



DISCUSSION ON

- TAX INVOICE ,
- CREDIT NOTE / DEBIT NOTE ,
- DIGITAL PAYMENT AND
- E- INVOICING

PROVISIONS AND RULES

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Section 33.	Amount of tax to be indicated in tax invoice and other documents.-
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SECTION -31 – TAX INVOICE

What is a Tax Invoice ?

(66) “invoice” or “tax invoice” means the tax invoice referred to in section 31;

Tax Invoice v/s Bill of Supply

Tax invoice is required to be issued by the **registered supplier** supplying the Taxable goods (other than opted for Composition scheme) and services.



Whereas when the registered supplier is engaged in non taxable goods and/or Services or paying tax under the **composition scheme**, then supplier is required to issue **Bill of Supply**.

SECTION -31 – TAX INVOICE

(1) A registered person supplying taxable goods shall, before or at the time of,-

(a) **removal of goods** for supply to the recipient, where the 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 Government may, on the recommendations of the Council, by notification, specify the categories of goods or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed.

SECTION -31 – TAX INVOICE



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

¹[**Provided** that the Government may, on the recommendations of the Council, by notification,-

(a) specify the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed;

(b) subject to the condition mentioned therein, specify the categories of services in respect of which-

- (i) any other document issued in relation to the supply shall be deemed to be a tax invoice; or
- (ii) **tax invoice may not be issued.**]

RULE -47 TIME OF ISSUE OF TAX INVOICE -SERVICE



(i) **before** the provision of services; or

(ii) after the provision of services but **within 30 days (or 45 days insurer / banking company / financial institution, including a NBFC)** from the date of supply of the service; or

(iii) **before or at the time**, the supplier records the supplies in his books of account or **before the expiry of the quarter** during which the supply was made, in case of supply of taxable services between distinct person by an **insurer or a banking company or a financial institution, a NBFC, or a telecom operator, or any other class** of supplier of services as may be notified by the Government on the recommendations of the Council. *No such notification has been issued so far.*

(iv) an insurer / banking company / financial institution, including a NBFC may issue an invoice or any other document in lieu thereof.

Section 31(3) SELF INVOICING – REVERSE CHARGE



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

SEC. 31(4) & (5) - CONTINUOUS SUPPLY OF SERVICES

5) Subject to the provisions of clause (d) of sub-section (3), 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.

****Supply of services ceases under a contract before the completion – tax invoice should be issued at the time when the supply ceases**



TIME LIMIT FOR ISSUE OF TAX INVOICE



Continuous supply of services

- **Thirty (30) days** from the date when each payment event specified in the contract or before

Banking company or a Financial institution including a NBFC

- **Forty five (45) days** from the date of supply of service or before

All others Service Suppliers

- **Thirty (30) days** from the date of supply of service or before

In case of Supply of Goods

- **At the time** of removal or before supply
- Making Available

In case of RCM 9(3) & 9(4)

- **At the time of receipt of goods and service**

RULE -46 CONTENT OF TAX INVOICE

There are **specific information/content** mandatory required for Tax invoice, which are all listed below. Supplier can include any other details if needed over and above these mandatory required.

For Bill of supply (BOS) all the content of Tax invoice is not required, only some **essential 8 points** are needed which are marked in **column no-3 as BOS**. These exclusions are calculation of tax and related details, noticeably not required in BOS as the same is for Non taxable or for Composition levy.



1.	Name, address and GSTIN of the supplier	BOS
2.	Date of its issue * (not preparation)	BOS
3.	Consecutive serial number containing only alphabets and/or numerals, (unique for a financial year)	BOS

RULE -46 CONTENT OF TAX INVOICE



4.	<u>if Registered recipient :-</u> •Name of Recipient •Address of Recipient •GSTIN/ Unique ID Number,	<u>If unregistered and taxable supply is 50,000 rupees or more; ** (E-Com , OIDR Service) - (Pin code , State ,without any Limit)</u> • Name of the recipient • Address of the recipient • Address of delivery (with Name of State & Code of State mentioned)	BOS
5.	<u>If Goods / Services</u> – HSN Code **		BOS
6.	Description of goods or services		BOS
7.	Quantity and Unit/Unique Quantity Code (in case of goods)		
8.	Total value of goods or services		BOS
9.	Taxable value of goods or services (taking into account discount or abatement)		
10.	Rate of tax (CGST, SGST or IGST)		

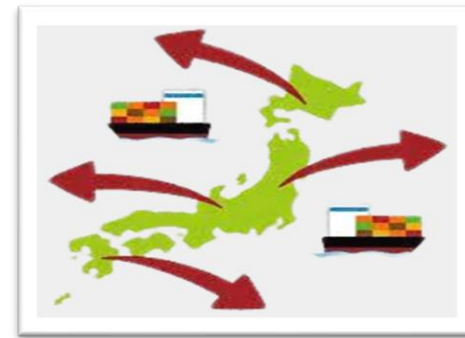
RULE -46 CONTENT OF TAX INVOICE



11.	Amount of tax charged in respect of taxable goods or services (CGST, SGST or IGST)	
12.	Place of supply along with the name of State (in case of a supply in the course of inter-State trade or commerce)	
13.	Place of delivery (where the same is different from the place of supply)	
14.	Whether the tax is payable on Reverse charge	
15.	The word “ Revised Invoice ” or “ Supplementary Invoice ”, indicated prominently, where applicable (Along with the date and invoice number of the original invoice)	
16.	Signature or Digital signature of the supplier or his Authorized representative * (In case of E-invoice not required)	BOS
17.	Quick Response code , having embedded Invoice Reference Number (IRN) in it, in case invoice has been issued in the manner prescribed under sub-rule (4) of <u>rule 48</u>]	

RULE -46 ADDITIONAL REQUIRMENT IN CASE OF EXPORT

In case of Exports / Zero rated Supply , the invoice shall carry an endorsement and details in lieu of the details mentioned in **serial no 4 of Para B above**. The same has been listed in the table below.



1.	Endorsement “Supply meant for Export Or to SEZ UNIT OR to SEZ DEVELOPER on payment of IGST ” or	“SUPPLY meant for Export Or to SEZ UNIT OR to SEZ DEVELOPER under Bond without payment of IGST ”
2.	Name and Address of the recipient	
3.	Address of Delivery	
4.	Name of the Country of Destination	

DECLARATION OF E-INVOCING IN TAX INVOICE



A declaration as below, that **invoice is not required** to be issued in the manner specified under sub-rule (4) of rule 48, in all cases where an invoice is issued, other than in the manner so specified under the said sub-rule (4) of rule 48, by the taxpayer having aggregate turnover in any preceding financial year from 2017-18 onwards more than the aggregate turnover as notified under the said sub-rule (4) of rule 48-



"I/We hereby declare that though our aggregate turnover in any preceding financial year from 2017-18 onwards is more than the aggregate turnover notified under sub-rule (4) of rule 48, **we are not required to prepare an invoice in terms of the provisions of the said sub-rule.**"

The Board may, on the recommendations of the Council, by notification, specify-



- (i) the number of digits of Harmonised System of Nomenclature code for goods or services that a class of registered persons shall be required to mention; or
- (ii) a class of supply of goods or services for which specified number of digits of Harmonised System of Nomenclature code shall be required to be mentioned by all registered taxpayers; and
- (iii) the class of registered persons that would not be required to mention the Harmonised System of Nomenclature code for goods or services:]

As per the **Notification No. 78/2020 – Central Tax dated 15th October, 2020**, it is mandatory for the **taxpayers to mention 6-digit HSN Codes for their outward supplies having AATO more than Rs 5 Crores**. After a few weeks of time , e-Invoice System will not accept 4-digit HSN codes.

The date for blocking e-Invoice generation having HSN code as 4-digits will be intimated shortly in this portal.

You may verify all your HSN codes in the (<https://einvoice1.gst.gov.in>) portal under Search->Master->HSN Codes and also test in the sandbox system (<https://einv-apisandbox.nic.in>).

In case the 6 digit HSN code is not available, you may raise a ticket at Helpdesk so that it can be included in the system.

A registered person ⁵[other than the supplier engaged in making supply of services by way of admission to exhibition of cinematograph films in multiplex screens,] may not issue a tax invoice in accordance with the provisions of clause (b) of sub-section (3) of section 31 subject to the 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.



RULE 46A. INVOICE-CUM-BILL OF SUPPLY.

Tax Invoice	Bill of Supply
Registered Supplier	Registered Supplier
For Taxable goods and/or services	For Non-Taxable goods and/or services
Cannot be issued by supplier opted composition scheme.	Supplier opted for composition scheme can issue Bill of Supply

- ☐ Notwithstanding anything contained in rule 46 or rule 49 or rule 54, where a registered person is supplying **taxable as well as exempted goods or services or both** to an unregistered person, a single **"invoice-cum-bill of supply"** may be issued for all such supplies.]
- ☐ ²[**Provided** that the said single “invoice-cum-bill of supply” shall contain the particulars as specified under rule 46 or rule 54, as the case may be, and rule 49.]

RULE 48. MANNER OF ISSUE OF TAX INVOICE

I. No of Copies

GOODS	SERVICES
a). The Original copy being marked as ORIGINAL FOR RECIPIENT. b). The Duplicate copy being marked as DUPLICATE FOR TRANSPORTER. c). The Triplicate copy being marked as TRIPLICATE FOR SUPPLIER.	a). The Original copy being marked as ORIGINAL FOR RECEIPT. b). The Duplicate copy being marked as DUPLICATE FOR SUPPLIER.

- The serial number of invoices issued during a tax period shall be furnished electronically through the common portal in **FORM GSTR-1** .
- **Note : Requirement of no of copies of invoices as stated above will not be applicable in cases where E-invoicing is applicable.**

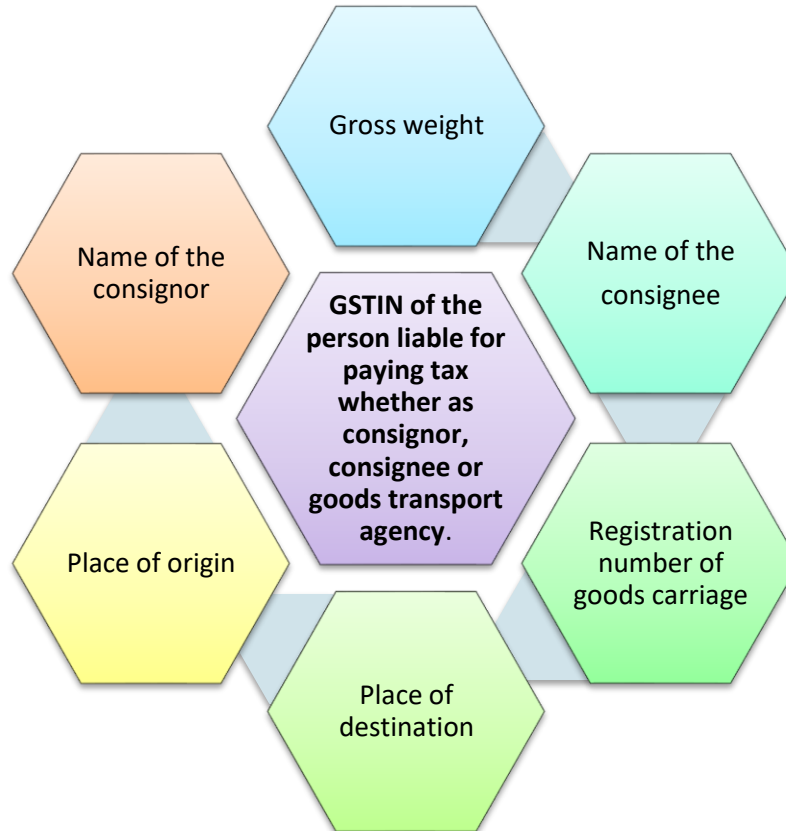
RULE 54. TAX INVOICE IN SPECIAL CASES.

Sl. No.	Class of supplier of taxable services	Nature of Document	Optional	Mandatory
1.	Insurer, Banking Company, Financial Institution and NBFC*- Rule 54(2)	Consolidated tax invoice or any other similar document at the end of the month for services supplied during the month.	a. Serial no. b. Address of The recipient of Services	All particulars as specified in rule 46 other than that specified in 'Optional' column. [Signature or digital signature of the supplier or his authorised representative not required.]

RULE 54. TAX INVOICE IN SPECIAL CASES.

Sl. No.	Class of supplier of taxable services	Nature of Document	Optional	Mandatory
2.	Goods transport agency (GTA) transporting goods by road- Rule 54(3)	Tax invoice or any other similar Document	None	In addition to those cited in rule 46; a. Gross weight of consignment; b. Name of the consignor and consignee; c. Regn. No. of vehicle; d. Details of goods transported; e. Details of place of origin and destination; f. GSTIN of the person liable to pay tax whether as consignor / consignee / GTA.

RULE 54. TAX INVOICE IN SPECIAL CASES.



RULE 54. TAX INVOICE IN SPECIAL CASES.

Sl. No.	Class of supplier of taxable services	Nature of Document	Optional	Mandatory
3.	Passenger transport agency*-Rule 54(4)	Tax invoice or ticket	a. Serial no. b. Address of the recipient of services	a. Serial no. b. Address of the recipient of services [Signature or digital signature of supplier or his authorised representative not required].

RULE 54. TAX INVOICE IN SPECIAL CASES.

Sl. No.	Class of supplier of taxable services	Nature of Document	Optional	Mandatory
4.	Exhibitor of cinematographic films in multiplex screens- Rule 54(4A)]	Electronic ticket	Details of the recipient of Service	All particulars as specified in rule 46 other than that specified in 'Optional' column Issue of electronic ticket optional for Supplier of such service in a screen other than multiplex Screen

** Equally applicable to the following documents: Bill of supply, receipt voucher, refund voucher, payment voucher, revised tax invoice and debit or credit notes- Rule 54(5)*

RULE 54. TAX INVOICE IN SPECIAL CASES.

Tax invoice issued by the ISD is to evidently state **Name, Address and GSTIN** of the supplier of services, the **credit in respect of which is being distributed** and the **Serial number and Date of invoice** issued by such supplier -

The content of the Invoice for ISD are as follows :-



1.	Name, Address and GSTIN of the Input Service Distributor
2.	A Consecutive serial number containing only alphabets and/or numerals (unique for a financial year)
3.	Date of its issue
4.	Name, Address and GSTIN of the Supplier of services , the credit in respect of which is being distributed and the Serial number and Date of invoice issued by such supplier
5.	Name, address and GSTIN of the recipient to whom the credit is distributed
6.	Amount of the credit distributed
7.	Signature or digital signature of the supplier or his authorized representative

***If banking company or a financial institution including a NBFC, A tax invoice shall include any document in lieu thereof, by whatever name called must have content/information stated above.**

GST E-INVOICE



E-INVOICE

What is E – Invoice?

As per Rule 48(4), the invoice shall be prepared by including such particulars contained in **FORM GST INV-01 after obtaining an Invoice Reference Number by uploading information contained therein on the Common Goods and Services Tax** Electronic Portal in such manner and subject to such conditions and restrictions as may be specified in the notification.

E-invoice will be invoice with the entire requirement as per rule 46 and will have invoice reference number generated from Common Goods and Services Tax Electronic Portal as per rule 48(4).

Which class of registered person is notified in terms of sub-rule (4) of rule 48 for generation of E-Invoice?

Registered person, whose aggregate turnover in ²[*any preceding financial year from 2017-18 onwards*] **exceeds** ³[*ten crore rupees*] [~~“twenty crore rupees”~~], as a class of registered person who shall **prepare invoice and other prescribed documents, in terms of sub-rule (4) of rule 48** of the said rules in respect of **supply of goods or services** or both to a registered person ⁴[*or for Exports*].

	Turnover Limit	Effective Date
1.	500 Cr and above	01-10-2020
2.	100 Cr and Above	01-01-2021
3.	50 Cr and above	01-04-2021
4.	20 Cr and above	01-04-2022
5.	10 Cr and above	01-10-2022

How to calculate turnover for –E-invoicing?

Turnover will be calculated as under –

- ☐ Regular Taxable sales
- ☐ Add: Interstate turnover of Branches
- ☐ Add : Exempted turnover
- ☐ Add : Export turnover

Inward supply labile for RCM will not be considered in turnover .

GST Charged on invoice will not form part of Turnover.

"aggregate turnover" means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and cess;

Which class of registered person is exempted from issue of E-Invoice even if there turnover crosses the turnover limit -

- ☐ *A government department, a local authority,*
- ☐ *A Special Economic Zone unit*

- ☐ An insurer or a banking company or a financial institution, including a non-banking financial company
- ☐ Goods transport agency supplying services in relation to transportation of goods by road
- ☐ Supplying passenger transportation service,
- ☐ Supplying services by way of admission to exhibition of cinematograph films in multiplex screens

Issuance of E-invoice is mandatory for all transaction with registered , unregistered and even for export ?

- ☐ E-invoice is required to be generated for transaction with registered receivers (B2B) & Exports transactions.
- ☐ E-invoice is not required for transaction with unregistered receivers (B2C).

Issuance of E-invoice is mandatory for exempted / Nil rated supply ?

- ☐ E-invoice is required to be generated where tax invoice is required to be issued , if the supply is of exempted / nil rated than bill of supply will be issued and there will be no requirement for E-Invoice. However if there is supply of both taxable as well as nil rated in a single invoice, than E-invoice will be needed.

What documents are presently covered under e -invoicing?

Invoices

Credit Notes

Debit Notes,

when issued by notified class of taxpayers (to registered persons (B2B) or for the purpose of Exports) are currently covered under e-invoice.

Though different documents are covered, for ease of reference and understanding, the system is referred as 'e-invoicing'.

What will happen if the notified category doesn't generate E-Invoice or create invoice without Invoice reference number generated from portal?

As per Rule 48(5), every invoice issued by a person to whom sub-rule (4) applies in any manner other than the manner specified in the said sub-rule shall **not be treated as an invoice**.

All the consequence of supply **without generating invoice** may apply like penalty under section 122(1), detention under section 129 (E-way Bill)etc.

Even receiver may have problem in taking input tax credit (ITC) , since it will not be considered as invoice.

What is IRN ? Invoice Reference Number (IRN)

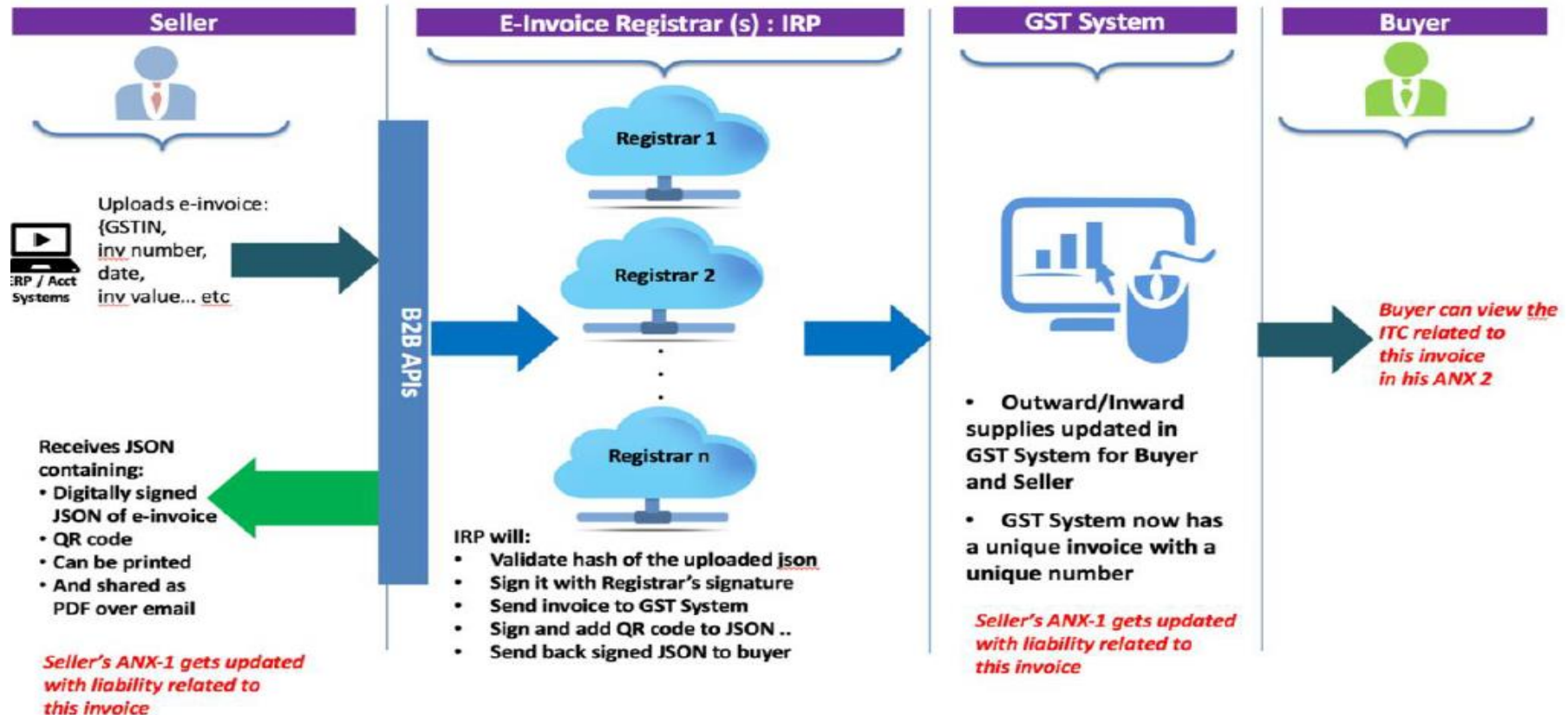
The Invoice Reference Number (IRN) is a unique number (also known as hash) generated by the e-invoice system **using a hash generation algorithm.** For every document such as an invoice or debit or credit note to be submitted on the e-invoice system, **a unique 64 character invoice reference number shall be generated.**

What is QR Code ?

E-invoice system will generate a unique 64 character length Invoice Reference Number (IRN) and digitally sign the e-invoice and the QR code (Quick response Code). The QR code will enable quick view, validation and access of the invoices from the GST system from hand held devices.

The digitally sign QR code will have a unique IRN (hash) **which can be verified on the central portal** as well as by **an Offline App by officer.**

What will be the workflow involved?



What is the official website notified for the generation of E-Invoice?

As per notification no 69/2019 – Central Tax dated 13th December 2019 , the Common Goods and Services Tax Electronic Portal for the purpose of preparation of the invoice in terms of sub-rule(4) of rule 48 of the aforesaid rules, namely:-

(i) www.einvoice1.gst.gov.in;

(ii) www.einvoice2.gst.gov.in;

(iii) www.einvoice3.gst.gov.in;

(iv) www.einvoice4.gst.gov.in;

(v) www.einvoice5.gst.gov.in;

(vi) www.einvoice6.gst.gov.in;

(vii) www.einvoice7.gst.gov.in;

(viii) www.einvoice8.gst.gov.in;

(ix) www.einvoice9.gst.gov.in;

(x) www.einvoice10.gst.gov.in.

How to Search E-invoice Status of tax payer?

One can search the status of enablement of a GSTIN on e-invoice portal: <https://einvoice1.gst.gov.in/> > **Search** > e-invoice status of taxpayer



Status of E-Invoice enablement of Taxpayer

[* indicates mandatory fields]

GSTIN:* :



ENTER ABOVE CAPTCHA

How many copies of E-invoice need to be issued?

The invoice shall be prepared in triplicate as per rule 48(1), in the case of supply of goods and in duplicate copy as per rule 48(2), in the case of supply of services.

However the rule 48(6) says that, the provisions of sub-rules (1) and (2) **shall not apply to an invoice prepared** in the manner specified in sub-rule (4) i.e. to E-invoice.

What time the E-invoice will be generated?

There will be no change in the timing of generation E-invoice; it will be same as per section 31. For goods the time of generation of invoice will be, before or at the time of removal of goods / delivery of goods etc. and for service before or after the provision of service within prescribed period as per section 31(2).

What are the content required to be uploaded in Common Goods and Services Tax Electronic Portal for generating E –Invoice?

For generating the invoice reference number the content as asked in the form GST INV-01 form need to be uploaded in the Common Goods and Services Tax Electronic Portal are as follows :

☐ **Details of Supplier (details which will be auto populated)**

GSTIN, Legal name, Trade name, Address

☐ **Date & Serial number of Invoice**

☐ **Details of Supplier & Consignee**

CONTENT REQUIRED TO BE UPLOADED IN E-INVOICE PORTAL

Details of Recipient (Billed to)	Details of Consignee (Shipped to)
GSTIN or UIN, if available	
Name	
Address	
State (name and code)	

☐ Type of Supply

Type of supply –	
B to B supply	
B to C supply	
Attracts Reverse Charge	
Attracts TCS	GSTIN of operator
Attracts TDS	GSTIN of TDS Authority
Export	
Supplies made to SEZ	
Deemed export	

CONTENT REQUIRED TO BE UPLOADED IN E-INVOICE PORTAL

Sl. No	Description of Goods	HS N	Qty	Unit	Price (per unit)	Total value	Discount	Taxable Value (If any)	Central tax		State or Union territory tax		Integrated tax		Cess	
									Rate	Amt	Rate	Amt	Rate	Amt	Rate	Amt
	Freight															
	Insurance															
	Packing and Forwarding Charges etc.															
Total																
Total Invoice Value (In figure)																
Total Invoice Value (In Words)																

Print Exit



IRN : 40[REDACTED] Ack. No : 15100001091 Ack. Date : 2019-12-21 15:38:00

e-Com GSTIN : ████████████████████ Transaction Type : Regular

Document No : Doc-123/456 **Document Date :** 2019-12-21

Seller GSTIN : 51000100001 HOLLY HOCK INVESTMENT PRIVATE LIMITED Plot No.29-30 Bir-Sirsa Road 3rd Floor Kurnool 518001 ANDHRA PRADESH 9960166444 info@hollymed.com	Purchaser GSTIN : 19000000000 PRAKASH ROADLINK PRIVATE LIMITED 31 GHS 3RD FLOOR KOLKATA 700005 WEST BENGAL 9861661981 satyajit@hollymed.com
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Product Name	Product Description	HSN Code	Quantity	Unit	Unit Price(Rs)	Taxable Amount(Rs)	Tax Rate (C+S+I+CESS Cess Non.Advol+ State Cess)	Total
SWEDES, MANGOLDS,	SWEDES, MANGOLDS,	12141000	1200	box	5000	6000000	0+0+3.000+5.000+1200+1200	6781200.00

Tax'ble Value	CGST Amt	SGST Amt	IGST Amt	CESS Amt	State CESS Amt	CESS Non.Advol Amt	Discount	Other Charges	Total Inv. Amt
6000000.00	0.00	0.00	180000.00	300000.00	300000.00	1200.00	0	0	6781200.00

Print Date: 2019-12-21 15:43:34

Can a E-invoice generated be deleted or cancelled?

- The invoice reference number once generated cannot be deleted.
- However, it can be cancelled by the generator within 24 hours of generation.



DELIVERY CHALLAN

**Rule 55. TRANSPORTATION OF GOODS
WITHOUT ISSUE OF INVOICE.**

❑ DELIVERY CHALLAN

(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 sixteen characters, in one or multiple series, in lieu of invoice at the time of removal of goods for transportation, containing the following details, namely:-



❑ DELIVERY CHALLAN

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

- (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 CONSIGNER.



(3) Where goods are being transported on a delivery challan in lieu of invoice, the same shall be declared as specified in **rule 138. (E-way Bill)**

(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. (Line sales)**

❑ DELIVERY CHALLAN

(5) Where the goods are being transported in a semi knocked down or completely knocked down condition ¹[or in batches or lots] -

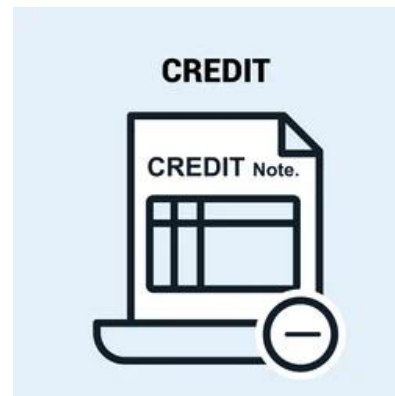
(a) the supplier shall issue the **complete invoice** before dispatch of the **first consignment**;

(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**.





SECTION 34. CREDIT AND DEBIT NOTES

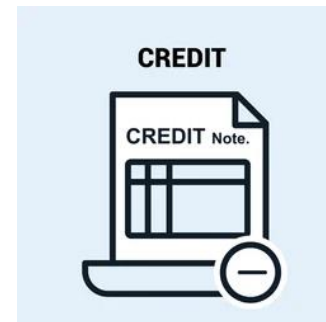
CREDIT NOTES

((1) ¹[Where one or more tax invoices have] 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 ²[one or more credit notes for supplies made in a financial year] containing such particulars as may be **prescribed**.

CREDIT NOTES

(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 ³**[the thirtieth day of November]** 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.**



DEBIT NOTES

(3) Where one or more tax invoices have 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 [one or more debit notes for supplies made in a financial year] 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**.

RULE -53 CREDIT AND DEBIT NOTES



CREDIT NOTES / DEBIT NOTES

SR.	Information / Content
1.	Name, Address and GSTIN of the supplier
2.	Nature of the document;
3.	Consecutive serial number containing only alphabets and/or numerals, unique for a financial year;
4.	Date of issue of the document
5.	Name, Address and GSTIN/ Unique ID Number of the recipient (if registered)
6.	Name and Address of recipient & Address of delivery (with Name and Code of State) (if unregistered)
7.	Serial number and Date of the corresponding tax invoice or bill of supply**
8.	Taxable value of goods or services, Rate of tax and the Amount of the tax credited or debited to the recipient thereof
9.	Signature or Digital signature of the supplier or his Authorized representative

Dynamic QR Code



SECTION 31A. FACILITY OF DIGITAL PAYMENT TO RECIPIENT

SECTION 32. PROHIBITION OF UNAUTHORISED COLLECTION OF TAX

- ❑ The Government may, on the recommendations of the Council, prescribe a class of registered persons who shall provide prescribed modes of electronic payment to the recipient of supply of goods or services or both made by him and give option to such recipient to make payment accordingly, in such manner and subject to such conditions and restrictions, as may be prescribed.]

Dynamic QR Code



- ❑ 1. Inserted by s. 96 of The Finance (No. 2) Act, 2019 (No. 23 of 2019) - Brought into force w.e.f. 1st January, 2020 vide Notification No. 1/2020-C.T., dated 1st January, 2020.

- ❑ **CBIC vide Notification No. 14/2020-Central Tax** directs all taxpayers with an annual turnover of **more than Rs.500 crore in any preceding financial year** (starting from 2017-18) to compulsorily generate a **Dynamic QR code** on their B2C invoices from 1st December 2020.



- (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.



Thank You

CA RAMANDEEP SINGH BHATIA

It may be noted that nothing contained in this publication should be regarded as our opinion and facts of each case will need to be analysed to ascertain applicability or otherwise of the topics covered in this publication. Appropriate professional advice should be sought for applicability of legal provisions based on specific facts. We are not responsible for any liability arising from any statements or errors contained in this publication.

