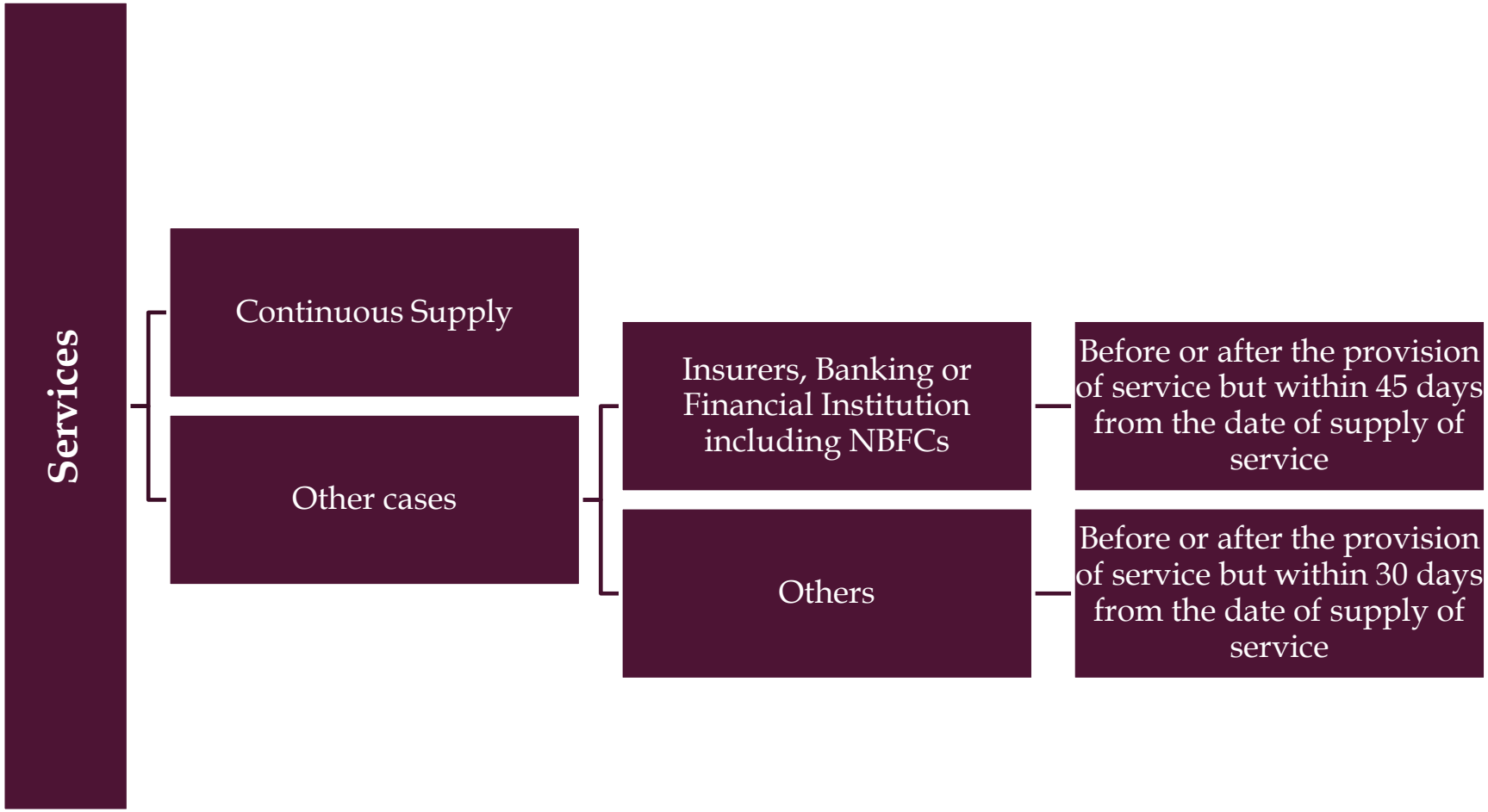
TIME LIMIT FOR ISSUE OF TAX INVOICE – SALE ON APPROVAL OR RETURN

Goods being sent on approval for sale or return

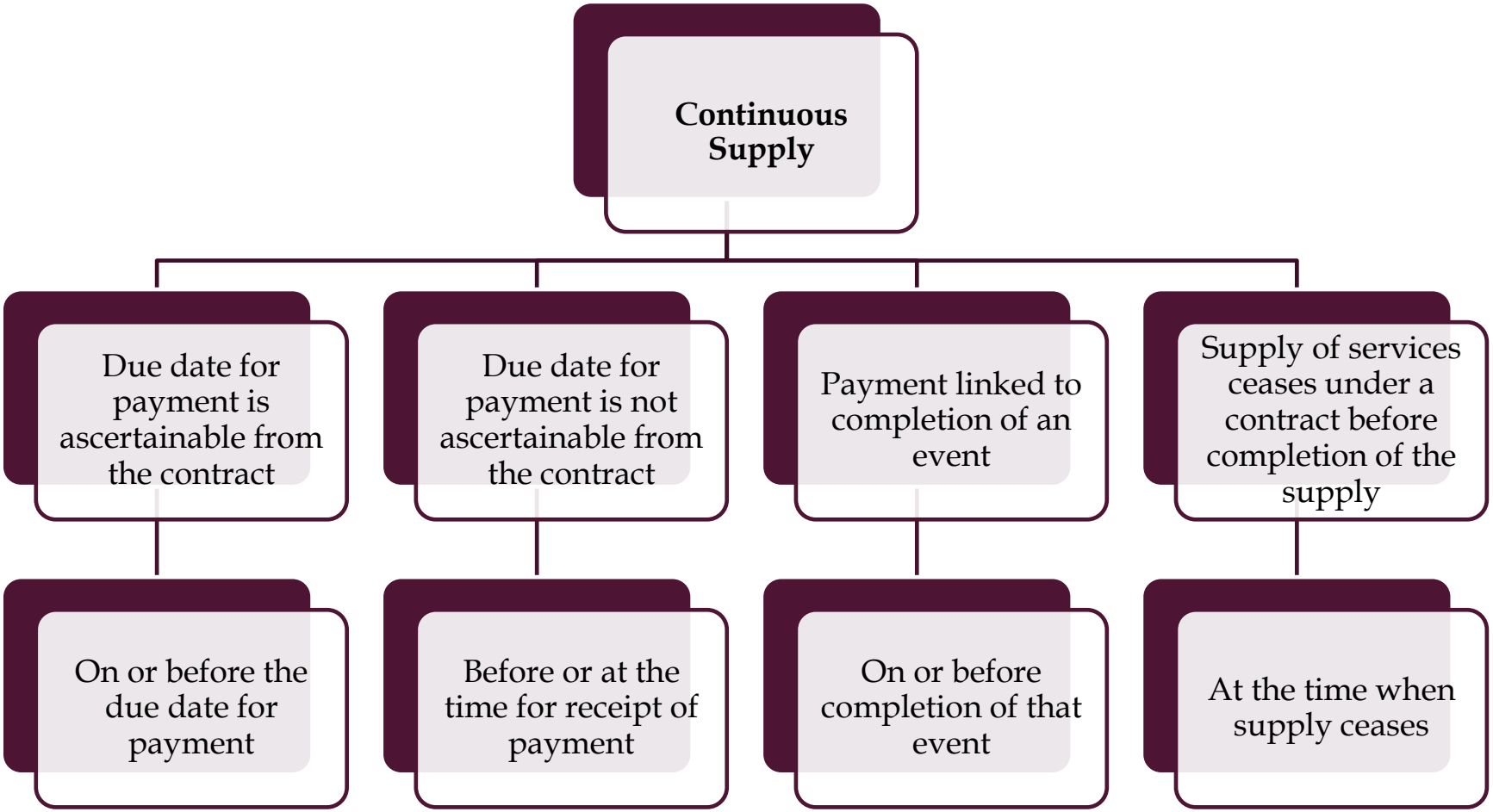
[Earliest of the following events]

- On confirmation of supply by recipient
- 6 months from the date of removal

TIME LIMIT FOR ISSUE OF TAX INVOICE – SUPPLIER OF SERVICES



TIME LIMIT FOR ISSUE OF TAX INVOICE – SUPPLIER OF SERVICES



TIME LIMIT FOR ISSUE OF REVISED TAX INVOICE

Registered person shall issue revised tax invoice in respect of supplies made

- Between the effective date of registration, and
- Date of issuance of certificate of registration
- Tax invoice shall be issued within one month from the date of issuance of certificate of registration
- Revised tax invoice shall be issued in such manner as may be prescribed

TIME LIMIT FOR ISSUE OF TAX INVOICE – RECIPIENT OF GOODS OR SERVICES

Registered taxable person liable to pay tax under RCM shall –

- Issue tax invoice
- If supplier of goods or services is not registered
- Tax invoice shall be issued on the date of receipt of such goods or services or both
- Recipient shall also issue payment voucher at the time of making payment to supplier

CREDIT NOTES AND DEBIT NOTES

Credit Notes	Debit Notes
▪ Taxable value or tax charged in the tax invoice is > the taxable value or tax payable in respect of such supply. ▪ Goods supplied are returned by the recipient. ▪ Goods or services supplied are found to be deficient.	• Taxable value or tax charged in the tax invoice is < the taxable value or tax payable in respect of such supply.
Declared in the return for the month in which such credit note is issued.	Declared in the return for the month in which credit note is issued.
Maximum time limit: ***Earliest of the following events*** a) September of next financial year or b) Date of filing of annual return for the relevant financial year	Not available
Tax liability shall be adjusted in such manner as may be prescribed.	Tax liability shall be adjusted in such manner as may be prescribed.

MAINTENANCE OF BOOKS OF ACCOUNTS

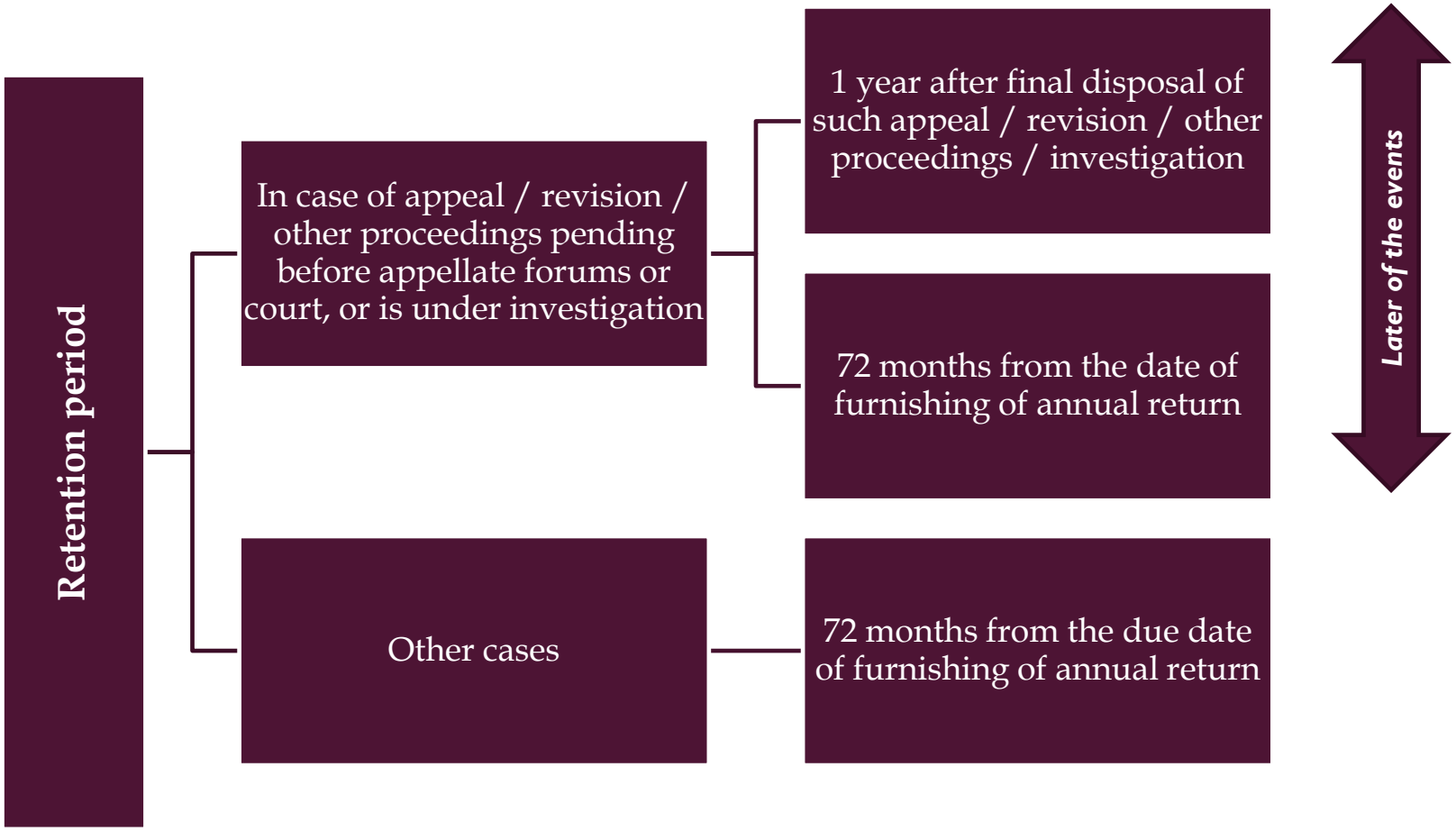
- Keep and maintain books of accounts at principal place of business
- More than one place of business, related books of accounts shall be kept at such places of business
- Option to maintain books of accounts in electronic form
- Books of accounts should give true and correct account of –

a) Production or manufacture of goods
b) Inward and outward supply of goods or services or both
c) Stock of goods
d) Input tax credit availed
e) Output tax payable and paid, and
f) Such other particulars as may be prescribed

MAINTENANCE OF BOOKS OF ACCOUNTS

- Commissioner shall have powers to exempt certain class of taxable persons from maintaining certain prescribed books of accounts, after recording reasons in writing.
- Commissioner shall have powers to notify certain class of taxable persons to maintain certain additional accounts and records for such purpose as may be prescribed.
- A registered taxable person whose turnover during the financial year exceeds the prescribed limit shall get his accounts by a Chartered Accountant or a Cost Accountant and shall submit copy of audited accounts along with the reconciliation statement in such form and manner as may be prescribed.
- Invoking provisions of section 73 or 74 if a registered taxable person fails to account supply of goods or service or both.

RETENTION OF BOOKS OF ACCOUNTS



FAQS

- Can unregistered person issue tax invoice?
- Can tax invoice be issued for supplying exempted goods?
- Who can issue bill of supply?
- Can credit note or debit note be raised without raising of tax invoice?
- Under what circumstances recipient can issue tax invoice to supplier of goods / service / both?
- Whether multiple invoice series be permitted under GST?
- What is the time limit for issuing tax invoice for supply of services?
- What is the time limit prescribed for retaining of books of accounts?

Thank You

CA. Raghavendra T.N.
Partner | NNR & Co., |Chartered Accountants
Email: raghavendra@nnr.co.in |Cell No. +91 98801-87870