Invoicing Under Goods and Service Tax

1. **Issue of tax invoice in case of supply of taxable goods by a registered person**

(a) Where supply involves movement of goods

Tax invoice shall be issued before or at the time of removal of goods for supply to the recipient.

(b) Where supply involves other than movement of goods

Tax invoice shall be issued before or at the time of delivery of goods or making available to the recipient.

2. **Issue of tax invoice in case of supply of taxable service by a registered person**

Tax invoice shall be issued within a period of thirty days from the date of supply of service.

However, where supply of service ceases under a contract before 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 supply made before cessation.

- Where supplier of service is an insurer, a banking company, a financial institution including a non banking financial company the tax invoice (or any other document in lieu thereof) shall be issued within forty five days from the date of supply of service.
- Where an insurer or a banking company or a financial institution, including a nonbanking financial company, or a telecom operator, or any other class of supplier of services as may be notified by the Government on the recommendations of the GST Council, making taxable supplies of services between distinct persons (i.e. more than one registered establishments under a single PAN), may issue the invoice before or at the time such supplier records the same in his books of account or before the expiry of the quarter during which the supply was made.

3. Issue of bill of supply instead of tax invoice

Following persons shall issue Bill of supply instead of tax invoice.

(a) A registered person under composition levy.
(b) A registered person supplying exempted goods or service or both.

4. When tax invoice or bill of supply may not be issued by a registered supplier of goods or service

If following conditions are fulfilled a registered person may not issue tax invoice or bill of supply:
(a) Value of goods or service or both is less than two hundred rupees against a single transaction,
(b) Recipient is an unregistered person.

If above two conditions are fulfilled registered person may issue a consolidated tax invoice (instead of separate invoices) for such supplies at the close of each day in respect of all such supplies.

5. Issue of receipt voucher and refund voucher against advance payment received.

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, evidencing receipt of such payment.

Where subsequently no supply of goods or service or both is made against such advance and therefore, no tax invoice is issued in pursuance thereof, the said registered person may issue to the person who had made the advance payment, a refund voucher against such payment.

6. **Issue of an invoice and payment voucher by recipient of goods or service or both.**
   A registered person who is liable to pay tax under reverse charge on account of received of goods or service or both from unregistered person or such categories of goods or service, as may be notified by the Government, from a registered person, shall issue an invoice on the date of received of such goods or service or both. Such registered person shall issue a payment voucher at the time of making payment to such supplier.

7. **Invoicing in case of continuous supply of goods or service**
   (a) In case of continuous supply of goods

   Where successive statements of accounts or successive payments are involved, the tax invoice shall be issued before or at the time each such statement is issued or, as the case may be, each such payment is received.

   (b) In case of continuous supply of service

   (i) Where the due date of payment is ascertainable from the contract, the invoice shall be issued on or before the due date of payment
   (ii) 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.
   (iii) 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.

8. **Goods are sent on approval or return basis**

Where goods are sent or taken on approval for sale or return, the invoice shall be issued on acceptance of goods by the recipient or six months from the date on which such goods were sent, whichever is earlier.

9. **Revised Invoice**

A registered person may, within one 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 certificate of registration to him.

Procedural Aspects

1. Tax Invoice

(a) Format of Invoice

At the beginning it is very important to note that no separate format for invoice has been prescribed in GST Rules. Certain particulars as prescribed in GST Rules shall be present in every tax invoice issued under Goods and Service Tax. A tax invoice issued by a registered person shall contain following particulars:

i) Name, address and GSTIN of the Supplier,
ii) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters),
iii) Date of its issue,
iv) iv) Name, address, GSTIN or UIN, if registered, of the recipient,
v) Name and address of the recipient and the address of delivery, along with name of States and its code, if such recipient is unregistered and where the value of taxable supply is rupees fifty thousand or more.
vi) Place of supply (along with name of the State, in case of a supply is in the course of inter-state trade or commerce),
vii) Address of delivery, in case place of supply is different from the address of delivery
viii) HSN code of Goods or Accounting Code of services
ix) Description of goods or services
x) Quantity in case of goods and unit or unique quantity code thereof
xi) Total value of supply of goods or services or both
xii) Taxable value of supply of goods or services or both taking into account discount or abatement, if any.
xiii) Rate of tax (Central tax, State tax, Integrated tax, Union territory tax or Cess)
xiv) Amount of tax charged in respect of taxable goods or services (Central tax, State tax, Integrated tax, Union territory tax or Cess)
xv) Whether the tax is payable on reverse charge basis
xvi) Signature or digital signature of the supplier or his authorized representative.

- Where goods or services or both are received by a registered person from an unregistered person, tax invoice shall be issued by the registered recipient. In such case tax invoice shall bear signature or digital signature of the recipient or his authorized representative.

- In case of **export of goods or services**, 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.

- **Brief discussion of HSN Code and Accounting Code of services**
  HSN stands for Harmonized System of Nomenclature, was conceived and developed by the World Customs Organization. It is a six digit uniform code that classifies more than 5,000 products. India has been using HSN system since 1986 in the Central Excise and Customs. India has added another two digits to the six digits structure. Therefore, in Indian context HSN code is an eight digit uniform code. Under the Goods and Service Tax compulsory quoting of HSN code shall be based on turnover of a registered person:

Annual Turnover (Rs.)	Whether HSN code should be followed
Less than 1.5 Crores	Need not follow HSN Code
Exceeding 1.5 Crores but less than 5 Crores	First two digits of HSN code should be followed
Exceeding 5 Crores	First four digits of HSN code should be followed
Importer and Exporter	Full eight digits HSN code shall be followed

Similar to HSN codes India has adopted a service accounting code for all its services. Accounting codes for services were being followed under the erstwhile Service Tax. GST has subsumed the Service Tax. Accounting codes for services will remain the same under GST regime.

(b) **Manner of Issuing Invoice**

(i) **In case of supply of goods**

The invoice shall be issued in triplicate.

- The original copy being marked as "ORIGINAL FOR RECIPIENT"
- The duplicate copy being marked as "DUPLICATE FOR TRANSPORTER"
- The triplicate copy being marked as "TRIPLICATE FOR SUPPLIER"

(ii) **In case of supply of service**
The invoice shall be issued in duplicate.

- The original copy being marked as “ORIGINAL FOR RECIPIENT”
- The duplicate copy being marked as “DUPLICATE FOR SUPPLIER”

2. Bill of Supply
No specific format has been prescribed for Bill of Supply under Goods and Service Tax. A bill of supply shall contain following particulars:

a) Name, address and GSTIN of supplier
b) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters),
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 service or both taking into account discount or abatement, if any.
h) Signature or digital signature of the supplier or his authorized representative

- Bill of supply in respect of supply of goods shall be issued in triplicate. One copy shall be marked as “ORIGINAL FOR RECIPIENT”, One copy shall be marked as “DUPLICATE FOR TRANSPORTER” and the third copy shall be marked as “TRIPLICATE FOR SUPPLIER”
- Bill of supply in respect of supply of service shall be issued in duplicate. One copy shall be marked as “ORIGINAL FOR RECIPIENT” and second copy shall be marked as “DUPLICATE FOR SUPPLIER”

3. **Receipt Voucher**
No specific format has been prescribed for Receipt Voucher under Goods and Service Tax. A receipt voucher shall contain following particulars:

a) Name, address and GSTIN of supplier.

b) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters).

c) Date of its issue.

d) Name, address and GSTIN or UIN, if registered, of the recipient.

e) Description of goods or services or both.

f) Amount of advance taken.

g) Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess).

h) Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax 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.

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 eighteen percent.;

(ii) the nature of supply is not determinable, the same shall be treated as inter-State supply.

4. Refund Voucher

No specific format has been prescribed for Refund Voucher under Goods and Service Tax. A Refund Voucher shall contain following particulars:

(a) Name, address and GSTIN of the supplier.

(b) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters).

(c) Date of its issue.

(d) Name, address and GSTIN or UIN, if registered, of the recipient.

(e) Number and date of Receipt Voucher.

(f) Description of goods or services in respect of which refund is made.

(g) Amount of refund made.

(h) Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess).

(i) Amount of tax paid in respect of such goods or services (central tax, State tax, integrated tax, Union territory tax or cess).

(j) Whether the tax is payable on reverse charge basis.

(k) Signature or digital signature of the supplier or his authorized representative.

5. Payment Voucher

No specific format has been prescribed for Payment Voucher under Goods and Service Tax. A Payment Voucher shall contain following particulars:

(a) Name, address and GSTIN of the supplier if registered.

(b) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters).

(c) Date of its issue.

(d) Name, address and GSTIN of the recipient.

(e) Description of goods or services.

(f) Amount paid.

(g) Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess).

(h) Amount of tax payable in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax 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) Signature or digital signature of the supplier or his authorized representative.

6. Revised Tax Invoice

Where the effective date of registration is earlier than the date of issue of certificate of registration, the registered person may issue revised invoices in respect of taxable supplies for the period starting from the effective date of registration till the date of issue of registration certificate.

Provided that a registered person may issue a consolidated invoice in respect of all supplies made to an unregistered recipient during such period.

Provided that in respect of inter-state supplies, where the value of supply does not exceed two lakh fifty thousand rupees, a consolidated revised invoice may be issued separately in respect of all unregistered recipients located in a state.

Revised tax invoice shall contain following particulars:
(a) The word “Revised Invoice”, wherever applicable, indicates prominently.

(b) Name, address and GSTIN of the supplier.

(c) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters).

(d) Date of issue of the document.

(e) Name, address and GSTIN or UIN, if registered, of the recipient.

(f) Name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered.

(g) Serial number and date of the corresponding tax invoice or, as the case may be, bill of supply.

(h) 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.

(i) Signature or digital signature of the supplier or his authorized representative.

7. Delivery Challan

In the following cases goods may be transported on delivery challans:

(i) Transportation of goods for job work.
(ii) Transportation of goods for reason other than by way of supply.
(iii) Supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known.
(iv) Such other supplies as may be notified by the Board.

A delivery challan shall contain the following particulars:

(i) Name, address and GSTIN of the consignor, if registered
(ii) Name, address and GSTIN or UIN of the consignee, if registered
(iii) Date of delivery challan
(iv) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters).
(v) HSN code and description of goods
(vi) Quantity, (provisional, where the exact quantity being supplied is not known).
(vii) Taxable value.
(viii) Tax rate and tax amount – central tax, State tax, integrated tax, Union territory tax or cess, where the transportation is for supply to the consignee,
(ix) Place of supply, in case of inter- state movement
(x) Signature or digital signature of the supplier or his authorized representative.

- A delivery challan shall be issued in triplicate
  - (i) The original copy shall be marked as ORIGINAL FOR CONSIGNEE.
  - (ii) The duplicate copy shall be marked as DUPLICATE FOR TRANSPORTER.
  - (iii) The triplicate copy shall be marked as TRIPLICATE FOR CONSIGNOR.

- Where goods are being transported on a delivery challan in lieu of invoice, the same shall be declared in way – bill.

8. Transportation of goods in a semi knocked down or completely knocked down condition.

(i) The supplier shall issue the complete invoice before dispatch of the first consignment.

(ii) The supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice.

(iii) Each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice.

(iv) The original copy of the invoice shall be sent along with the last consignment.

9. Issue of Tax Invoice by an Input Service Distributor

An ISD invoice issued by an Input service distributor shall contain following particulars:

(a) Name, address and GSTIN of the Input Service Distributor.

(b) A consecutive serial number not exceeding sixteen characters unique for a financial year (may be in one or multiple series and may contain alphabet, numerals or special characters).

(b) Date of its issue.

(c) Name, address and GSTIN of the recipient to whom the credit is distributed.

(d) Amount of the credit distributed.

(f) Signature or digital signature of the Input Service Distributor or his authorized representative.