

Goods and Service Tax



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Tax Invoice, Credit and Debit Note



Tax Invoice, Credit and Debit Note

Chapter VII- Section 31 to 34
Tax Invoice Rules (Rule 46 to 55)

Tax Invoice

Section 31(1) A registered person supplying taxable goods shall, before or at the time of,— (a) removal of goods for supply to the recipient, if supply involves movement of goods; or

(b) delivery of goods or making available thereof to the recipient, in any other case,

issue a tax invoice showing the description, quantity and value of goods, the tax charged thereon and such other particulars as may be prescribed:

Provided that the Govt may, on the recommendations of the Council, by notification, specify the categories of goods/supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed.

Tax Invoice

Section 31(2) A registered person supplying taxable services shall, before or after the provision of service but within a prescribed period (**30 days**), issue a tax invoice, showing the description, value, tax charged thereon and such other particulars as may be prescribed:

Provided that the Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which—
– (a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or

(b) tax invoice may not be issued.

Tax Invoice

- (3) Notwithstanding anything contained in sub-sections (1) and (2)—
- (a) a registered person may, within 1 month from the date of issuance of certificate of registration and in such manner as may be prescribed, issue a revised invoice against the invoice already issued during the period beginning with the effective date of registration till the date of issuance of RC to him;
 - (b) a registered person may not issue a tax invoice if the value of the goods or services or both supplied is less than 200 subject to such conditions and in such manner as may be prescribed;
 - (c) a registered person supplying exempted goods or services or both or paying tax u/s 10 shall issue, instead of a tax invoice, a bill of supply containing such particulars and in such manner as may be prescribed:
Provided that the registered person may not issue a bill of supply if the value of the goods or services or both supplied is less than Rs. 200 subject to such conditions and manner as may be prescribed;

Tax Invoice

(d) a registered person shall, on receipt of advance payment with respect to any supply of goods or services or both, issue a **receipt voucher** or any other document, containing such particulars as may be prescribed.;

(e) where, on receipt of advance payment with respect to any supply of goods or services or both the registered person issues a receipt voucher, but subsequently no supply is made and no tax invoice is issued in pursuance thereof, the said registered person may issue to the person who had made the payment, a **refund voucher** against such payment;

(f) a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 shall issue an invoice in respect of goods or services or both received by him from the supplier who is not registered on the date of receipt of goods or services or both;

(g) a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 shall issue a payment voucher at the time of making payment to the supplier.

Tax Invoice

- (5) Subject to sub-section (3)(d), in case of continuous supply of services,—
- (a) where the due date of payment is ascertainable from the contract, the invoice shall be issued on or before the due date of payment;
 - (b) where the due date of payment is not ascertainable from the contract, the invoice shall be issued before or at the time when the supplier of service receives the payment;
 - (c) where the payment is linked to the completion of an event, the invoice shall be issued on or before the date of completion of that event.
- (6) In a case where the supply of services ceases under a contract before the completion of the supply, the invoice shall be issued at the time when the supply ceases and such invoice shall be issued to the extent of the supply made before such cessation.
- (7) Notwithstanding anything contained in sub-section (1), where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued before or at the time of supply or six months from the date of removal, whichever is earlier.

Tax Invoice

32. (1) A person who is not a registered person shall not collect in respect of any supply of goods or services or both any amount by way of tax under this Act.
- (2) No registered person shall collect tax except in accordance with the provisions of this Act or the rules made thereunder.
33. Notwithstanding anything contained in this Act or any other law for the time being in force, where any supply is made for a consideration, every person who is liable to pay tax for such supply shall prominently indicate in all documents relating to assessment, tax invoice and other like documents, the amount of tax which shall form part of the price at which such supply is made.

Credit and Debit Note

- 34. (1) Where a tax invoice has been issued for supply of any goods or services or both and the taxable value or tax charged in that tax invoice is found to exceed the taxable value or tax payable in respect of such supply, or where the goods supplied are returned by the recipient, or where goods or services or both supplied are found to be deficient, the registered person, who has supplied such goods or services or both, may issue to the recipient a credit note containing such particulars as may be prescribed.
- (2) Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in the return for the month during which such credit note has been issued but not later than September following the end of the financial year in which such supply was made, or the date of furnishing of the relevant annual return, whichever is earlier, and the tax liability shall be adjusted in such manner as may be prescribed: Provided that no reduction in output tax liability of the supplier shall be permitted, if the incidence of tax and interest on such supply has been passed on to any other person.

Credit and Debit Note

- (3) Where a tax invoice has been issued for supply of any goods or services or both and the taxable value or tax charged in that tax invoice is found to be less than the taxable value or tax payable in respect of such supply, the registered person, who has supplied such goods or services or both, shall issue to the recipient a debit note containing such particulars as may be prescribed.
- (4) Any registered person who issues a debit note in relation to a supply of goods or services or both shall declare the details of such debit note in the return for the month during which such debit note has been issued and the tax liability shall be adjusted in such manner as may be prescribed.

Explanation.—For the purposes of this Act, the expression “debit note” shall include a supplementary invoice.

Tax Invoice Rules

1. Subject to rule 7, a tax invoice referred to in section 31 shall be issued by the registered person containing the given particulars.

(e) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered and where value of taxable supply is Rs. 50,000 or more;

Provided further that where an invoice is required to be issued u/s 31(3)(f)/ 9(3) or 9(4), it shall bear the signature or digital signature of the recipient or his authorized representative:

Provided also that in case of export of goods or services, the invoice shall carry an endorsement “SUPPLY MEANT FOR EXPORT ON PAYMENT OF INTEGRATED TAX” or “SUPPLY MEANT FOR EXPORT UNDER BOND OR LETTER OF UNDERTAKING WITHOUT PAYMENT OF INTEGRATED TAX”, as the case may be, and shall, in lieu of the details specified in clause (e), contain the following details:

(i) name and address of the recipient; (ii) address of delivery; and (iii) name of the country of destination:

Tax Invoice Rules

Provided also that a registered person may not issue a tax invoice in accordance with section 31(3)(b) subject to following conditions, namely:-

- (a) the recipient is not a registered person; and
- (b) the recipient does not require such invoice, and

shall issue a consolidated tax invoice for such supplies at the close of each day in respect of all such supplies.

2. Time limit for issuing tax invoice The invoice referred to in rule 1, in case of taxable supply of services, shall be issued within a period of **30 days** from the date of supply of service:

Provided that where the supplier of services is an insurer or a banking company or a financial institution, including a NBFC, the period shall be **45 days** from the date of supply of service:

Provided further that an insurer or a banking co. or a financial institution, including a NBFC, or a telecom operator, or any other as may be notified, making taxable supplies of services between distinct persons, may issue invoice before or at the time such supplier records the same or before the expiry of quarter during which supply was made.

Tax Invoice Rules

- 3. Manner of issuing invoice

(1) The invoice shall be prepared in triplicate, in case of supply of goods, in the following manner:—

(a) the original marked as ORIGINAL FOR RECIPIENT;

(b) the duplicate copy as DUPLICATE FOR TRANSPORTER; and

(c) the triplicate copy as TRIPLICATE FOR SUPPLIER.

(2) The invoice shall be prepared in duplicate, in case of supply of services, in the following manner:-

(a) the original copy as ORIGINAL FOR RECIPIENT; and

(b) the duplicate copy as DUPLICATE FOR SUPPLIER.

(3) The serial number of invoices issued during a tax period shall be furnished electronically through the Common Portal in FORM GSTR-1.

Tax Invoice Rules

- **4. Bill of supply** A bill of supply referred in section 31(3)(c) shall be issued by the supplier containing the following details:-

(a) name, address and GSTIN of the supplier; (b) a consecutive serial number not exceeding sixteen characters, in one or more multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year; (c) date of its issue; (d) name, address and GSTIN or UIN, if registered, of the recipient; (e) HSN Code of goods or Accounting Code for services; (f) description of goods or services or both; (g) value of supply of goods or services or both taking into account discount or abatement, if any; and (h) signature or digital signature of the supplier or his authorized representative:

Provided that the provisos to rule 1 shall, mutatis mutandis, apply to the bill of supply issued under this rule.

- Provided further that any tax invoice or any other similar document issued under any other Act for the time being in force in respect of any non-taxable supply shall be treated as bill of supply for the purposes of the Act.

Tax Invoice Rules

- **5. Receipt voucher** A receipt voucher referred to in section 31(3)(d) shall contain the following particulars: (a) name, address and GSTIN of the supplier; (b) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year (c) date of its issue; (d) name, address and GSTIN or UIN, if registered, of the recipient; (e) description of goods or services; (f) amount of advance taken; (g) rate of tax (CGST, SGST, IGST, UTGST or Cess); (h) amount of tax charged in respect of taxable goods or services (CGST, SGST, IGST, UTGST or Cess); (i) place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce; **(j) whether the tax is payable on reverse charge basis;** and (k) signature or digital signature of the supplier or his authorized representative:
- **Provided that where at the time of receipt of advance, (i) the rate of tax is not determinable, the tax shall be paid at the rate of 18%.; (ii) the nature of supply is not determinable, the same shall be treated as inter-State supply.**

Tax Invoice Rules

- **8. Revised tax invoice and credit or debit notes**

(1) A revised tax invoice u/s 31 and credit /debit note u/s 34 shall contain -

- (a) “Revised Invoice”, wherever applicable, indicated prominently;
- (b) name, address and GSTIN of the supplier;
- (c) nature of the document;
- (d) a consecutive s. no. not exceeding 16 characters, in one or multiple series, containing alphabets or numerals or special characters for a FY;
- (e) date of issue of the document;
- (f) name, address and GSTIN or UIN, if registered, of the recipient;
- (g) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered;
- (h) s.no. and date of the corresponding tax invoice or, bill of supply;
- (i) value of taxable supply of goods or services, rate of tax and the amount of the tax credited or, as the case may be, debited to the recipient; and
- (j) signature or digital signature of the supplier or his authorized rep.

Tax Invoice Rules

- **8. Revised tax invoice and credit or debit notes**
- (2) Every registered person who has been granted registration with effect from a date earlier than the date of issuance of RC to him, may issue revised tax invoices in respect of taxable supplies effected during the period starting from the effective date of registration till the date of issuance of certificate of registration:
 - Provided that the registered person may issue a consolidated revised tax invoice in respect of all taxable supplies made to a recipient who is not registered under the Act during such period:
 - Provided further that in case of inter-State supplies, where the value of a supply does not exceed Rs. 250,000, a consolidated revised invoice may be issued separately in respect of all recipients located in a State, who are not registered under the Act.
- (3) Any invoice or debit note issued in pursuance of any tax payable in accordance with the provisions of section 74 or section 129 or section 130 shall prominently contain the words “INPUT TAX CREDIT NOT ADMISSIBLE”.

Tax Invoice Rules

- **9. Tax invoice in special cases**

(1) An ISD invoice or, ISD credit note issued by an ISD shall contain :-

- (a) name, address and GSTIN of the ISD;
- (b) a consecutive serial number not exceeding 16 characters, in FY;
- (c) date of its issue;
- (d) name, address, GSTIN of the recipient to whom credit is distributed
- (e) amount of the credit distributed; and
- (f) signature or digital signature of the ISD or his authorized rep:

Provided that where the ISD is an office of a banking company or a financial institution, including a NBFC, a tax invoice shall include any document in lieu thereof, by whatever name called, whether or not serially numbered but containing the information as prescribed above.

Tax Invoice Rules

- (2) Where the supplier of taxable service is an insurer or a banking company or a financial institution, including a NBFC, the said supplier shall issue a tax invoice or any other document in lieu thereof, by whatever name called, whether issued or made available, physically or electronically whether or not serially numbered, and whether or not containing the address of the recipient of taxable service but containing other information as prescribed under rule 1.
- (3) Where the supplier of taxable service is a GTA supplying services in relation to transportation of goods by road in a goods carriage, the said supplier shall issue a tax invoice or any other document in lieu thereof, by whatever name called, containing the gross weight of the consignment, name of the consignor and the consignee, registration number of goods carriage in which the goods are transported, details of goods transported, details of place of origin and destination, GSTIN of the person liable for paying tax whether as consignor, consignee or GTA, and also containing other information as prescribed under rule 1.

Tax Invoice Rules

- (4) Where the supplier of taxable service is supplying passenger transportation service, a tax invoice shall include ticket in any form, by whatever name called, whether or not serially numbered, and whether or not containing the address of the recipient of service but containing other information as prescribed under rule 1.
- (5) The provisions of sub-rule (2) or sub-rule (4) shall apply, mutatis mutandis, to the documents issued under rule 4 or rule 5 or rule 6 or rule 7 or rule 8.

Tax Invoice Rules

- **10. Transportation of goods without issue of invoice**

- (1) For the purposes of
 - (a) supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known,
 - (b) transportation of goods for job work,
 - (c) transportation of goods for reasons other than by way of supply, or
 - (d) such other supplies as may be notified by the Board,

the consigner may issue a delivery challan, serially numbered not exceeding 16 characters, in one or multiple series, in lieu of invoice at the time of removal of goods for transportation, containing the following details:

(i) date and number of the delivery challan, (ii) name, address and GSTIN of the consigner, if registered, (iii) name, address and GSTIN or UIN of the consignee, if registered, (iv) HSN code and description of goods, (v) quantity (provisional, where the exact quantity is not known), (vi) taxable value, (vii) tax rate and tax amount – CGST, SGST, IGST, UTGST or cess, where the transportation is for supply to the consignee, (viii) place of supply, in case of inter-State movement, and (ix) signature.

Tax Invoice Rules

- **10. Transportation of goods without issue of invoice**

(2) The delivery challan shall be prepared in triplicate, in case of supply of goods, in the following manner:–

- (a) the original copy being marked as ORIGINAL FOR CONSIGNEE; (b) the duplicate copy being marked as DUPLICATE FOR TRANSPORTER; and (c) the triplicate copy being marked as TRIPLICATE FOR CONSIGNOR.

(3) Where goods are being transported on a delivery challan in lieu of invoice, the same shall be declared in FORM [WAYBILL].

(4) Where the goods being transported are for the purpose of supply to the recipient but the tax invoice could not be issued at the time of removal of goods for the purpose of supply, the supplier shall issue a tax invoice after delivery of goods.

Tax Invoice Rules

- **10. Transportation of goods without issue of invoice**

(5) Where the goods are being transported in a semi knocked down (SKD) or completely knocked down (CKD) condition,

- (a) the supplier shall issue the complete invoice before dispatch of the first consignment;
- (b) the supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice;
- (c) each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice; and
- (d) the original copy of the invoice shall be sent along with the last consignment.

Accounts and other records

Chapter VIII- Section 35 and 36
Accounts Rules (Rule 56 to 58)

Accounts and other records.

- S 35. (1) Every registered person shall keep and maintain, at his principal place of business, as mentioned in the RC, a true and correct A/c 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:

Provided that where more than 1 place of business is specified in the RC, the accounts relating to each place of business shall be kept at such places of business:

Provided further that the registered person may keep and maintain such a/c & other particulars in electronic form in such manner as prescribed.

Accounts and other records.

- *(2) Every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, irrespective of whether he is a **registered person or not**, shall maintain records of the consigner, consignee and other relevant details of the goods in such manner as may be prescribed.*
- Rule 58(1) Every person required to maintain records and accounts in accordance with section 35(2), if not already registered, shall submit the details regarding his business electronically on the common portal in **GST ENR-01**, either directly or through a FC notified by the Commissioner and, upon validation, a unique enrolment number be generated and communicated to the said person.
- (2) The person enrolled under sub-rule (1) as aforesaid in any other State or UT shall be deemed to be enrolled in the State or UT.
- (3) Every person who is enrolled under sub-rule (1) shall, where required, amend the details furnished in GST ENR-01 electronically on the common portal either directly or through a FC

ACCOUNTS AND RECORDS

Records to be maintained by owner or operator of godown or warehouse and transporters.-

- (4) Subject to the provisions of rule 56,-
- (a) any person engaged in the business of transporting goods shall maintain records of goods transported, delivered and goods stored in transit by him alongwith the GSTIN of the registered consigner and consignee for each of his branches.
- (b) every owner or operator of a warehouse or godown shall maintain books of accounts with respect to the period for which particular goods remain in the warehouse, including the particulars relating to dispatch, movement, receipt and disposal of such goods.
- (5) The owner or the operator of the godown shall store the goods in such manner that they can be identified item-wise and owner-wise and shall facilitate any physical verification or inspection by the proper officer on demand.

Accounts and other records.

- (3) The Commissioner may notify a class of taxable persons to maintain additional a/c or documents for such purpose as specified therein.
- (4) Where the Commissioner considers that any class of taxable person is not in a position to keep/maintain a/cs, he may, for reasons to be recorded in writing, permit such class of taxable persons to maintain accounts in such manner as may be prescribed.
- (5) Every registered person whose turnover during a FY exceeds the prescribed limit shall get his accounts audited by a CA or a cost accountant and shall submit a copy of the audited annual a/c, the reconciliation statement u/s 44(2) and such other documents in such form / manner as prescribed.
- (6) Subject to section 17(5)(h), where the registered person fails to account for the goods or services or both in accordance with the provisions of sub-section (1), the proper officer shall determine the amount of tax payable on the goods or services or both that are not accounted for, as if such goods or services or both had been supplied by such person and the provisions of section 73 or 74, as the case may be, shall, mutatis mutandis, apply for determination of such tax.

Accounts and other records.

- 36. Every registered person required to **keep and maintain books of account** or other records in accordance with the provisions of section 35(1) shall retain them until the expiry of **72 months from the due date of furnishing of annual return** for the year pertaining to such accounts and records:
- Provided that a registered person, who is a party to an **appeal or revision or any other proceedings** before any Appellate or Revisional Authority, shall retain the books of account and other records pertaining to the subject matter of such appeal/revision/proceedings/investigation for **1 year after final disposal of such appeal/revision/proceedings or investigation, or for the period specified above, whichever is later.**

ACCOUNTS AND RECORDS

Maintenance of accounts by registered persons.-

- 56.(1) Every registered person shall keep and maintain, in addition to the particulars mentioned in section 35(1), a true and correct a/c of goods or services imported or exported or of supplies attracting payment of tax on reverse charge along with the relevant documents, including invoices, bills of supply, delivery challans, credit notes, debit notes, receipt vouchers, payment vouchers and refund vouchers.
- (2) Every registered person, other than a person paying tax u/s 10, shall maintain the a/c of stock in respect of goods received and supplied by him, and such a/cs shall contain particulars of the op. balance, receipt, supply, goods lost, stolen, destroyed, written off or disposed of by way of gift or free sample and the balance of stock including RM, FG, scrap and wastage thereof.
- (3) Every registered person shall keep and maintain a separate a/c of advances received, paid and adjustments made thereto.
- (4) Every registered person, other than a person paying tax u/s 10, shall keep and maintain an a/c, containing the details of tax payable (including tax payable in accordance with section 9(3)(4), tax collected and paid, ITC, ITC claimed, together with a register of tax invoice, credit notes, debit notes, delivery challan issued or received during any tax period.

ACCOUNTS AND RECORDS

Maintenance of accounts by registered persons.-

- (5) Every registered person shall keep the particulars of –
 - (a) names and complete addresses of suppliers from whom he has received the goods or services chargeable to tax under the Act; (b) names and complete addresses of the persons to whom he has supplied goods or services, where required under the provisions of this Chapter; (c) the complete address of the premises where goods are stored by him, including goods stored during transit along with the particulars of the stock stored therein.
- (6) If any taxable goods are found to be stored at any place(s) other than those declared under sub-rule (5) without the cover of any valid documents, the proper officer shall determine the amount of tax payable on such goods as if such goods have been supplied by the registered person.
- (7) Every registered person shall keep the books of a/c at the principal place of business and books of a/c relating to additional place of business mentioned in his RC and such books of a/c shall include any electronic form of data stored on any electronic device.

ACCOUNTS AND RECORDS

Maintenance of accounts by registered persons.-

- (8) Any entry in registers, accounts and documents shall not be erased, effaced or overwritten, and all incorrect entries, otherwise than those of clerical nature, shall be scored out under attestation and thereafter, the correct entry shall be recorded and where the registers and other documents are maintained electronically, a log of every entry edited or deleted shall be maintained.
- (9) Each volume of books of a/c maintained manually shall be serially numbered.
- (10) Unless proved otherwise, if any documents, registers, or any books of account belonging to a registered person are found at any premises other than those mentioned in the certificate of registration, they shall be presumed to be maintained by the said registered person.

ACCOUNTS AND RECORDS

Maintenance of accounts by registered persons.-

- (11) Every agent referred to in section 2(5) shall maintain accounts depicting the,- (a) particulars of authorisation received by him from each principal to receive or supply goods or services on behalf of such principal separately; (b) particulars including description, value and quantity (wherever applicable) of goods or services received on behalf of every principal; (c) particulars including description, value and quantity (wherever applicable) of goods or services supplied on behalf of every principal; (d) details of accounts furnished to every principal; and (e) tax paid on receipts or on supply of goods or services effected on behalf of every principal.
- (12) Every registered person manufacturing goods shall maintain monthly production accounts showing quantitative details of RM or services used in the manufacture and quantitative details of the goods so manufactured including the waste and by products thereof.
- (13) Every registered person supplying services shall maintain the accounts showing quantitative details of goods used in the provision of services, details of input services utilised and the services supplied.

ACCOUNTS AND RECORDS

Maintenance of accounts by registered persons.-

- (14) Every registered person executing works contract shall keep separate accounts for works contract showing - (a) the names and addresses of the persons on whose behalf the works contract is executed; (b) description, value and quantity (wherever applicable) of goods or services received for execution of works contract; (c) description, value and quantity (wherever applicable) of goods or services utilized in works contract; (d) the details of payment received in respect of each works contract; and (e) the names and addresses of suppliers.
- (15) The records may be maintained in electronic form and the record so maintained shall be authenticated by means of a digital signature.
- (16) Accounts maintained together with all the invoices, bills of supply, credit and debit notes, and delivery challans relating to stocks, deliveries, inward and outward supply shall be preserved for the period as provided in section 36 and shall, where such a/cs and documents are maintained manually, be kept at every related place of business mentioned in the RC and shall be accessible at every related place of business where such a/cs & documents are maintained digitally.

ACCOUNTS AND RECORDS

Maintenance of accounts by registered persons.-

- (17) Any **person having custody over the goods in the capacity of a carrier or a clearing and forwarding agent** for delivery or dispatch thereof to a recipient on behalf of any registered person shall maintain true and correct records in respect of such goods handled by him on behalf of such registered person and **shall produce the details thereof as and when required by the proper officer.**
- (18) Every registered person **shall, on demand, produce the books** of accounts which he is required to maintain under any law for the time being in force.

ACCOUNTS AND RECORDS

Generation and maintenance of electronic records.-

- 57(1) **Proper electronic back-up of records** shall be maintained and preserved in such manner that, in the event of destruction of such records due to accidents or natural causes, the information can be restored within a reasonable period of time.
- (2) The registered person maintaining **electronic records** shall **produce, on demand**, the relevant records or documents, duly authenticated by him, **in hard copy or in any electronically readable format**.
- (3) Where the accounts and **records are stored electronically** by any registered person, **he shall, on demand, provide the details of such files, passwords of such files and explanation for codes used, where necessary, for access and any other information** which is required for such access along with a sample copy in print form of the information stored in such files.

Refunds

Chapter XI- Section 54 to 58
Rules (Rule 89 to 97)

Refund – Important Points

- In case of refund arising from earlier law, it will be adjudicated as per earlier law.
- No refund shall be granted if the amount is less than Rs.1000/-
- Refund application has to be made within 2 years from the relevant date.
 - ❖ Time limit of 2 years not applicable on refund of balance in electronic cash ledger.
 - ❖ Such refund can be claimed only in returns furnished u/s 39
- Refund allowed only in cases of:
 - ❖ Exports (including zero-rated supplies)
 - ❖ Credit accumulation as a result of inverted duty structure on output supplies other than nil rated and fully exempt

Refund – Situations & Relevant Time Period

Situation of Refund	2 years from below Relevant Date
On account of excess payment	Date of payment of Tax
On account of Export of Goods	Date on which proper officer gives an order for export known as “LET EXPORT ORDER”
On account of Export of Services	Date of BRC
On account of finalization of provisional assessment	Date of the finalization order
In pursuance of an appellate authority’s order in favour of the taxpayer	Date of communication of the appellate authority’s order

Refund – Situations & Relevant Time Period

Situation of Refund	2 years from below Relevant Date
On account of no/less liability arising at the time of finalization of investigation proceedings	Date of communication of adjudication order or order relating to completion of investigation
On account of accumulated credit of GST in case of a liability to pay service tax in partial reverse charge cases	Date of providing of service
On account of refund of accumulated ITC due to inverted duty structure	Last day of the financial year

Refund – Documents for Application & Interest

■ Documents Required for Application of Refund

- Documents evidencing tax payments required to be enclosed with the refund application
- Copy of proof of deposit of tax & invoices & Documents evidencing export
- A CA Certificate may be called for evidencing that the tax burden has not been passed on to the buyer. (“unjust enrichment”)

■ Interest on Refund

- Refund application to be processed within 60 days from the date of application
- For refunds made after 60 days from date of application – interest at the rate as may be recommended by the GST Council.

Withholding of Refund by Department

- If Taxpayer has not submitted his return(s)
- If any dues are pending to be paid by the Taxpayer or if cases are pending with the Appellate Authority / Tribunal / Court for Tax, Interest or Penalty
- Refund will be on hold if Commissioner is of the opinion that grant of refund will adversely affect on revenue in case appeal is filled by either party however opportunity of hearing will be granted.
- Further refund will be adjusted against any dues of taxes, interest , penalties, fees of existing regime and GST tax regime.
- On receipt of refund application and on receipt of all documents, 90% provisional refund will be granted. The balance amount will be granted within 60 days from the date of application

Withholding of Refund by Department

- If Taxpayer has not submitted his return(s)
- If any dues are pending to be paid by the Taxpayer or if cases are pending with the Appellate Authority / Tribunal / Court for Tax, Interest or Penalty
- Commissioner / Board can withhold refund if granting such refund will adversely affect revenue as per provisions of this Act.

Payment Process under GST

Chapter X- Section 49 to 53
Rules (Rule 85 to 88)

Types of Payments under GST

- For Supply of Inter-state / Intra State: -
 - CGST = A/c of the Central Govt.
 - SGST = A/c of concerned State Govt.
 - IGST = Components of both CGST & SGST

- Tax Deducted at Source (TDS) & Tax Collected at Source (TCS)

- Additionally wherever applicable: Interest, Penalty, Fees and Any other payment

Persons liable for Payment

- Generally, Supplier is liable to pay the tax
- In Other cases like:
 - Imports and other notified supplies, liabilities may be imposed on the recipient under the reverse charge mechanism (RCM)
 - By third person for example in case of :
 - ✓ E-Commerce = Operator is responsible for TCS
 - ✓ Contractual Payments = Government / Other notified entities are responsible for TDS

Mode of Payment

- Principal tax liability: Debit to Electronic Credit Ledger of the Taxpayer maintained on the “Common Portal – Only”;
- Interest, Penalty and Fees cannot be paid by debiting the Electronic Credit Ledger;
- Cash may be deposited by making E-Payment (Internet Banking, Credit Card – pre registration with the portal, Debit Card, RTGS / NEFT) at any authorized branches of Banks to accept GST payments.
- The cash deposited would be as a debit to the Electronic Cash Ledger of the Taxpayer maintained on the “Common Portal”.

Electronic Credit Ledger

- Input tax credit balance uploaded from return filed under earlier laws would be auto populated in this ledger;
- ITC would be of stock of Inputs, Semi-finished goods & Finished goods on the relevant date, from which Taxpayer becomes liable;
- ITC on inward supplies from Registered Tax Payers;
- ITC distributed from Input Service Distributor (ISD);
- Permissible ITC on stock held upon conversion from composition scheme;
- ITC eligible on payment made on reverse charge basis.

Concept of Electronic Focal Point Branch (E-FPB)

- E-FPB are branches of authorized banks designated to collect payment of GST.
- Each authorized bank will nominate only one branch as its E-FPB for pan India Transactions.
- The E-FPB will have to open accounts under each major head for all governments.
- Total 33 accounts (one each for CGST, IGST and one each for SGST for each State/UT with legislature) will have to be opened.
- Any amount received by such E-FPB towards GST will be credited to the appropriate account held by such E-FPB.
- For NEFT/RTGS Transactions, RBI will act as E-FPB

Time of Payment

On occurrence of any one of the following events, GST payment would become due (earliest of the following):

- Receipt of advance
- Issuance of Invoice
- Completion of Supply

Due Date of Making Tax Payment

- CGST/ SGST/ IGST Payment Date = 20th of the Succeeding Month
 - Normal Taxpayer on Monthly Basis
 - Composition Taxpayer on Quarterly Basis
- TDS/ TCS payment on 10th of the succeeding month on monthly basis
- Credit to the account of Government will be considered as date of deposit of Tax.

Payment Process

- Only electronically generated Challan from GSTN for all 3 modes of payment
- Unique 14-digit Common Portal Identification Number (CPIN) for each challan
- Challan can be generated by Taxpayer, authorized representative or Departmental officers
- Single challan for all four types of taxes
- System of electronic Personal Ledger Account (cash ledger) on GSTN for each taxpayer
- RBI to act as aggregator and anchor of flow of fund and information about receipts
- Automation and transparency in flow of information
- E-scroll (statement of tax payment) facility will be provided by RBI

Payment Process

- Use of only system generated challans – no re-digitization in the entire work flow
- CPIN to be generated by GSTN - to be used as a key identifier up till receipt by Bank
- CIN to be generated by collecting Bank - to be used as a key identifier
- Accounting Authorities to play a paramount role in reconciliation
 - Accounting on the basis of RBI data,
 - Reconciliation on the basis of GSTN and bank data



Question *n* Answer Session



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Thank You

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