
PRESENTATION ON

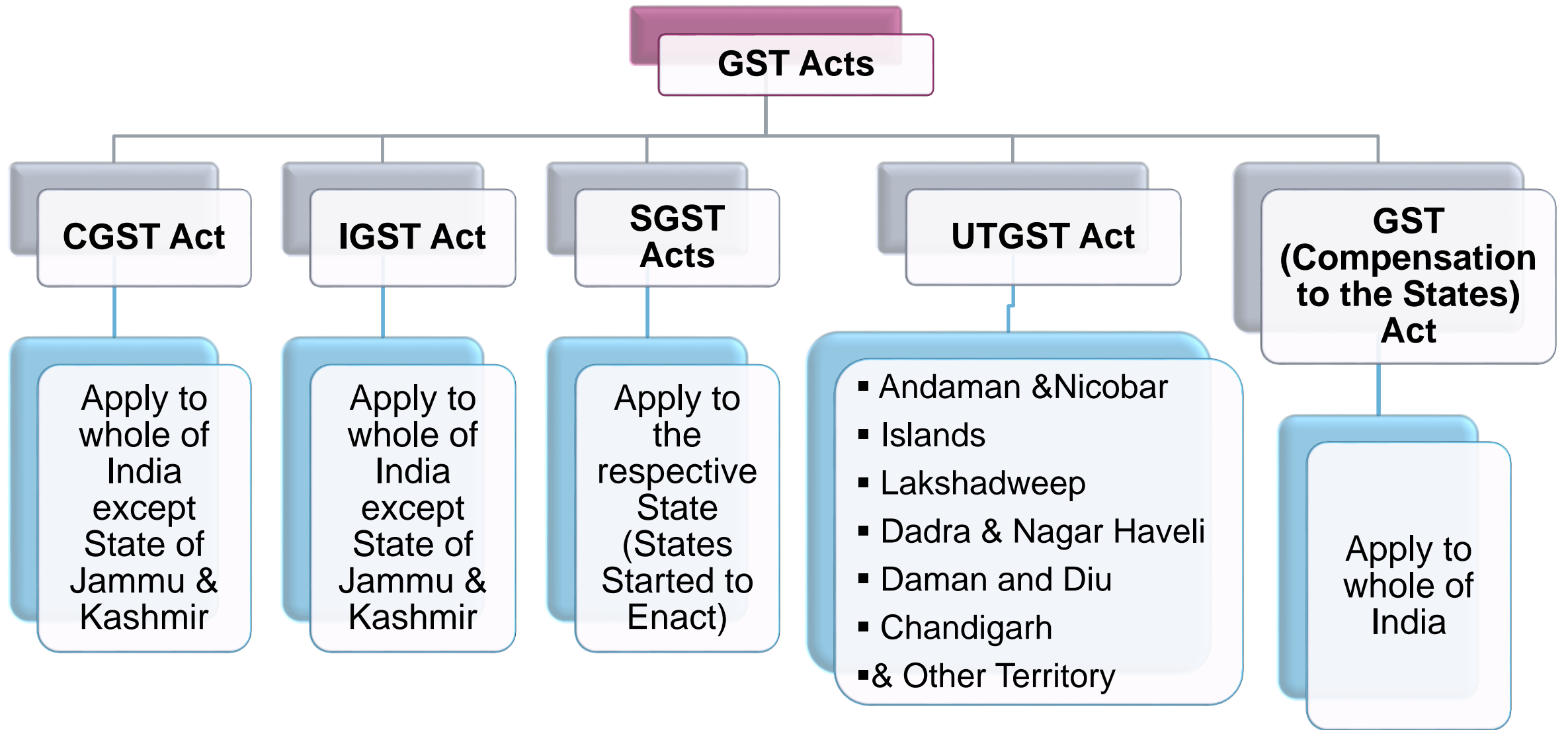
GOODS AND SERVICES TAX

BY CA. DEEP KORADIA

DEEP KORADIA & ASSOCIATES

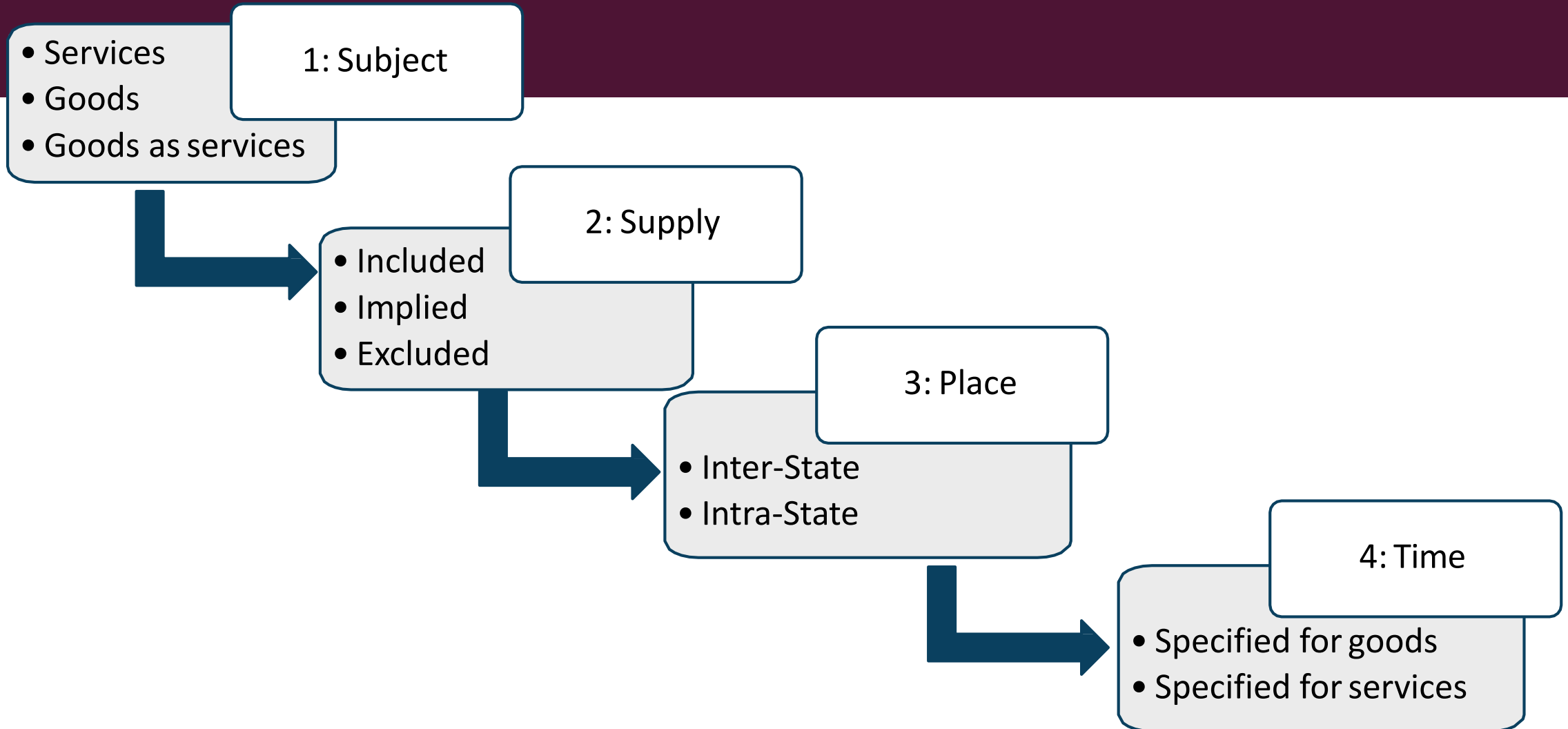
Koradia.deep@gmail.com

9429042996



| Laws (Till 28th June 2017) | No |
|--|-----------|
| Total Acts passed by Central Govt | 4 |
| Total Acts passed by Various State Govt | 30 |
| Total Rules with formats and forms | 16* |
| | |
| Notifications | |
| Central Tax | 13 |
| Central Tax (Rates) | 17 |
| Integrated Tax | 6 |
| Integrated Tax (Rates) | 14 |
| UT | 3 |
| UT (Rates) | 17 |
| Compensation cess | 1 |
| Compensation cess (Rate) | 2 |
| | |
| Circulars | 1 |

LEVY & COLLECTION



THEME OF THE PRESENTATION

- **Tax Invoice**
- **Accounting**
- **Form TRAN-I**
- Things need to be done – checklist for smooth migration to the GST
- Issues

BASIC UNDERSTANDING

- GST is leviable on SUPPLY made for CONSIDERATION made at a PLACE on a VALUE at such RATE on such TIME
- PLACE: Supply Within State - charge SGST+CGST, outside state – Charge IGST
- VALUE: General rule for VALUE of the supply is “transaction value”. If supply made to related person or agent or branch transfer, then value of the supply is not transaction value, it is as per valuation rules
- GST is also leviable on Late fee/Interest/Penalty received from the purchaser
- RATE need to be based on HSN/SAC classification and rates are specified in Rate Schedules
- TIME at which tax need to be paid – Advance received or invoice made or goods removed from place of business - whichever is earlier for goods

LEVY AND COLLECTION & REVERSE CHARGE MECHANISM

- Charging Section
- Tax as CGST + SGST or IGST (as per IGST act) **(Place)** on **Value**, at such **Rate**, on such **Time**, **Collected and Paid** by **taxable person**
- 9(3) RCM on specified Goods and Services (eg. GTA, advocate's legal service)
- 9(4) RCM on purchase from unregistered person by registered person [all the provision of the act shall apply to recipient i.e. **place, time, value, classification, rate etc**]
- Notification 08-2017 CT Rate – intrastate transaction upto 5000 per day exempted from 9(4)
- **Issue**
 - **Books to be closed monthly?**
 - **Invoice to be prepared by recipient, [classification, rate, invoice and Time of supply, Value of supply, Place]**
 - **Also applies for composition scheme, No credit as well**
 - **Availment of credit in next month – working capital**

INVOICE & ACCOUNTING

| Section | Invoice Rule | List of Invoices (Serially numbered) | Purpose | Effect to be given in |
|----------|------------------|--------------------------------------|---|-----------------------|
| 31(1) | 1 | Tax invoice | -For Taxable supply | Output tax liability |
| 31(3)(f) | 1 | Tax invoice (for RCM) | -For RCM tax payment, though separate series to be maintained | Cash ledger and ITC |
| 31(3)(c) | 4 | Bill of Supply | -For exempted Supply -For Composition sec 10 supply | Output tax liability |
| 34 | 8 | Debit Note / supplementary invoice | -Addition in billing | Output tax liability |
| 34 | 8 | Credit Note | -For Goods earlier sold now comes back as return. Credit note to be issued and GST ITC to be Taken (or reversed as the case maybe) based on that | ITC |
| 31(3)(g) | 7 | Payment Voucher | For RCM at the time of payment to the vendor on which we have paid tax on Reverse Charge | ITC |
| 31(3)(d) | 5 | Receipt Voucher | To be prepared for advance received. [@ 18% If rate not determined] | Output tax liability |
| 31(3)(E) | 6 | Refund Voucher | to be prepared when advance earlier received is now refunded | ITC |
| 143,19 | 10 | Delivery Challan | -To be prepared for Job work transfer without payment of GST -For goods removed for approval basis. (within 6 months from removal) -incase of removal of liquid Gas | No effect in Tax |
| | E Way bill rules | E Way bill | To be prepared for movement of Goods having value above 50000 | No effect in Tax |

Tax Invoice

| | | | | | | | | | | | | | |
|--|---------------------------------|-----------|-----|------|-------------|-------------------------------|---|------|-----|---------------------|-----|-------|-----|
| ABC Sales & Co. | | | | | | | | | | | | | |
| <Address> | | | | | | | | | | | | | |
| TAX INVOICE | | | | | | | | | | | | | |
| (As per Rule 1 of Invoice rule of GST) | | | | | | | | | | | | | |
| | | | | | | | | | | Invoice Date | | | |
| | | | | | | | | | | Invoice No. | | | |
| Recipient's Name: | | | | | | Supplier's Name: | | | | | | | |
| Recipient's Address & statecode: | | | | | | Delivery Address & StateCode: | | | | Supplier's Address: | | | |
| Recipient's GSTIN: | | | | | | Supplier's GSTIN: | | | | | | | |
| Place of Supply : Gujarat 24 | | | | | | Reverse Charge? No | | | | | | | |
| Sr. No. | Description of Goods / Services | HSN / ACS | Qty | Unit | Rate / Item | Discount | Taxable Value | CGST | | SGST | | IGST | |
| | | | | | | | | Rate | Amt | Rate | Amt | Rate | Amt |
| 1 | Silver | 7106 | 1 | kg | 39000 | | 39000 | 1.5 | 585 | 1.5 | 585 | | 0 |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | Total | | | | | 39000 | | 585 | | 585 | | 0 |
| Total Taxable Value | | | | | | | | | | | | 39000 | |
| Total Tax | | | | | | | | | | | | 1170 | |
| Invoice Total | | | | | | | | | | | | 40170 | |
| Invoice Total (in Words) | | | | | | | Forty thousand one hundred seventy only | | | | | | |
| mark as appropriate | | | | | | | For, ABC Sales & Co. | | | | | | |
| Original For Recipient | | | | | | | | | | | | | |
| Duplicate For Transporter | | | | | | | | | | | | | |
| Triplicate for Supplier | | | | | | | (Authorised Signatory) | | | | | | |

■ Bill of Supply

[illegible]

| | | | | | | | | | | |
|--|--|--------------------------|----------------|-------------------------------|------------------------|---------------------|------|-----|------|-----|
| ABC Sales & Co. | | | | | | | | | | |
| <Address> | | | | | | | | | | |
| CREDIT NOTE | | | | | | | | | | |
| (As per Rule 8 of Invoice rule of GST) | | | | | | | | | | |
| Sr.No. of Tax Invoice | | | | | | CN Date | | | | |
| Date of Tax Invoice | | | | | | CN Sr. No. | | | | |
| Recipient's Name: | | | | | | Supplier's Name: | | | | |
| Recipient's Address & stateCode: | | | | Delivery Address & StateCode: | | Supplier's Address: | | | | |
| Recipient's GSTIN: | | | | | | Supplier's GSTIN: | | | | |
| Place of Supply : | | | | | | | | | | |
| Gujarat 24 | | | | | | | | | | |
| Sr. No. | Description of Goods / Services (Optional) | HSN / ACS (optional) | Qty (optional) | Taxable Value | CGST | | SGST | | IGST | |
| | | | | | Rate | Amt | Rate | Amt | Rate | Amt |
| | | | | | | 0 | | 0 | | 0 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | Total | | 0 | | 0 | | 0 | | 0 |
| | | Total Taxable Value | | | | | | | 0 | |
| | | Total Tax | | | | | | | 0 | |
| | | Invoice Total | | | | | | | 0 | |
| | | Invoice Total (in Words) | | | | | | | | |
| | | | | | For, | | | | | |
| | | | | | ABC Sales & Co. | | | | | |
| | | | | | (Authorised Signatory) | | | | | |

■ Receipt Voucher

| ABC Sales & Co. | | | | | | | | | |
|--|---------------------------------|-------------------------|--------------------------|------------------------|-----|------|-----|------|-----|
| <Address> | | | | | | | | | |
| RECEIPT VOUCHER | | | | | | | | | |
| (As per Rule 5 of Invoice rule of GST) | | | | | | | | | |
| | | | | Date | | | | | |
| | | | | Sr. No. | | | | | |
| Recipient's Name: | | | | Supplier's Name: | | | | | |
| Recipient's Address & statecode: | | | | Supplier's Address: | | | | | |
| Recipient's GSTIN: | | | | Supplier's GSTIN: | | | | | |
| Place of Supply : | | | | Reverse Charge? | | | | | |
| Gujarat 24 | | | | Yes | | | | | |
| Sr. No. | Description of Goods / Services | HSN / ACS / (Optional) | Amount of advance taken | CGST | | SGST | | IGST | |
| | | | | Rate | Amt | Rate | Amt | Rate | Amt |
| | | | | | 0 | | 0 | | 0 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | Total | 0 | | 0 | | 0 | | 0 |
| | | | Total Taxable Value | | | | | 0 | |
| | | | Total Tax | | | | | 0 | |
| | | | Total Advance Received | | | | | 0 | |
| | | | Invoice Total (in Words) | | | | | | |
| | | | | For, | | | | | |
| | | | | ABC Sales & Co. | | | | | |
| | | | | (Authorised Signatory) | | | | | |

■ Delivery Challan

| | | | | | | | | | | | |
|---|---------------------------------|--------------------------|-------------------|------|---------------|-------------------------|-----|------|-----|------|-----|
| ABC Sales & Co. <Address> | | | | | | | | | | | |
| DELIVERY CHALLAN (As per Rule 10 of Invoice rule of GST) | | | | | | | | | | | |
| | | | | | | DC Date | | | | | |
| | | | | | | DC Sr. No.: | | | | | |
| Consignee's Name: | | | | | | Consigner's Name: | | | | | |
| Consignee's Address & statecode: | | | | | | Consigner's Address: | | | | | |
| Consignee's GSTIN: | | | | | | Consigner's GSTIN: | | | | | |
| Place of Supply : Gujarat 24 | | | | | | | | | | | |
| Sr. No. | Description of Goods / Services | HSN / ACS | Qty (Provisional) | Unit | Taxable Value | CGST | | SGST | | IGST | |
| | | | | | | Rate | Amt | Rate | Amt | Rate | Amt |
| | | | | | | | 0 | | 0 | | 0 |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | Total | | | 0 | | 0 | | 0 | | 0 |
| | | Total Taxable Value | | | | | | | | 0 | |
| | | Total Tax | | | | | | | | 0 | |
| | | Invoice Total | | | | | | | | 0 | |
| | | Invoice Total (in Words) | | | | | | | | | |
| mark as appropriate | | | | | | For, ABC Sales & Co. | | | | | |
| | Original For Recipient | | | | | | | | | | |
| | Duplicate For Transporter | | | | | | | | | | |
| | Triplicate for Supplier | | | | | (Authorised Signatory) | | | | | |

INVOICE

- The time of issue of invoice is:
 - a) Removal of goods – where supply involves movement of goods
 - b) Delivery of goods in any other cases
- Every Invoice should be Serially numbered
- Rules for Invoices are given. Every Supplier is free to design the format of the invoice, provided all the details mentioned in the rules should be in the invoice
- Revised Invoice only for period from application of registration till grant of registration. In any other case, Debit note and credit note
- Till 200 Rs, tax invoice optional, Consolidated invoice per day.
- Tax amount to be shown separately for tax invoice
- 3 copies of Tax invoice for sale of Goods and 2 copies of Tax invoice for services.

List of invoices and Respective "Voucher creation" and head of "duties and taxes"

| Section | Invoice Rule | List of Invoices Given by Assessee (Serially numbered) | New Voucher Creation under the head in tally | Credit / Cash / Liability | Purpose | Effect to be given IN |
|----------|--------------|--|--|---------------------------|---|-----------------------|
| 31(3)(a) | 1 | Revised Tax Invoice | Sales | Liability | - Only For period - "from Effective date of registration till issuance of certificate of registration" | Output tax liability |
| 31(1) | 1 | Tax invoice | Sales | Liability | -For Taxable supply | Output tax liability |
| 31(3)(f) | 1 | Tax invoice (for RCM) | Journal | Cash | -For RCM tax payment, though separate series to be maintained | Cash ledger and ITC |
| 31(3)(c) | 4 | Bill of Supply | Sales | Liability | -For exempted supply -For Composition sec 10 supply | Output tax liability |
| 34 | 8 | Debit Note / supplementary invoice | Debit Note | Liability | -Addition in billing (Increase in billing) | Output tax liability |
| 34 | 8 | Credit Note | Credit note | Credit | -For Goods earlier sold now comes back as return / Decrease in Value of goods sold -Credit note to be issued and GST ITC to be Taken (or reversed as the case maybe) based on that | ITC |

List of invoices/ related documents to be maintained (Section 31 & Invoice Rules)

| Section | Invoice Rule | List of Invoices Given by Assessee (Serially numbered) | New Voucher Creation under the head in tally | Credit / Cash / Liability | Purpose | Effect to be given IN |
|----------|------------------|--|---|---------------------------|---|-----------------------|
| 31(3)(g) | 7 | Payment Voucher | Payment | - | -For RCM at the time of payment to the vendor on which we have paid tax on Reverse Charge | ITC |
| 31(3)(d) | 5 | Receipt Voucher | Receipt | Liability | -To be prepared for advance received. [@18% if rate cant be determined] | Output tax liability |
| 31(3)(E) | 6 | Refund Voucher | Payment | Credit | -To be prepared when advance earlier received is now refunded | ITC |
| 143,19 | 10 | Delivery Challan | Only Stock entry [No need to create voucher in tally] | - | -To be prepared for Job work transfer without payment of GST -For goods removed for approval basis. (within 6 months from removal) -incase of removal of liquid Gas | No effect in Tax |
| | E Way bill rules | E Way bill | Road permit [No need to create voucher in tally] | - | To be prepared for movement of Goods having value above 50000 | No effect in Tax |

VOUCHER CREATION

- One time process
- Vouchers with Brackets needs to be created in the tally.
- Need to be created under the head as shown in the table
- Gateway of tally > Accounts Info > Voucher Type > Create

Voucher Type

List of Voucher Types

Bill of Supply [For Exempt Supply]
Contra
Credit Note [Reduction in Price]
Debit Note [Increase in Price]
Delivery Note
Journal
Memorandum
Payment
Payment Voucher [For RCM Payment]
Physical Stock
Purchase
Purchase Order
Receipt
Receipt Note
Receipt Voucher [for Advance Receipt]
Refund Voucher [Advance Redfunded]
Rejections In
Rejections Out
Reversing Journal
Sales
Sales Order
Stock Journal
Tax Invoice [RCM Purchase]
Tax Invoice [Sales]

Voucher Type Alteration

GST Accounting Made Easy Pvt Ltd

Name : **Tax Invoice [Sales]**

(alias) :

| <u>General</u> | | <u>Printing</u> | <u>Name of Class</u> |
|----------------------------------|----------|----------------------------|-----------------------|
| Type of Voucher | : Sales | Print after saving Voucher | ? No |
| Abbr. | : Sale | | |
| Method of Voucher Numbering | ? Manual | Use for POS Invoicing | ? No |
| Prevent Duplicates | ? Yes | Default Print Title | : Tax Invoice [Sales] |
| Use EFFECTIVE Dates for Vouchers | ? No | <u>Declaration</u> : | |
| Make 'Optional' as default | ? No | | |
| Use Common Narration | ? Yes | | |
| Narrations for each entry | ? Yes | | |
| Use for Excise | ? No | | |

LEDGER CREATION UNDER DUTIES AND TAXES

- One Time Process
- Under the “Current Liabilities”, under “ Duties and taxes”, One Ground need to be created as “GST”
- Under the “GST” Group, 5 other Group need to be created as shown In the image (Advance Receipt Liability, Cash Ledger, Credit Ledger, Liability Ledger, RCM)
- Though Name is ledger, it's a group.
- Under each 5 groups, 3 Ledgers need to be created as CGST, IGST and SGST followed by group name

Current Liabilities

Duties & Taxes

GST

ADVANCE RECEIPT LIABILITY - GST

CGST - Adv

IGST - Adv

SGST - Adv

CASH LEDGER - GST

CGST - Cash

IGST - Cash

SGST - Cash

CREDIT LEDGER - GST

CGST - Credit

IGST - Credit

SGST - Credit

LIABILITY LEDGER - GST

CGST - Liability

IGST - Liability

SGST - Liability

RCM - GST

CGST - RCM

IGST - RCM

SGST - RCM

Ledger Alteration

GST Accounting Made Easy Pvt Ltd

Name : **IGST - Liability**

(alias) :

Total Op. Bal.

4,16,31,068.24 Dr

4,16,31,068.24 Cr

Under : LIABILITY LEDGER - GST
(GST)

Type of Duty/Tax : Excise

Excise Accounting Code :

Duty Head : Excise Duty

Inventory values are affected ? No

Percentage of Calculation (eg 5) ? 18 %

Method of Calculation : On Total Sales

Rounding Method : Normal Rounding

Rounding Limit : 0

Mailing Details

[illegible]

| Address | Value | Comment |
|----------|----------|---------|
| 00000000 | 00000000 | |
| 00000004 | 00000000 | |
| 00000008 | 00000000 | |
| 0000000C | 00000000 | |
| 00000010 | 00000000 | |
| 00000014 | 00000000 | |
| 00000018 | 00000000 | |
| 0000001C | 00000000 | |
| 00000020 | 00000000 | |
| 00000024 | 00000000 | |
| 00000028 | 00000000 | |
| 0000002C | 00000000 | |
| 00000030 | 00000000 | |
| 00000034 | 00000000 | |
| 00000038 | 00000000 | |
| 0000003C | 00000000 | |
| 00000040 | 00000000 | |
| 00000044 | 00000000 | |
| 00000048 | 00000000 | |
| 0000004C | 00000000 | |
| 00000050 | 00000000 | |
| 00000054 | 00000000 | |
| 00000058 | 00000000 | |
| 0000005C | 00000000 | |
| 00000060 | 00000000 | |
| 00000064 | 00000000 | |
| 00000068 | 00000000 | |
| 0000006C | 00000000 | |
| 00000070 | 00000000 | |
| 00000074 | 00000000 | |
| 00000078 | 00000000 | |
| 0000007C | 00000000 | |
| 00000080 | 00000000 | |
| 00000084 | 00000000 | |
| 00000088 | 00000000 | |
| 0000008C | 00000000 | |
| 00000090 | 00000000 | |
| 00000094 | 00000000 | |
| 00000098 | 00000000 | |
| 0000009C | 00000000 | |
| 000000A0 | 00000000 | |
| 000000A4 | 00000000 | |
| 000000A8 | 00000000 | |
| 000000AC | 00000000 | |
| 000000B0 | 00000000 | |
| 000000B4 | 00000000 | |
| 000000B8 | 00000000 | |
| 000000BC | 00000000 | |
| 000000C0 | 00000000 | |
| 000000C4 | 00000000 | |
| 000000C8 | 00000000 | |
| 000000CC | 00000000 | |
| 000000D0 | 00000000 | |
| 000000D4 | 00000000 | |
| 000000D8 | 00000000 | |
| 000000DC | 00000000 | |
| 000000E0 | 00000000 | |
| 000000E4 | 00000000 | |
| 000000E8 | 00000000 | |
| 000000EC | 00000000 | |
| 000000F0 | 00000000 | |
| 000000F4 | 00000000 | |
| 000000F8 | 00000000 | |
| 000000FC | 00000000 | |

State

| PN Code | PN Description | PN Unit Price | PN Quantity | PN Total Price |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 10000000000000000000 | 10000000000000000000 | 10000000000000000000 | 10000000000000000000 | 10000000000000000000 |

Tax Information

PAN / IT No.

Sales Tax No.

Opening Balance (on 1-Apr-2016) :

| ABC Computer Sales & Co. <address> | | | | | | | | | | | | | |
|---|---------------------------------|--------------------------|-----|-------------------------------|-------------|----------|---------------|---------------------|------|--------------|------|-------|-----|
| TAX INVOICE (As per Rule 1 of Invoice rule of GST) | | | | | | | | | | | | | |
| | | | | | | | | | | Invoice Date | | | |
| | | | | | | | | | | Invoice No. | | | |
| Recipient's Name: | | | | Supplier's Name: | | | | | | | | | |
| Recipient's Address & statecode: | | | | Delivery Address & StateCode: | | | | Supplier's Address: | | | | | |
| Recipient's GSTIN: | | | | Supplier's GSTIN: | | | | | | | | | |
| Place of Supply : Gujarat 24 | | | | Reverse Charge: No | | | | | | | | | |
| Sr. No. | Description of Goods / Services | HSN / ACS | Qty | Unit | Rate / Item | Discount | Taxable Value | CGST | | SGST | | IGST | |
| | | | | | | | | Rate | Amt | Rate | Amt | Rate | Amt |
| 1 | HP laptop | | | | 40000 | 0 | 40000 | 9 | 3600 | 9 | 3600 | 0 | 0 |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | Total | | | | | 40000 | | 3600 | | 3600 | | 0 |
| | | Total Taxable Value | | | | | | | | | | 40000 | |
| | | Total Tax | | | | | | | | | | 7200 | |
| | | Invoice Total | | | | | | | | | | 47200 | |
| | | Invoice Total (in Words) | | | | | | | | | | | |

- Format of Tax invoice and Screenshot of Return
- So many things in the tax invoice out of which only 10 /11 need to be reported in the return
- So, in the accounting, need to take care of only 11 items so as to file return smoothly
- GSTIN of recipient at the time of creation of his ledger
- Place of supply in the reference filed

4. Taxable outward supplies made to registered persons (including UIN-holders) other than supplies covered by Table 6

(Amount in Rs. for all Tables)

| GSTIN/ UIN | Invoice details | | | Rate | Taxable value | Amount | | | | Place of Supply (Name of State) |
|---------------|-----------------|------|-------|------|------------------|-------------------|----------------|-------------------|------|--|
| | No. | Date | Value | | | Integrated Tax | Central Tax | State / UT Tax | Cess | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |

Tax Invoice [Sales]

No. 2

30-Jun-2017

Ref. : Maharastra

Friday

Party's A/c Name : DEF Computers Pvt Ltd

Current Balance : 49,560.00 Dr

Sales Ledger : SALES A

| Name of Item | Quantity | Rate | per | Amount |
|------------------|----------|------|-----|-----------|
| PARTS | | | | 42,000.00 |
| IGST - Liability | | 18 | % | 7,560.00 |

Narration :

18

49,560.00

Q: Quit

A: Accept

D: Delete

X: Cancel

Credit Note [Reduction in Price] No. 1

Ref. : maharashtra

30-Jun-2017

Friday

Party's A/c Name : DEF Computers Pvt Ltd

Current Balance : 43,660.00 Dr

Sales Ledger : SALES A

| Name of Item | Quantity | Rate | per | Amount |
|---------------|----------|------|-----|----------|
| PARTS | | | | 5,000.00 |
| IGST - Credit | | 18 | % | 900.00 |
| Narration : | | | | 5,900.00 |

Original Inv No 2, date 30-june-2017, GSTIN 24AEIPK7600J1ZK

Q: Quit

A: Accept

D: Delete

X: Cancel

Ctrl + N

RECEIPT VOUCHER

(As per Rule 5 of Invoice rule of GST)

| | | | | Date | | | | | |
|----------------------------------|---------------------------------|-------------------------|-------------------------|---------------------|-----|------|-----|------|-----|
| | | | | Sr. No. | | | | | |
| Recipient's Name: | | | | Supplier's Name: | | | | | |
| Recipient's Address & statecode: | | | | Supplier's Address: | | | | | |
| Recipient's GSTIN: | | | | Supplier's GSTIN: | | | | | |
| Place of Supply : | | | | Reverse Charge? | | | | | |
| Gujarat 24 | | | | Yes | | | | | |
| Sr. No. | Description of Goods / Services | HSN / ACS / (Optional) | Amount of advance taken | CGST | | SGST | | IGST | |
| | | | | Rate | Amt | Rate | Amt | Rate | Amt |
| | | | | | 0 | | 0 | | 0 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | Total | 0 | | 0 | | 0 | | 0 |
| | | Total Taxable Value | | | | | | | 0 |
| | | Total Tax | | | | | | | 0 |
| | | Total Advance Received | | | | | | | 0 |

- Format of Receipt Voucher (for advance received) and Screenshot of Return
- So many things in the Receipt Voucher out of which a few need to be reported in the return
- So, in the accounting, need to take care of only those items so as to file return smoothly
- GSTIN of recipient at the time of creation of his ledger
- Place of supply in the reference filed
- Rate wise and state wise reporting. Not bill wise

11. Consolidated Statement of Advances Received/Advance adjusted in the current tax period/ Amendments of information furnished in earlier tax period

| Rate | Gross Advance Received/adjusted | Place of supply (Name of State) | Amount | | | |
|------|---------------------------------|------------------------------------|------------|---------|--------------|------|
| | | | Integrated | Central | State/UT Tax | Cess |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

- Lets take an example
- Eg1 - Abc computers Pvt Ltd. (Bhuj) has entered into contract with Def Computers pvt ltd.(Mumbai) To supply 10 HP laptops worth Rs 50000 each.
- On 10-July-2017, Abc computers pvt. ltd. Received 100000 as advance payment.
- On 25-Aug-2017, Abc computers supplied 10 laptop to Def computers Pvt Ltd.
- On 10-oct-2017, Abc computers pvt ltd received Full payment.

| Sr No | Date | Particulars | Dr | Cr |
|-------|-----------|--|--------|-----------------|
| 1 | 10-Jul-17 | At the time of receipt of advance, Receipt voucher need to be prepared Bank A/c ...Dr To IGST – advance To Def Computers Pvt Ltd (Tax amount need to be calculated on advance received as reverse calculation) | 100000 | 15254 84746 |
| 2 | 20-Aug-17 | At the time of payment of tax IGST - advance ...Dr To Bank A/c | 15254 | 15254 |
| 3 | 25-Aug-17 | At the time of issuing invoice (delivery) Def Computers Pvt Ltd To IGST - Liability ...Dr To Sales A/c | 590000 | 90000 500000 |
| 4 | 25-Aug-17 | Reversal Entry for already paid tax on advance IGST - Liability ...Dr To Def Computers Pvt Ltd | 15254 | 15254 |
| 5 | 20-Sep-17 | Payment of IGST - liability for sales IGST - liability ...Dr To bank A/c (Difference between IGST shown in bill and IGST paid at the time of advance) (90000-15254 = 74746) | 74746 | 74746 |
| 5 | 10-Oct-17 | When Final Payment received bank A/c ...Dr To Def Computers Pvt Ltd | 490000 | 490000 |

- Lets take an example
- Eg.2 - ABC Computers Pvt Ltd has purchased 2 laptops worth Rs 40000 each from unregistered person PQR computers situated in Mumbai on 05-July-2017.
- Payment of the same is made on 10-July-2017.

| Sr No | Date | Particulars | Dr | Cr |
|-------|-----------|---|----------------|----------------|
| 1 | 5-Jul-17 | At the time of receipt of goods (Tax invoice to be prepared by recipient, Classification of goods, HSN code, Rate, Place, Time, Value need to be determined by recipient) Purchase A/c ..Dr IGST - RCM A/c ..Dr To PQR Computers A/c To IGST - liability A/c | 80000 14400 | 80000 14400 |
| 2 | 10-Jul-17 | At the time of payment to the party PQR Computers A/c ...Dr To Bank A/c | 80000 | 80000 |
| 3 | 20-Aug-17 | At the time of payment of tax on Reverse charge IGST - liability A/c ...dr To Bank A/c | 14400 | 14400 |
| 4 | 20-08-17 | Reversal entry for taking Input Tax credit of RCM after paying tax in cash IGST - Credit A/c..Dr To IGST - RCM A/c | 14400 | 14400 |
| | | Now, this credit in IGST - Credit a/c of Rs 14400 can be utilised / used as credit | | |

FORM TRAN-I

DEADLINES WITH DUE DATES

- Returns of last 6 months has to be filled for getting credit u/s 140(I)
- If you are claiming credit on stock u/s 140(3), Stock should not be older than 1 year
- You have to file this TRAN-I within 90 days from appointment day
- If you are claiming credit on stock as per the proviso to the Section 140(3) i.e. 60/40 formula, then TRAN-2 need to be filled for every month till 6 months and that the benefit will be available only for 6 month. In other words, to take the benefit, that stock should be sold within 6 month of appointed day.

FORM TRAN-I

- Registered under excise / Service tax → Take Credit as per return -140(1) CGST Act
- Registered under VAT → Take Credit as per return – 140(1) SGST Act
- Not Registered under Excise → Take credit on closing stock as per 140(3) of CGST Act
- Not Registered under VAT → Take credit on closing stock as per 140(3) of SGST Act

FORM TRAN-I

I. Credit of CENVAT to be carried forward as per closing balance of return u/s 140(I) of CGST Act. Format of the same is as below:

5. Amount of tax credit carried forward in the return filed under existing laws:

(a) Amount of Cenvat credit carried forward to electronic credit ledger as central tax (Section 140(1) and Section 140(4)(a))

| Sl. no. | Registration no. under existing law (Central Excise and Service Tax) | Tax period to which the last return filed under the existing law pertains | Date of filing of the return specified in Column no. 3 | Balance cenvat credit carried forward in the said last return | Cenvat Credit admissible as ITC of central tax in accordance with transitional provisions |
|---------|--|---|--|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 |
| | | | | | |
| | Total | | | | |

- Person Registered under Service Tax / Excise can take the credit of closing balance as on 30th june 2017 as carry forward credit as CGST credit in GST. For that, the details need to be provided in above mentioned format. It can be seen from the table that return of Service tax / excise must be filed before giving this data in TRAN-I

FORM TRAN-I

2. Credit of VAT to be carried forward as per the closing balance of return u/s 140(I) of SGST Act. Format of the same is as below:

(b) Details of statutory forms received for which credit is being carried forward

Period: 1st Apr 2015 to 30th June 2017

| TIN of Issuer | Name of Issuer | Sr. No. of Form | Amount | Applicable VAT Rate |
|-----------------|----------------|-----------------|--------|---------------------|
| C-Form | | | | |
| | | | | |
| | | | | |
| Total | | | | |
| F-Form | | | | |
| | | | | |
| | | | | |
| Total | | | | |
| H/I-Form | | | | |
| | | | | |
| Total | | | | |

(c) Amount of tax credit carried forward to electronic credit ledger as State/UT Tax (For all registrations on the same PAN and in the same State)

| Registration No. in existing law | Balance of ITC of VAT and [Entry Tax] in last return | C Forms | | F Forms | | ITC reversal relatable to [(3) and] (5) | H/I Forms | | Transition ITC 2- (4+6-7+9) |
|----------------------------------|--|----------------------------------|-------------------------------|----------------------------------|--------------------|---|----------------------------------|--------------------|-----------------------------|
| | | Turnover for which forms Pending | Difference tax payable on (3) | Turnover for which forms Pending | Tax payable on (5) | | Turnover for which forms Pending | Tax payable on (7) | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

- Person Registered under VAT can take the credit of closing balance as on 30th June 2017 as carry forward credit as SGST credit in GST. For that, the details need to be provided in above mentioned 2 formats.
- Now, if for the period 01-04-2015 to 30-06-2017, any Sales made against Form C / H / I / F, then that forms need to be collected from the parties, need to be submitted to the VAT authorities and details are required to be mentioned in the above mentioned table in form TRAN-I. For those part of turnover, for which forms are yet to come, the differential credit of that sales need to be reversed and balance if any, can be carried forward as SGST.

FORM TRAN-I

3. Credit of capital good's CENVAT to be carried forward which are not yet availed. - u/s 140(2) of CGST Act. Format of the same is as below:

6. Details of capitals goods for which unavailed credit has not been carried forward under existing law (section 140 (2)).

(a) Amount of unavailed cenvat credit in respect of capital goods carried forward to electronic credit ledger as central tax

| Sr. no | Invoice / Document no. | Invoice / document Date | Supplier's registration no. under existing law | Recipients' registration no. under existing law | Details of capital goods on which credit has been partially availed | | | Total eligible cenvat credit under existing law | Total cenvat credit availed under existing law | Total cenvat credit unavailed under existing law (admissible as ITC of central tax) (9-10) |
|--------|------------------------|-------------------------|--|---|---|-----------------------|-----|---|--|--|
| | | | | | Value | Duties and taxes paid | | | | |
| | | | | | | ED/ CVD | SAD | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | Total | | | | | | | | |

- Person registered under excise / service tax can take unavailed credit on capital goods purchased under this section and format. Capital good's credit is being provided in two installments in excise law. Benefit is also given even if the asset may not have completed one year.

FORM TRAN-I

4. Credit of capital good's VAT to be carried forward which are not yet availed. - u/s 140(2) of SGST Act. Format of the same is as below:

(b) Amount of unavailed input tax credit carried forward to electronic credit ledger as State/UT tax
(For all registrations on the same PAN and in the same State)

| Sr. no | Invoice / Document no. | Invoice / document Date | Supplier's registration no. under existing law | Recipients' registration no. under existing law | Details regarding capital goods on which credit is not availed | | Total eligible VAT [and ET] credit under existing law | Total VAT [and ET] credit availed under existing law | Total VAT [and ET] credit unavailed under existing law (admissible as ITC of State/UT tax) (8-9) |
|--------|------------------------|-------------------------|--|---|--|-------------------------|---|--|--|
| | | | | | Value | Taxes paid VAT [and ET] | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | Total | | | | | | | |

FORM TRAN-I

5. Credit of Excise lying in stock to be carried forward for the person, who was not liable to be registered under the Excise / Service tax, or who was engaged in the manufacture of exempted goods or provision of exempted services, or who was providing works contract service and was availing of the benefit of notification No. 26/2012—Service Tax, dated the 20th June, 2012 or a first stage dealer or a second stage dealer or a registered importer or a depot of a manufacturer – U/s 140(3) of CGST act. Format of the same is as below:

7. Details of the inputs held in stock in terms of sections 140(3), 140(4)(b) and 140(6).

(a) Amount of duties and taxes on inputs claimed as credit excluding the credit claimed under Table 5(a) and 7(a)

| Sr. no. | Details of inputs held in stock or inputs contained in semi-finished or finished goods held in stock | | | | |
|---|--|------|------|-------|-------------------------------------|
| | HSN (at 6 digit level) | Unit | Qty. | Value | Eligible Duties paid on such inputs |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 7A Where duty paid invoices or any other document are available | | | | | |
| Inputs | | | | | |
| | | | | | |
| Inputs contained in semi-finished and finished goods | | | | | |
| | | | | | |
| 7B Where duty paid invoices are not available (Applicable only for person other than manufacturer or service provider) – Credit in terms of Rule 1 (4) | | | | | |
| Inputs | | | | | |
| | | | | | |

FORM TRAN-I

6. Credit of VAT lying in the stock to be carried forward for the person, who was not liable to be registered under the VAT or who was engaged in the sale of exempted goods or tax free goods, by whatever name called, or goods which have suffered tax at the first point of their sale in the State and the subsequent sales of which are not subject to tax in the State under the existing law but which are liable to tax under this Act or where the person was entitled to the credit of input tax at the time of sale of goods. – U/s 140(3) of SGST Act. – Format of the same is as below:

(b) Amount of vat and entry Tax paid on inputs supported by invoices/documents evidencing payment of tax carried forward to electronic credit ledger as SGST/UTGST

| Details of inputs in stock | | | | | Total input tax credit claimed under earlier law | Total input tax credit related to exempt sales not claimed under earlier law | Total Input tax credit admissible as SGST/UTGST |
|--|------|-----|-------|--------------------------|--|--|---|
| Description | Unit | Qty | Value | VAT [and Entry Tax] paid | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Inputs | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Inputs contained in semi-finished and finished goods | | | | | | | |
| | | | | | | | |
| | | | | | | | |

(c) Stock of goods not supported by invoices/documents evidencing payment of tax (credit in terms of rule 1 (4)) (To be there only in States having VAT at single point)

| Details of inputs in stock | | | | |
|----------------------------|------|-----|-------|----------|
| Description | Unit | Qty | Value | Tax paid |
| 1 | 2 | 3 | 4 | 5 |
| | | | | |
| | | | | |

FORM TRAN-I

7. Goods are sent on job-work under old law and are with job-worker as on appointed day. Details need to be provided in the following format:

9. Details of goods sent to job-worker and held in his stock on behalf of principal under section 141

a. Details of goods sent as principal to the job worker under section 141

| Sr. No. | Challan No. | Challan date | Type of goods (inputs/ semi-finished/ finished) | Details of goods with job- worker | | | | |
|-----------------------------------|-------------|--------------|---|-----------------------------------|-------------|------|----------|-------|
| | | | | HSN | Description | Unit | Quantity | Value |
| 1 | 2 | 3 | 4 | 7 | 8 | 9 | 10 | 11 |
| GSTIN of Job Worker, if available | | | | | | | | |
| Total | | | | | | | | |

b. Details of goods held in stock as job worker on behalf of the principal under section 141

| Sr. No. | Challan No. | Challan Date | Type of goods (inputs/ semi-finished/ finished) | Details of goods with job- worker | | | | |
|-----------------------|-------------|--------------|---|-----------------------------------|-------------|------|----------|-------|
| | | | | HSN | Description | Unit | Quantity | Value |
| 1 | 2 | 3 | 4 | 7 | 8 | 9 | 10 | 11 |
| GSTIN of Manufacturer | | | | | | | | |
| Total | | | | | | | | |

- If the Goods are with Job-worker as on appointed day, the above details are required to be filled by **Manufacturer as well as job-worker** in form TRAN-I. The goods need to be returned within 6 month without payment of GST. Section 141 says if the stock is not mentioned by the manufacturer and job-worker in the above format, then the benefit of 6 months will not be available.

FORM TRAN-I

7. Goods are sent on job-work under old law and are with job-worker as on appointed day. Details need to be provided in the following format:

9. Details of goods sent to job-worker and held in his stock on behalf of principal under section 141

a. Details of goods sent as principal to the job worker under section 141

| Sr. No. | Challan No. | Challan date | Type of goods (inputs/ semi-finished/ finished) | Details of goods with job- worker | | | | |
|-----------------------------------|-------------|--------------|---|-----------------------------------|-------------|------|----------|-------|
| | | | | HSN | Description | Unit | Quantity | Value |
| 1 | 2 | 3 | 4 | 7 | 8 | 9 | 10 | 11 |
| GSTIN of Job Worker, if available | | | | | | | | |
| Total | | | | | | | | |

b. Details of goods held in stock as job worker on behalf of the principal under section 141

| Sr. No. | Challan No. | Challan Date | Type of goods (inputs/ semi-finished/ finished) | Details of goods with job- worker | | | | |
|-----------------------|-------------|--------------|---|-----------------------------------|-------------|------|----------|-------|
| | | | | HSN | Description | Unit | Quantity | Value |
| 1 | 2 | 3 | 4 | 7 | 8 | 9 | 10 | 11 |
| GSTIN of Manufacturer | | | | | | | | |
| Total | | | | | | | | |

- If the Goods are with Job-worker as on appointed day, the above details are required to be filled by **Manufacturer as well as job-worker** in form TRAN-I. The goods need to be returned within 6 month without payment of GST. Section 141 says if the stock is not mentioned by the manufacturer and job-worker in the above format, then the benefit of 6 months will not be available.

FORM TRAN-2

- 8. Person availing benefit for the proviso to the section 140(3), (i.e. 60% / 40% scheme on stock) are required to file the TRAN2 form every month for 6 months. The format for the same is as below:

4. Details of inputs held on stock on appointment date in respect of which he is not in possession of any invoice/document evidencing payment of tax carried forward to Electronic Credit ledger.

| Opening stock for the tax period | | | Outward supply made | | | | | Closing balance |
|----------------------------------|------|------|---------------------|-------|-------------|----------------|-------------|-----------------|
| HSN (at 6 digit level) | Unit | Qty. | Qty | Value | Central Tax | Integrated Tax | ITC allowed | Qty |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | | | | | | | |

5. Credit on State Tax on the stock mentioned in 4 above *(To be there only in States having VAT at single point)*

| Opening stock for the tax period | | | Outward supply made | | | | Closing balance |
|----------------------------------|------|------|---------------------|-------|-----------|-------------|-----------------|
| HSN (at 6 digit level) | Unit | Qty. | Qty | Value | State Tax | ITC allowed | Qty |
| 1 | 2 | 3 | 4 | 5 | 6 | 8 | 9 |
| | | | | | | | |

FORM TRAN-2

- If you are not registered under the Excise law, then the credit can be taken under sec 140(3) based on the duty mentioned on the purchase document. However, if you don't have the duty paying document, then a trader can claim credit on stock as per the scheme mentioned in the proviso to the section 140(3) read with Rule 1(4) of Transitional Rules. Which says that you can take the credit on stock for the excise portion @ 40 percent of CGST if your output product falls under the rate below 18% and @ 60 percent of CGST if your product falls 18% or above. The same credit will be available only after you sell the commodity and paid the tax. **This form will determine the same as to which stock of 30th June 2017 has been sold in the month and based on that credit will be given in the next month of selling of that product / commodity.**
- This form need to be filled **every month till 6 months** and based on that credit will reflect in credit ledger.

THINGS NEED TO BE DONE – CHECKLIST FOR SMOOTH MIGRATION TO THE GST

- Get Complete your working for Closing Stock for the period 31.3.2017 / 30.6.2017 before GST Implementation date
- Allocate your such stock into quantitate mode
- If you want to take credit of excise on stock and duty paying document is not available, then you have to take stock as on 30th june 2017 as per below mentioned format:

| Sr. no. | Details of inputs held in stock or inputs contained in semi-finished or finished goods held in stock | | | | |
|---------|--|------|------|-------|-------------------------------------|
| | HSN (at 6 digit level) | Unit | Qty. | Value | Eligible Duties paid on such inputs |
| 1 | 2 | 3 | 4 | 5 | 6 |

- Get the A/c Statement from your Suppliers / Creditors for the year ended 31/3/2017 & compiled them from your books
- Rectify Mismatch Reports of Purchases, if persists
- Revise your Vat Returns if point no.4 applies to you
- Make strict follow-up to Collect all the C forms/H Form/ I forms [forms for sales made between 01/04/2015 to 30/06/2017]
- Get your Books Finalise for FY 2016-17

THINGS NEED TO BE DONE – CHECKLIST FOR SMOOTH MIGRATION TO THE GST

- Make a separate file of those items which are shown in your Unsold stock as on 30.6.2017 e.g. Purchase Bills/ Bill of Entry/ Excise Paying Documents etc.
- Stock ageing be made to ascertain if any stock is more than 1yr old. If yes then dispose it off immediately or sell it to your sister concern against Tax Invoice locally
- Classify stock tax rate wise, purchased locally to get ITC into SGST
- Classify stock purchased on invoices bearing Duty Payment & non duty payments to get ITC transferred to CGST
- Inform your GSTIN / ARN to all suppliers of Goods & Services
- Obtain GSTIN of all Suppliers & Buyers
- Train your accountants for GST accounting and returns formats
- Make Chart of HSN CODES, SAC Codes & GST Rates on your goods & services to be purchased & Sold.
- Check whether any stock of one year old is lying with you
- Analyze P&L and see which expenses are liable to RCM. Try to switch your purchase only from registered dealer [you can't tell your tea vendor to take registration!]

ANY QUESTIONS?

THANK YOU!

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THEME OF THE PRESENTATION

- Scope of Supply – levy and collection
- Composition Scheme
- Time of Supply
- Place of Supply [IGST]
- Value of supply
- Input Tax Credit
- Registration
- **Tax Invoice & Accounting**
- Returns
- Transitional Provisions
- Job-work provisions
- Anti profiteering clause
- E Way bill
- Things need to be done – checklist for smooth migration to the GST
- Issues

SUPPLY INCLUDES

- (1) For the purposes of this Act, the expression “supply” includes—
- (a) all forms of supply of **goods or services** or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made **for a consideration** by a person **in the course or furtherance of business**;
 - (b) import of services for a consideration whether or not in the course or furtherance of business;
 - (c) the activities specified in **Schedule I**, made or agreed to be made without a consideration; and
 - (d) the activities to be treated as supply of goods or supply of services as referred to in **Schedule II**.
- (2) Notwithstanding anything contained in sub-section (1),—
- (a) activities or transactions specified in **Schedule III**; or
 - (b) such activities or transactions undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities, as may be notified by the Government on the recommendations of the Council,
- shall be treated neither as a supply of goods nor a supply of services.

Issues –

Sch I – Related Person, branch TF, agent trf

Sch II – Works Contract as service

Sch III – Employer to Employee, funeral, burial, trf of land

Remuneration to the partner

Composite Supply and Mix Supply

COMPOSITION SCHEME – SECTION 10

- Can avail by a person whose Turnover is less than 75 lacs in FY 2016-17 and Q1 of FY 2017-18
- 1+1 percent for manufacturer [Not available to ice cream, pan masala & tobacco manufacturers]
- 2.5+2.5 percent for restaurant, catering etc [person supplying food + services]
- 0.5+0.5 for Trader
- **Restrictions and issues**
 - Not available to service provider except restaurant, catering etc
 - Not available if person supplying inter-state outward supply
 - Not available if person supplying of E-commerce platform
 - Stock should not include anything purchased from interstate or imported (for migration only)
 - If in stock, anything purchased from unregistered person then pay as RCM first then register as composition
 - **“Composition taxable person, Not eligible to collect tax on supplies”** on every **bill of supply**
 - **“Composition Taxable Person”** on every sign board / notice board of principle place and additional place of business
 - RCM applicable but NO ITC
 - Percentage on total Turnover – also on exempted / Nil rated goods
 - Invoice Wise purchase details of **all Purchases** need to be uploaded in return with bifurcation of purchase from Registered person and Un Reg. Person

TIME OF SUPPLY

- The time of supply fixes the point when the liability to pay tax arises. The time of supply is the time when a supply of goods and / or services is treated as being made for payment of taxes under the GST law.
- Different provisions for Goods and Services

TIME OF SUPPLY - GOODS

Section 12 (1)

- Liability to pay tax on goods shall arise at the time of supply of goods

Section 12 (2)

- Time of supply of goods on forward charges

Section 12 (3)

- Time of supply of goods on reverse charge

Section 12 (4)

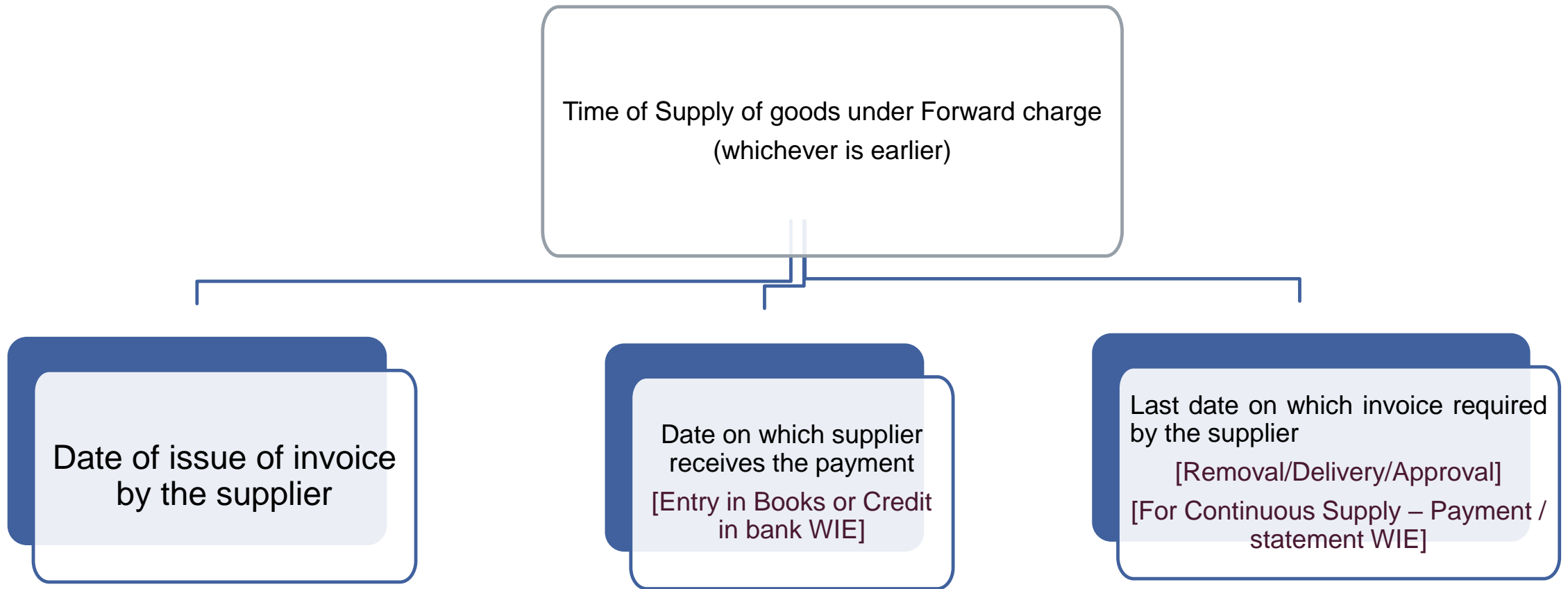
- Time of supply of vouchers

Section 12 (5)

- Time of supply for residual cases

Section 12 (6)

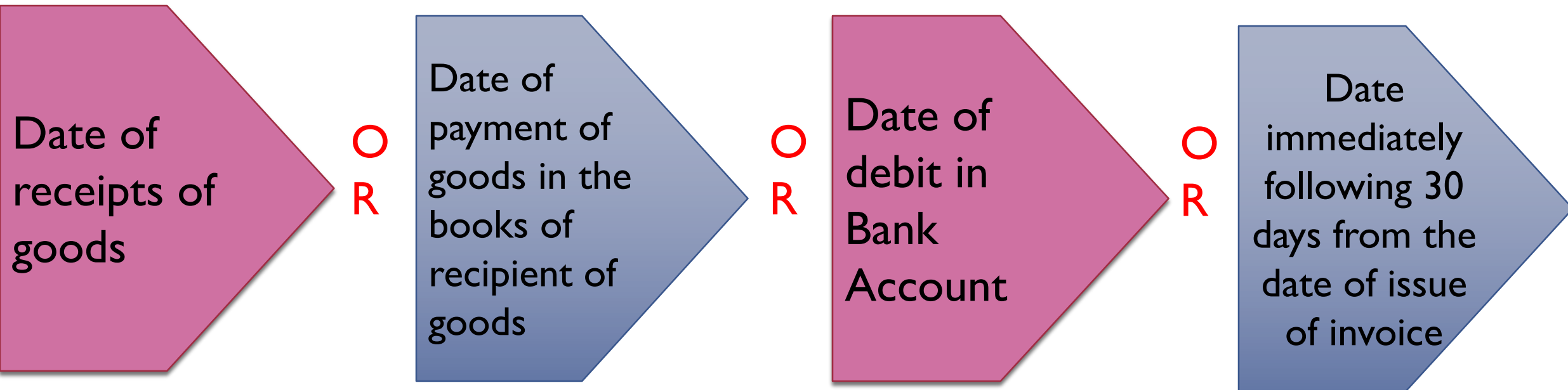
- Time of supply for addition in the value of supply [for Interest / late fee / penalty for delayed payment]



- In case the amount received in excess of tax invoice up to 1000 RS

TIME OF SUPPLY OF GOODS UNDER REVERSE CHARGE

Earlier of the following dates:



When date can not be determined above:

Date of entry in books of account of the recipient of supply

TIME OF SUPPLY OF VOUCHERS FOR GOODS

**Date of issue
of voucher**

**Date of
redemption
of voucher**

TIME OF SUPPLY - SERVICES

- Time of supply will be earliest of the following:
 - Date of invoice, if invoice issued within time [30 days]
 - Date of provision, if invoice not issued with in time
 - Date of receipts of payments [Credit in books OR credit in bank WIE]

TIME OF SUPPLY OF SERVICES UNDER REVERSE CHARGE

Other than Associated Enterprises

Date on which payment entered in books of accounts

Payment Debited in Books of Accounts

Date following 60 days from the date of issue of invoice by supplier

When date can not be determined above:

Date of entry in books of account of the recipient of supply

Associated Enterprises and supplier of Service is located outside India

Date of entry in the books of accounts of the recipient

Date of payment

TIME OF SUPPLY OF VOUCHERS FOR SERVICES

**Date of issue
of voucher**

**Date of
redemption
of voucher**

TIME OF SUPPLY OF GOODS/ SERVICES

RESIDUAL PROVISION :

- A) In a case where a periodical return has to be filed, be the date on which such return is to be filed;
- B) In any other case, be the date on which the tax is paid.

Addition in the value of supply

Interest

Late Fee

Penalty

FOR DELAYED PAYMENT

Time of supply – Date of receipt of additional value by recipient



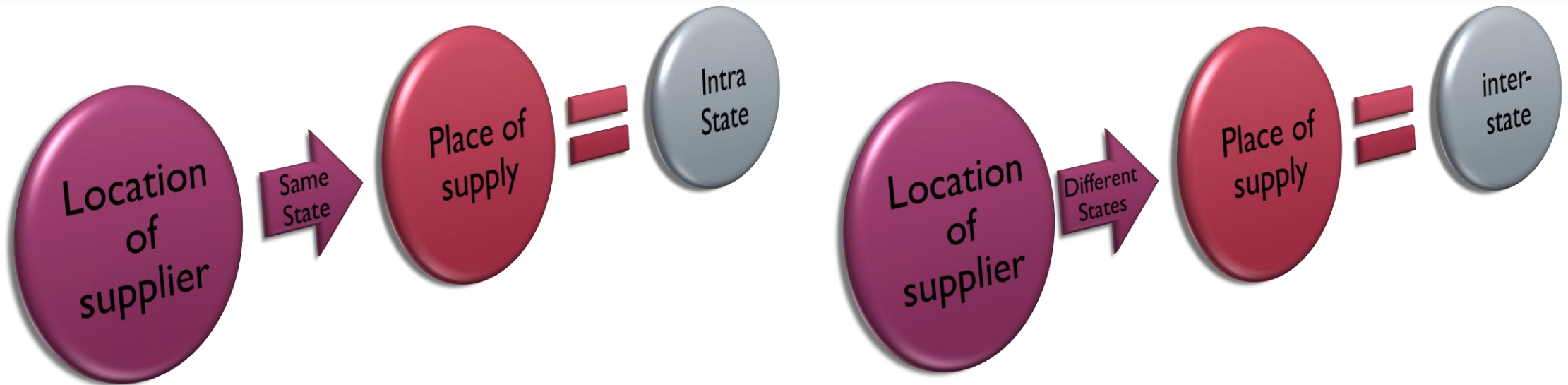
PLACE OF SUPPLY

AS PER IGST

SEC 10, 11, 12, 13



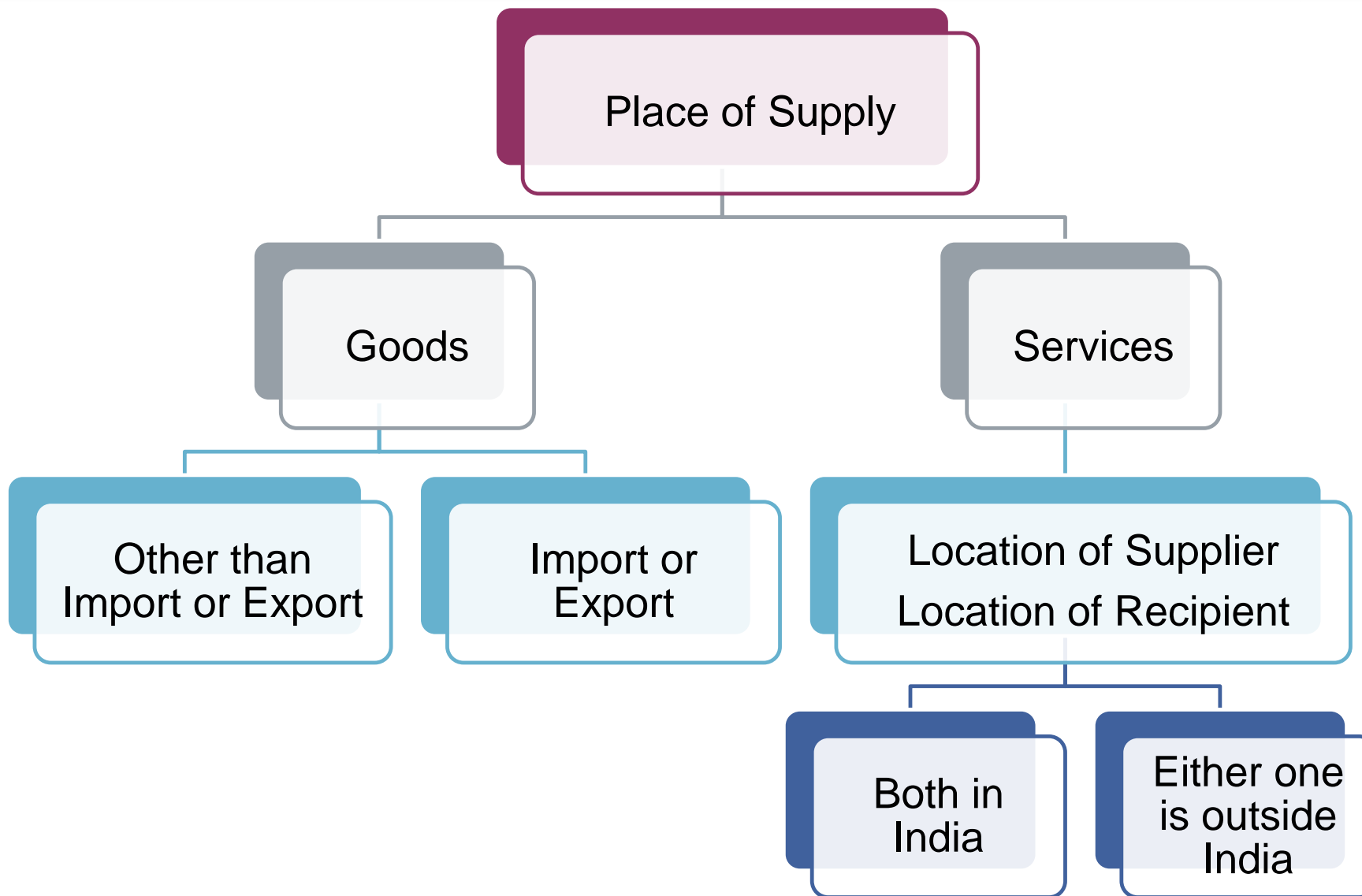
CLASSIFICATION OF SUPPLY AS INTRA STATE/ INTER TATE



| Sl. No. | Location of supplier | Place of supply | Intra state/Inter state | Tax Applicable |
|---------|----------------------|-----------------|-------------------------|---------------------|
| 1 | State 'A' | State 'A' | Intra state supply | CGST and SGST/UTGST |
| 2 | State 'A' | State 'B' | Interstate supply | IGST |

There are **different provisions** to determine location of supplier and place of supply for supply of **Goods** and for supply of **services**.

PLACE OF SUPPLY



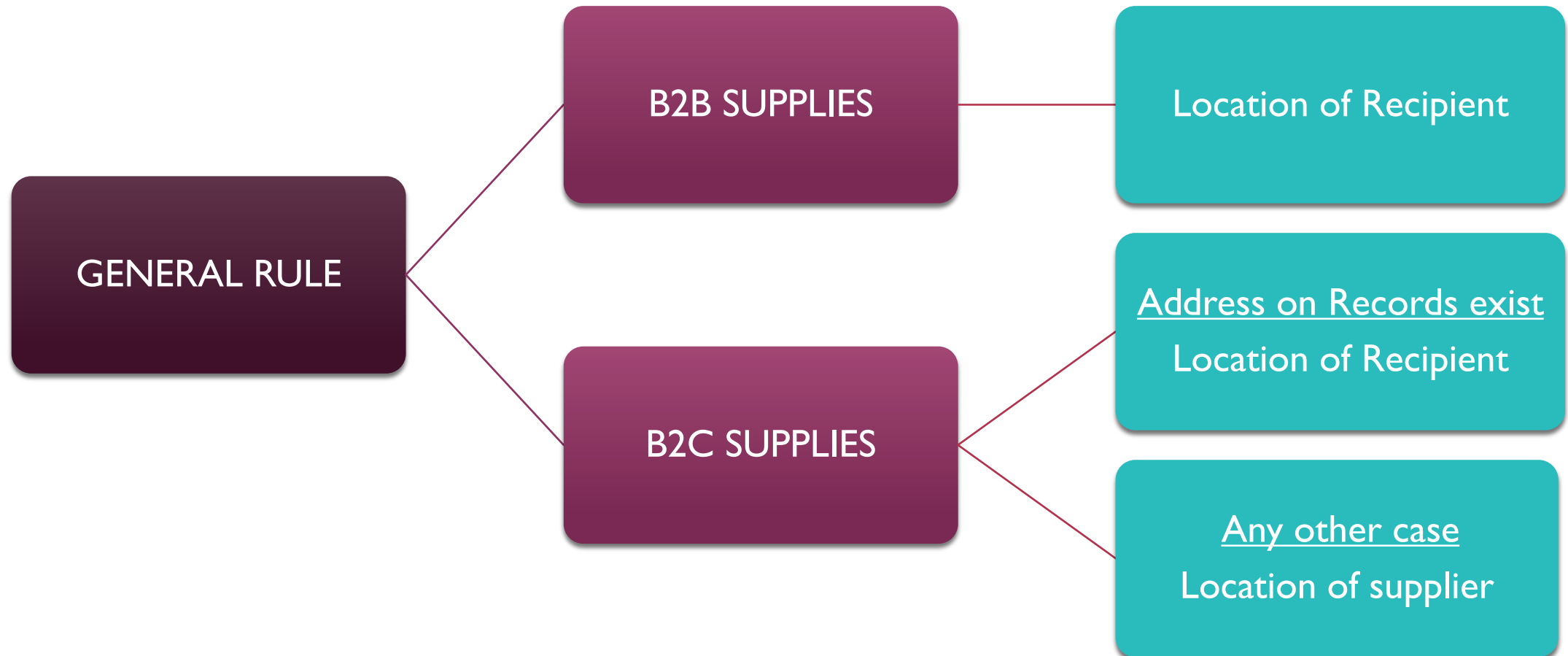
PLACE OF SUPPLY OF GOODS — [OTHER THAN GOODS IMPORTED / EXPORTED]

- Where supply involves **movement of goods** – POS is **where the movement of goods terminates**
- Goods supplied on direction of third person – POS is **Principal Place of Business of the third person**
- Where supply **does not involves movement of goods** – POS is **location of the goods at the time of delivery**
- Where the goods are assembled or installed at site – POS is **place of such installation or assembly**
- Where the Goods are supplied on board or conveyance – POS is **location at which such goods are taken on Board**

PLACE OF SUPPLY OF GOODS — [FOR GOODS IMPORTED / EXPORTED]

- Goods imported into India – location of importer
- Goods exported from India – location outside India

PLACE OF SUPPLY OF SERVICE — [WHERE SUPPLIER AND RECIPIENT BOTH ARE IN INDIA]



PLACE OF SUPPLY OF SERVICE — [WHERE SUPPLIER AND RECIPIENT BOTH ARE IN INDIA]

- Services Directly Related To Immovable Property – POS **location of immovable property**
- Services Directly Related To Immovable Property Located Outside India – POS **location of service recipient**
- Restaurant, catering, personal grooming, fitness, beauty treatment, health service – POS **where service is actually performed**
- Supply of services for admission to cultural & artistic, sporting, scientific & educational, entertainment event, amusement park and ancillary services – POS **Venue of event/park**
- Service by organizing cultural, arts, sports, educational, scientific, entertainment, conference, fair, exhibition or similar events and ancillary services – POS **if registered recipient then location of recipient else venue of event**
- Supply of service by transportation of goods, including by mail or courier – POS **if registered recipient then location of recipient else location where goods handed over for their transportation**
- Passenger Transportation Service – POS **if registered recipient then location of recipient else location where passenger embarks on the conveyance for a continuous journey**
- Services On Board Conveyance Like Vessel, Aircraft, Train, Motor Vehicle – POS **First scheduled point of departure of that conveyance for that journey**

VALUE OF TAXABLE SUPPLY

- **Transaction Value** – Where **supplier and recipient are not related** and **price is the sole consideration**
- **Value** includes Every taxes other than GST, Amount paid by recipient on behalf of supplier, incidental expenses, **Interest, Late Fee, Penalty for late payment**
- **Discount** – Only accepted IF
 - Discount given **before or at the time of supply** and **recorded in the Invoice**
 - After the supply only if such discount is agreed in terms of agreement, linked to the invoice and ITC to the extent reversed by recipient

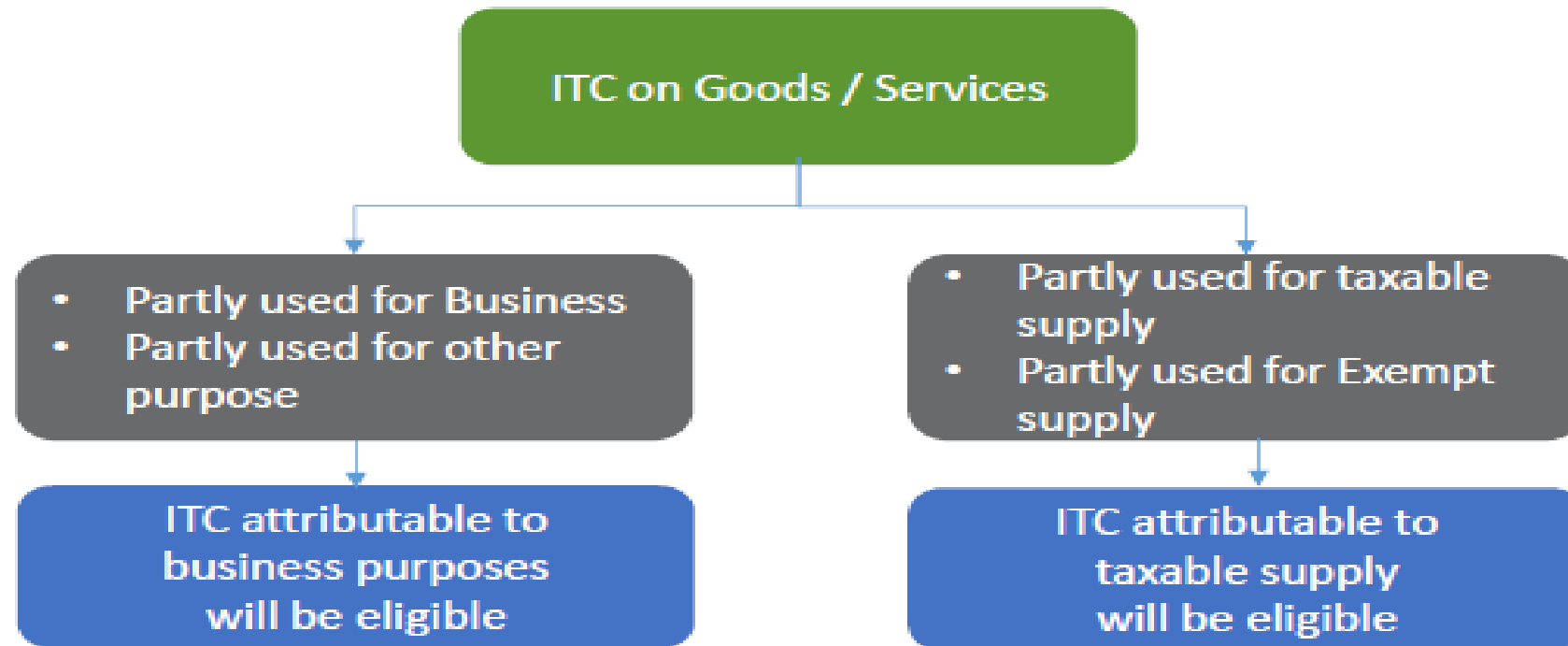
INPUT TAX CREDIT

| To be setoff in the Rank order | ITC of CGST | ITC of SGST | ITC of IGST |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------|
| 1 | Against Output liability of CGST | Against Output liability of SGST | Against Output liability of IGST |
| 2 | Against Output liability of IGST | Against Output liability of IGST | Against Output liability of CGST |
| 3 | Cant be set-off against SGST | Cant be set-off against CGST | Against Output liability of SGST |

INPUT TAX CREDIT

- ITC available only subject to the following conditions
 - Tax invoice / debit note / Tax paying document is in possession
 - Goods / Service has been received
 - Seller has paid the Tax
 - Return has been furnished
- If the Goods received in lots, ITC available when the last lot received
- If the payment to the supplier is not made within 180 days, the credit need to be reversed.
- On capital goods, on the ITC portion, Either Claim Depreciation or claim ITC

INPUT TAX CREDIT – APPORTION OF CREDIT



INPUT TAX CREDIT – BLOCKED CREDIT

- (a) motor vehicles and other conveyances except when they are used—
 - (i) for making the following taxable supplies, namely:—
 - (A) further supply of such vehicles or conveyances ; or
 - (B) transportation of passengers; or
 - (C) imparting training on driving, flying, navigating such vehicles or conveyances;
 - (ii) for transportation of goods;
- (b) the following supply of goods or services or both—
 - (i) food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery;
 - (ii) membership of a club, health and fitness centre;
 - (iii) rent-a-cab, life insurance and health insurance
 - (iv) travel benefits extended to employees on vacation such as leave or home travel concession

INPUT TAX CREDIT – BLOCKED CREDIT

- (c) **works contract** services when supplied for construction of an immovable property (other than plant and machinery) except where it is an input service for further supply of works contract service;
- (d) goods or services or both received by a taxable person for construction of an immovable property (other than plant or machinery) **on his own** account including when such goods or services or both are used in the course or furtherance of business.
- (e) goods or services or both on which tax has been paid under section 10 - **Composition**;
- (f) goods or services or both received by a non-resident taxable person except on goods imported by him;
- (g) goods or services or both used for **personal consumption**;
- (h) goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples

REGISTRATION

- Aggregate value of all taxable supplies > 20 Lakhs [10 lakh for special category state]
- However, Person not liable to take registration if
 - **Exclusively** supplying **Wholly exempt goods/services**, or **goods / services not liable to tax**
 - **Agriculturist**, to the extent of supply of produce out of cultivation of land

Issue:

- 25Lacs exempted goods and only 1 Lakhs taxable goods supply?
- Casual registration
- Return not furnished for continuous 6 months [9months for composition person] then registration get cancelled
- Display of Registration certificate in **principle place of business** and at **every additional place of business**
- Display of **GSTIN** on name board at the entry of the **principle place of business** and at **every additional place of business**
- After Migration, provisional certificate **REG25** will be issued. Again one application need to be made in **REG26** within 3 months. After that final Registration certificate will be issued in **REG6**

COMPULSORY REGISTRATION [EVEN IF TURNOVER < 20LAKHS]

- (i) persons making any inter-State taxable supply [**eg. broker**]
- (ii) casual taxable persons making taxable supply
- (iii) persons who are required to pay tax under reverse charge [**GTA, advocate's legal service**]
- (iv) person who are required to pay tax under sub-section (5) of section 9 [**RCM on e-commerce company**]
- (v) non-resident taxable persons making taxable supply
- (vi) persons who are required to deduct tax under section 51 [**TDS**]
- (vii) persons who make taxable supply of goods or services or both on behalf of other taxable persons whether as an agent or otherwise
- (viii) Input Service Distributor, whether or not separately registered under this Act
- (ix) persons who supply goods or services or both, other than supplies specified under sub-section (5) of section 9, through such electronic commerce operator who is required to collect tax at source under section 52; [**TCS**]
- (x) every electronic commerce operator;
- (xi) every person supplying online information and database access or retrieval services from a place outside India to a person in India, other than a registered person

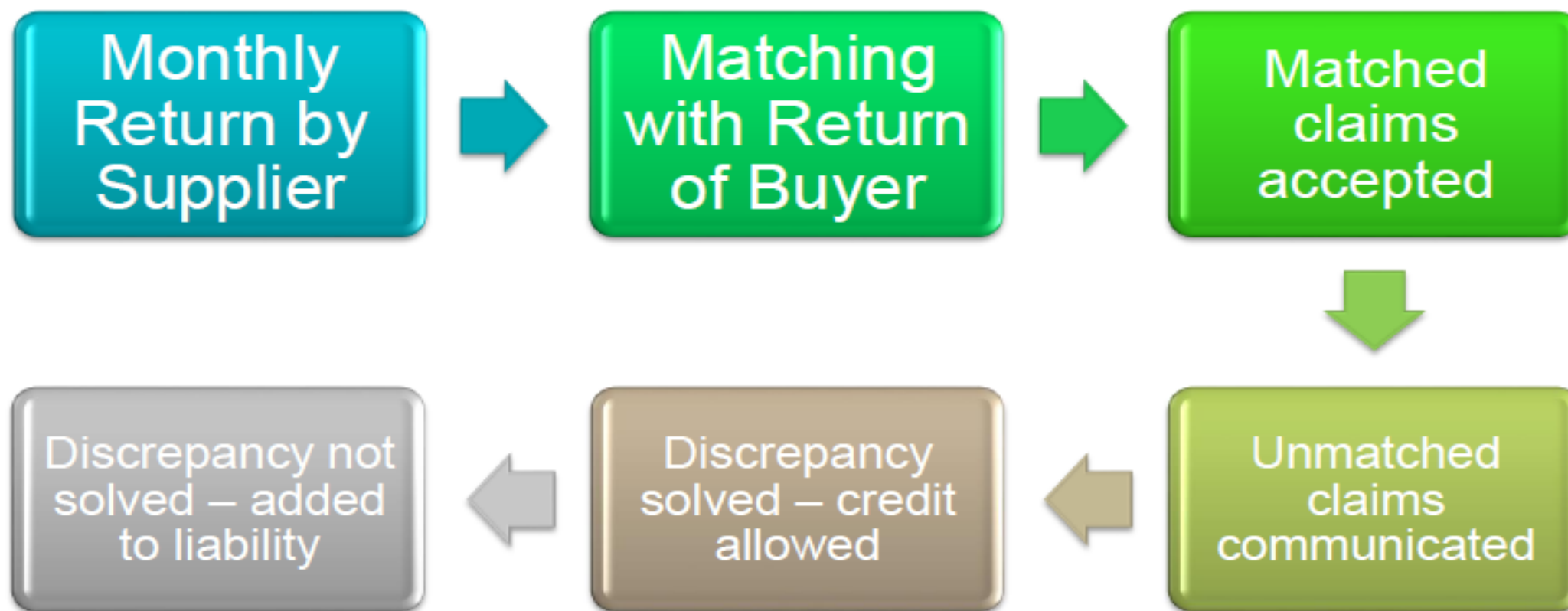
RETURN

| section | Return Form | What to file? | By Whom? | By When? | Restriction | Penalty |
|---------|-------------|--|--|------------------------------------|----------------------------------|---------------------------------------|
| 37 | GSTR 1 | Details of outwards supplies | Registered Taxable Supplier | 10th of next month | Cant be filled bet. 11th to 15th | 100 Rs per day, Max 5K |
| 38 | GSTR 2A | Details of Inward Supply provided by supplier will be made available | Registered Taxable Recipient | 11th to 15th of next month | - | - |
| 38 | GSTR 2 | Details furnished in GSTR2A need to be verify, validate, modify, delete or new entry need to be uploaded | Registered Taxable Recipient | 11th to 15th of next month | - | 100 Rs per day, Max 5K |
| 37 | GSTR 1A | Details modified by recipient will be available to supplier | Registered Taxable Supplier | 15th to 17th of next month | | 100 Rs per day, Max 5K |
| 39 | GSTR 3 | monthly return on the basis of final details of GSTR1 & 2 along with payment of tax | Registered Taxable Supplier | by 20th of next month | - | 100 Rs per day, Max 5K |
| 39 | GSTR 4 | Qtrly return for composite supplier | Composition Supplier | by 18th of succeeding month of Qtr | - | 100 Rs per day, Max 5K |
| 44 | GSTR 9 | Annual return | Registered Taxable Supplier / Composition Supplier | by 31st dec of next year | - | 100 Rs per day, 0.25% of Turnover Max |

DETAILS NEED TO BE PROVIDED IN RETURNS

- Sales details need to be provided in Return
 - Invoice wise details of all B2B Supplies [Interstate and Intrastate]
 - Invoice wise details of B2C interstate supplies of which invoice value is > 250000
 - Consolidated details B2C intrastate – Bifurcated rate-wise
 - Consolidated details of B2C Interstate – Bifurcated State-wise, rate-wise
 - Debit credit notes
- Purchase Details invoice wise, including invoices made under RCM
- Sales & Purchase details need to be provided in return by Composition Supplier
 - Consolidated details of Sales
 - Invoice-wise, State-Wise purchase details, including invoice made under RCM
- Tax Payment Date = Return Filling Date

RETURN [MATCHING, REVERSAL, RECLAIM OF ITC & REDUCTION IN OUTPUT TAX LIABILITY]

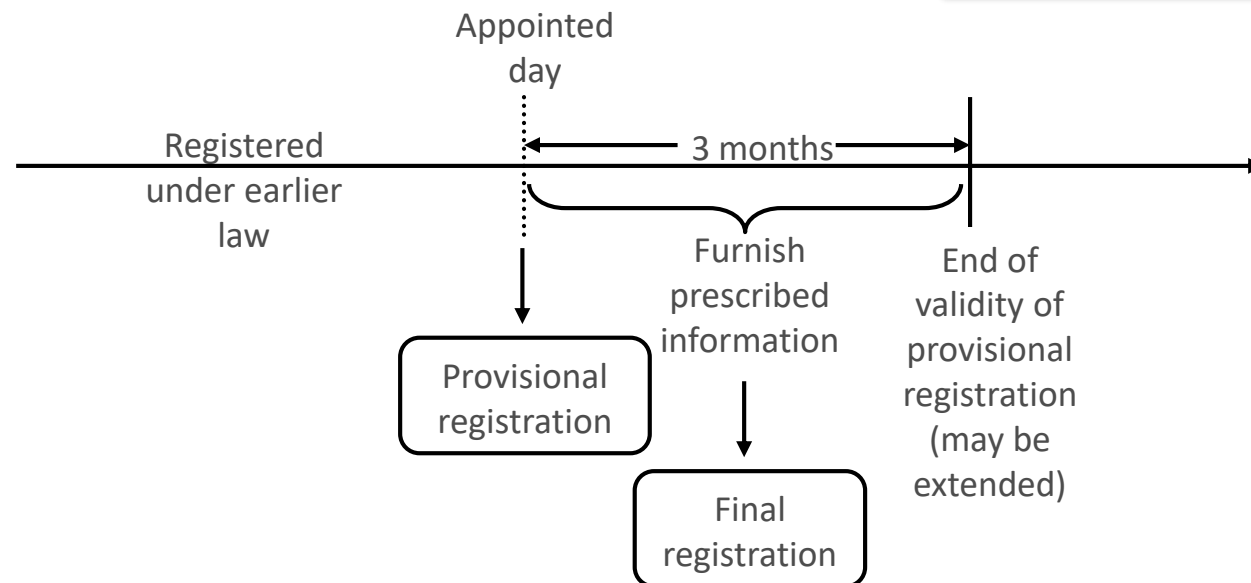


RETURN [MATCHING, REVERSAL, RECLAIM OF ITC & REDUCTION IN OUTPUT TAX LIABILITY]

- Details need to be matched for ITC
 - GSTIN number of supplier
 - GSTIN number of recipient
 - Invoice Number
 - Invoice Date
 - Tax Amount
- Details need to be matched for Output Tax Liability
 - GSTIN number of supplier
 - GSTIN number of recipient
 - Credit note Number
 - Credit Note Date
 - Tax Amount

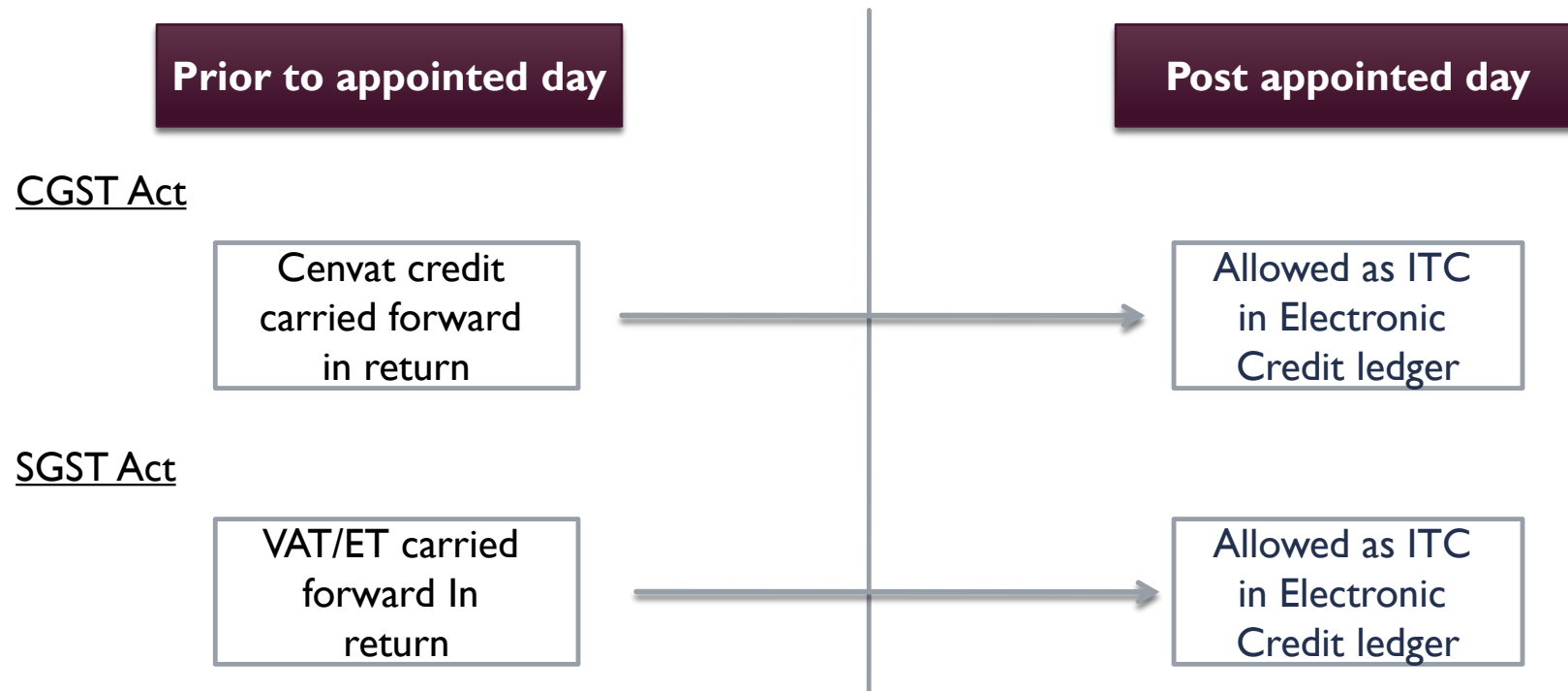
TRANSITIONAL PROVISION

Transition of Existing Registrations



TRANSITIONAL PROVISION – ITC FOR REGISTERED PERSON

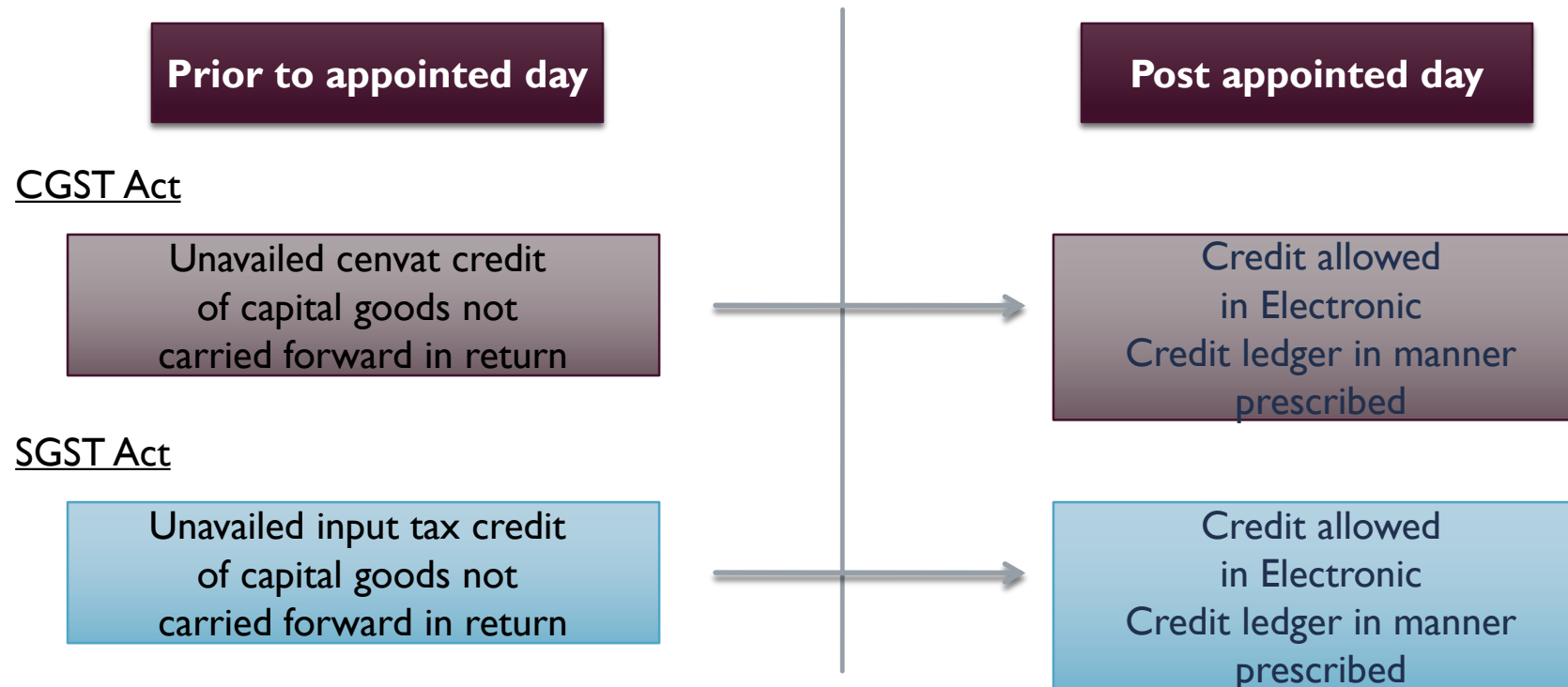
Amount of CENVAT credit carried forward in a return to be allowed as input tax credit



- Subject to, credit should be admissible under GST, 6 months return filed of old regime and credit should not be related to exempted goods in GST

TRANSITIONAL PROVISION – ITC OF CAPITAL GOODS

Unavailed cenvat credit on capital goods, not carried forward in a return, to be allowed in certain situations



TRANSITIONAL PROVISION – FROM UNREGISTERED TO REGISTERED – [ONLY FOR TRADER]

Credit to person who was not liable to be registered under existing laws or was engaged in manufacture / provision of exempted goods / services / first / second stage dealers, works contract services and availing abatement / registered importer / depot of manufacturer

Prior to appointed day

CGST Act

Inputs held in stock,
finished & semi-finished
goods of a manufacturer
of exempted goods

Post appointed day

Credit of eligible duties
allowed in Electronic Credit
ledger subject to conditions

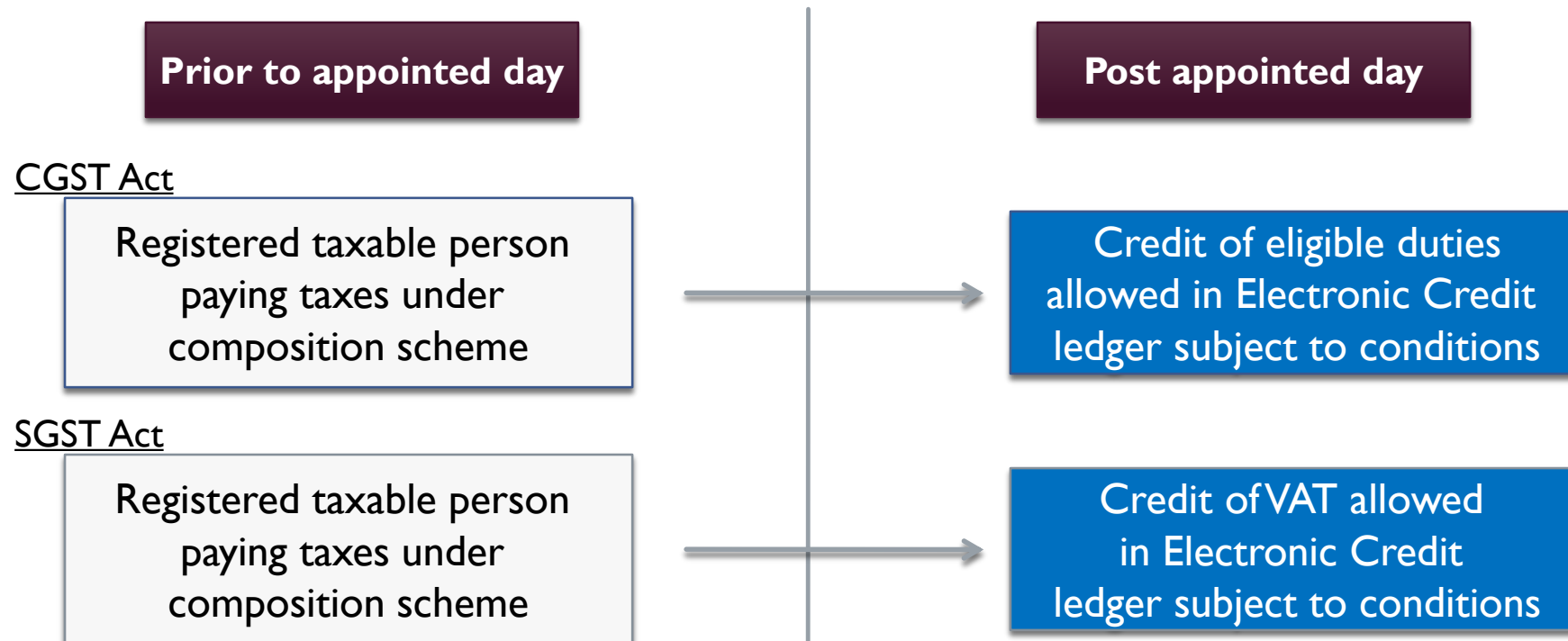
TRANSITIONAL PROVISION - FROM UNREGISTERED TO REGISTERED [ONLY FOR TRADER]

Conditions:

- Credit of duties only in respect of input allowed, not of input services or capital goods
- Inputs and / or goods are used or intended to be used for making taxable supplies under this Act
- The said taxable person is eligible for such input tax credit under this Act
- Passes benefit to consumer [Anti Profiteering clause]
- Supplier of services is not eligible for any abatement under the Act
- Taxable person is in possession of invoice evidencing payment of duty / tax
- Such invoices etc were issued not earlier than 12 months
- Such stock on which credit is claimed is to be sold off within 6 months from the appointed day. And for each 6 months, TRAN-2, a separate return need to be filled
- For Carry Forwarding any credit, Return in form TRAN-1 need to be filled

TRANSITIONAL PROVISIONS – COMPOSITION TO NORMAL

Credit of eligible duties and taxes to a taxable person opting out of composition scheme



TRANSITIONAL PROVISIONS – COMPOSITION TO NORMAL

Conditions:

- such inputs and / or goods are used or intended to be used for making taxable supplies under this Act
- the said person is not paying tax under section 10
- the said taxable person is eligible for input tax credit on such inputs under this Act
- the said taxable person is in possession of invoice and/or other prescribed documents evidencing payment of duty under the earlier law in respect of inputs; and
- such invoices and /or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day.

ANTI PROFITEERING CLAUSE

- (1) Any **reduction in rate of tax** on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient **by way of commensurate reduction in prices.**
- (2) The Central Government may by law constitute an authority, to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.
- (3) The Authority referred to in sub-section (2) shall exercise such powers and discharge such functions as may be prescribed.

E WAY BILL

- (I) Every **registered person** who causes movement of goods of consignment **value exceeding fifty thousand rupees**
 - (i) in relation to a supply
 - (ii) for reasons other than supply
 - (iii) due to inward supply from an unregistered person,
- shall, before commencement of movement**, furnish information relating to the **said goods in Part A of FORM GST INS-01**, electronically, on the common portal and
- (a) When Goods are transported by consignee or consigner in by their own, he **MAY** generate E Way bill in form INS-01 after furnishing information in Part B.
 - (b) When Goods are transported by transporter, registered person **SHALL** furnish information relating to transportation in Part B and and generate E way bill

E WAY BILL

- If Person is unregistered, then Way bill need to be generated by Transporter
- If transporter changes the conveyance, Fresh E Way bill need to generate
- Multiple consignment in one conveyance, consolidated E way bill need to be generated
- E way bill can be cancelled only within 24 hrs. of it's generation
- E way bill will be available to recipient and he has to accept or reject the details within 72 hrs., else it's deemed accepted