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Unit II

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Registration

* Person liable for registration -

1) Every supplier shall be liable to be registered under the act in the state or UT other than special category state from where he makes taxable supply of G/S if his aggregate turnover exceeds ₹ 20 lakh.

If such person makes taxable supply of G/S from any special category state then he shall be liable for registration if his aggregate turnover exceeds ₹ 10 lakh.

2) If a business is carried on by taxable person registered under the act is transferred to another person than the transferee is liable to get himself registered.

* Compulsory Registration -

Following categories of person are required to get them registered :-

- 1) Person making interstate supply (taxable).
- 2) Baseline taxable person making taxable supply.
- 3) Person who are required to pay tax under reverse charge.
- 4) Non-Resident Taxable Person Making Taxable Supply
- 5) Person who are required to deduct tax.

6) Import service distributor.

* Voluntary Registration -

A person who are not liable for registration may get himself a registered voluntary.

* Deemed Registration -

The grant of registration or unique identity number shall be deemed to be grant of registration subject to the condition that application has not been rejected.

* Suo - Moto By Proper Officer -

Where pursuing to any survey, inquiry, inspection, the proper officer finds that a person liable for registration has failed to apply for registration. Such officer may register the said person on temporary basis & issue an order.

* Person Not Liable For Registration -

- 1) Any person engaged in the business of supply of G/s that are not liable to tax or wholly exempted from tax.
- 2) An agriculturist to the extent of supply of produce out of cultivation of land.
- 3) Govt. by notification specified categories of person

who are exempted from registration.

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Procedure For Registration

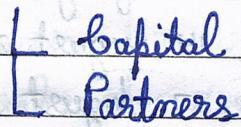
- 1) Every person who is liable for registration shall apply for registration in every state or UT in which he is liable within 30 days.
- 2) A person seeking registration shall be granted single registration in a state or UT, but if a person is having multiple business verticals he may be granted separate registration for each business vertical.
- 3) A person who has obtained more than one registration shall be treated as distinct person in respect of each registration.
- 4) Every person should have PAN in order to be eligible for registration.
- 5) If a person liable for registration fails to obtain registration the proper officer may get him registered under the law for the time being in force.

* Rules Related to Registration Procedure -

- 1) Application for registration - Rule 8
- 2) Verification of application & approval - Rule 9
- 3) Issue of Registration Certificate - Rule 10

* Amendment of Registration Certificate (Changes)

Loss - New (registration)



* Cancellation of Certificate Registration -

* Time Of Supply -

* Time of supply of goods -

The liability to pay tax on goods shall arise at the time of supply.

1) Determination of time of supply in case of Normal supply of goods :-

Time of supply shall be earlier from the following Dates -

- i) Date of issue of invoice by the supplier
- ii) Last Date on which supplier is required to issue invoice.

iii) The date of which supplier receives payment with respect to supply, [not applicable from 15 November 2017].

a) When supply involves movement of goods:-

~~Q.~~ From the following information determine the time of supply in each case if supply involve movement of goods.

Date of Invoice	Date of Removal of goods <small>or last date of issue of invoice</small>	Date of Receipt of Payment
24 August 2017	14 August 2017	18 September 2017
14 August 2017	17 August 2017	10 September 2017
18 August 2017	20 August 2017	17 August 2017

Soln	Date of Invoice	Date of Removal of goods	Date of Receipt of Payment	Time of Supply
	24 Aug. 2017	14 August 2017	18 September 2017	14 August 2017
	14 Aug. 2017	17 August 2017	10 September 2017	14 August 2017
	18 Aug. 2017	20 August 2017	17 August 2017	17 August 2017

Q. Determine the time of supply :-

Date of invoice	Date of Removal of goods	Date on which goods are available to recipient	Date of Receipt of Payment	Time of Supply
25 Apr. 2018	19 April 2018	25 April 2018	25 April 2018	19 April 2018
9 Ap. 2018	19 April 2018	25 April 2018	-	09 April 2018
29 Ap. 2018	09 May 2018	13 May 2018	29 April 2018	29 April 2018

Q: Determine the time of supply :-

Date of Removal of Goods	Date of issue of invoice	Last Date of issue of supply	Time of Supply
29 Oct 2017	29 Oct 2017	29 Oct 2017	29 October 2017
29 Oct 2017	02 Nov 2017	29 Oct 2017	29 October 2017
29 Oct 2017	29 Oct 2017	29 Oct 2017	29 October 2017

Date of Removal of Goods	Last date of issue of invoice	Date on which invoice is issued	Date of Receipt of Payment	Time of Supply
28 March 2018	28 March 2018	28 March 2018	30 March 2018	28 March 2018
28 March 2018	28 March 2018	28 Feb. 2018	30 March 2018	28 Feb. 2018
28 March 2018	28 March 2018	28 Jan. 2018	27 March 2018	28 Jan. 2018

(b) When supply of goods does not require movement of goods -

Time of supply shall be earliest of 3:-

- (i) Date of issue or supply
- (ii) Date on which goods are made available of to recipient.
- (iii) Date of Payment.

Dates	Particular
18 May 2018	Purchase Order with advance of ₹ 80,000 is received for goods worth ₹ 80,00,000 & entry duly made in the sellers books of a/c.

~~19 June 2018~~

The machine is assembled, tested at workshop & accepted by buyer

~~22 June 2018~~

Invoice Raise

~~3 July 2018~~

Balance Payment of 9,20,000 received.

Solⁿ Time of Supply - 19 June 2018

Normal Supply

(15 Nov. 17)

Receipt of
Payment

Involves
Movement of
goods

Doesn't involve
movement of
goods

Date of
Removal of
goods

Last Date of
Invoice

Date of
invoice

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Determination of Time of Supply in case of
Continuous supply of goods :-

Time of supply shall be earliest of the following -

- i) Date of issue of successive statement of a/c.
- ii) Date of issue of # invoice
- iii) Date of payment.

a. Gas is supplied by pipeline by a gas company to its customer monthly payment are made by the recipient of gas as per the contract every quarter invoice the issue by the supplier supported by the statement of goods is dispatch & payment made & recipient has to pay the goods, the differential amt. if any after issuing of invoice the details for quarter ending 30th September 2017.

Dates

Particulars

5 August 2017
5 September 2017
6 October 2017

Payment of 3 lakh made in each month

October 3 2017

Statement of a/c issued by supplier with invoice for the quarter July to September.

October 19 2017

Differential payment of 84,000 received by supplier for the quarter July - Sept. as per statement of A/cs.

Sol'n3rd October 2017

Payment

August

September

October 6

Last Date / Final date of payment is to be taken

Invoice - 3 Oct
Statement - 19 Oct

Whichever is earlier.

<u>a.</u> Date of Issue of Invoice	Date of Removal of goods or Last date of issue of invoice	Date of issue of statement	Date of Receipt of payment of a/c/s
1 November 2017	15 Oct 2017 & 25 Oct 2017	5 Nov. 2017	1 Nov 2017
11 Dec. 2017	8 Nov 2017 & 30 Nov 2017	5 Dec. 2017	11 Dec 2017
6 Jan 2018	14 Dec 2017 & 23 Dec 2017	8 Jan. 2018	1 Jan 2018

Soln Time of Supply

1 November 2017

5 after Dec 2017

Stone done on 1 Jan 2018

Continuous Supply

Issue of Monthly Payment Statement

Invoice

of A/cs

3) Determination of time of supply in case of reverse charge mechanism :-

Time shall be the earliest of the following -

- i) Date of receipt of goods
- ii) Date of Payment entered in books of a/cs.
- iii) Or Date of Payment which is ~~debt to~~ bank a/c.
- iv) Or Date the day immediately following 30 days from the date of issue of invoice is the Date of 31st Day.

2018 10 March

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Q. X an unregistered dealer supply goods to Y a registered dealer. Y is liable to pay tax on reverse charge basis mechanism -

~~This is not counted while comparison~~

Date of issue of invoice	Removal of goods	Date of issue of statement of a/c/s	Date of receipt of Payment	Time of Supply
18 Oct 2017	18 Oct 2017	20 Oct 2017	22 Oct 2017	18 Oct 2017
23 Oct 2017	23 Oct 2017	20 Oct 2017	22 Oct 2017	20 Oct 2017
18 Oct 2017	18 Dec 2017	13 Dec 2017	15 Dec 2017	18 Oct 2017

Soln

W.N. :-

Date of issue of invoice	31 st day from invoice Date
18 Oct 2017	18 Nov 2017
23 Oct 2017	23 Nov 2017
18 Oct 2017	18 Nov 2017

Q.

Date of Receipt of goods	Date of issue of invoice	Date of payment which is entered in book of a/c	Date of payment which is debt to Bank a/c	Time of Supply
29 March 2018	25 March 2018	3 April 2018	5 April 2018	29 March 2018
10 April 2018	25 March 2018	6 April 2018	8 April 2018	6 April 2018
10 April 2018	25 March 2018	8 April 2018	6 April 2018	6 April 2018
10 May 2018	25 March 2018	15 May 2018	18 May 2018	25 May 2018
23 April 2018	25 March 2018			23 April 2018

Soln

W.N. :-

Date of issue of invoice	31 st Day from invoice Date
25 March 2018	25 April 2018
25 March 2018	25 April 2018
25 March 2018	25 April 2018
25 March 2018	25 April 2018
25 March 2018	25 April 2018

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4) Time of Supply on the basis of Sales or Return :-

Time of supply shall be earliest of the following:-

- Date of issue of invoice
- Date of receipt of payment (applicable upto 13 Oct 2017)

* Provision in relation to issue of invoice by the supplier -

- Invoice is required to be issued at the earlier of following
 - Before or at the time of supply.
 - 6 months from the date of removal of goods from the suppliers place.

Q. A has supplied goods to B on sales or return basis :-

Removal of goods	Issue of Invoice	Accepted by Receiptent	Receipt of Payment	Time of Supply
1 Sept 2017	15 Sept 2017	15 Sept 2017	25 Sept 2017	15 Sept 2017
1 Sept 2017	15 Sept 2017	15 Sept 2017	12 Sept 2017	12 Sept 2017
1 Oct 2017	15 May 2018	15 May 2018	2 May 2018	1 April 2018

Soln: Removal of goods - 1 Oct 2017 (in 3rd case)
↓ 6 Months

1 April 2018.

(Removal of goods) (Issue of invoice)
Comparing 1 April 2018 & 15 May 2018

(whichever is earlier)

5>

Determination of time of supply in case of supply by vouchers :-

Time of supply shall be -

- Date of issue of voucher if supply is identifiable at that point.
- Date of redemption of voucher in all other cases.

Q:

PQR Ltd Purchased from its employes 80 vouchers Dated 16-10-2017 worth ₹ 500 from RST Ltd a readymade garment manufacturer. RST Ltd issued voucher on 18 Oct 2017, the voucher can be incashed at retail showroom of RST Ltd at any time within 10 days from the date of issue. The employes incashed these vouchers on 24 Oct 2017. Determine the time of supply?

Soln

Time of Supply - 18 Oct 2017. (because the supply is unidentified).

* Time Of Supply Of Services -

1) Determination of Time of Supply in case of Normal Supply :-

Time of supply shall be -

- If invoice has been issued within the period prescribed then time of supply shall be earlier of the 2 dates : -
 - Date of issue of invoice by the supplier.
 - Date of receipt of payment by the supplier of services.

ii) If invoice has not been issued within the period prescribed, time of supply shall be earlier of the 2 dates:-

- (a) Date of provision of service by the service provider
- (b) Date of receipt of payment by the supplier of service.

iii) In case where above provision does not apply, time of supply shall be:-

- (a) Date on which recipient shows the receipt of services in his books of a/c's.

Note:- Time limit of issue of invoice by supplier:-

- 1) In case of ordinary service provider - 30 days
- 2) In case of specified service provider - 45 days

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Q. Ram approaches Mohan who is a CA for filing of return of income. Mohan files income tax return of Ram on 28th May 2018. Determine the time of supply in different situations.

Date of Provision of Service	Date of issue of invoice	Last Date for issue of invoice	Date on which payment is entered in the books of account	Date on which payment is credited in the bank a/c	Time Supply
28 May 2018	29 May 2018	27 June 2018	30 May 2018	31 May 2018	29 May 2018
28 May 2018	1 June 2018	27 June 2018	30 May 2018	31 May 2018	30 May 2018
27 June ^{30th day}	28 May 2018	4 July 2018	27 June 2018	9 July 2018	11 July 2018

Sol'n In 3rd case date of issue of invoice is more than 30 days from Date of Provision of Service (i.e. 4 July is more than 30 days from 28 May). Therefore, we will compare provision of service with date of receipt of payment in this case.

Q: From the following information determine the time of supply :-

Date of Completion of Service.	Date of issue of invoice.	Date of Receipt of Payment	Time of Supply.
10 May 2018	30 May 2018	15 May 2018 (Part)	15 May 2018
10 May 2018	12 June 2018	12 May 2018	10 May 2018
10 May 2018 ↓ 30 days 9 May	12 June 2018	5 May 2018 (Part) 25 June 2018 (Remaining)	5 May 2018 10 May 2018

Soln: In both 2nd & 3rd case date of issue of invoice is more than 30 days from date of completion of service. Therefore, date of service & date of payment are compared in this case.

Q: The detail of services provided by a insurance company :- (specified service provider - 45 Days)

Customer	Date of Completion of Service	Date of issue of payment	Date of Receipt of payment	Time of Supply
A	30 April 2018	8 June 2018	28 May 2018	28 May 2018
B	30 April 2018	8 June 2018	28 June 2018	8 June 2018
C	30 April 2018 ↓ 45 th day 14 June	28 June 2018	20 May 2018	30 April 2018

Soln: Since, the insurance company is a specified service provider so, its time period is 45 Days.

In third case date of issue of payment is more than 45 days from date of completion of service. Therefore, date of service & date of payment are compared in this case.

2) Determination of time of supply in case of continuous supply of goods :-

- Time of supply shall be earliest of the following -
- Due date of payment as per contract
 - Date of issue of invoice
 - Date of payment.

A teacher agrees to provide coaching services to a coaching centre from 1 Jan 2018 - 30 June 2018 for ₹ 20,000 per month. Payment of the teacher for any month of service shall be made by the 10th of succeeding month:-

Entry of provision of Service in books	Date of Invoice	Due date for payment as per contract	Receipt of Payment	Time of Supply
31 Jan 2018	31 Jan 2018	10 Feb 2018	15 Feb 2018	3 Feb 2018
28 Feb 2018	28 Feb 2018	16 March 2018	10 March 2018	14 March 2018
31 March 2018	31 March 2018	10 April 2018	10 April 2018	6 April 2018

3) Determination of time of supply in case of supply of services under reverse charge mechanism

Time of supply shall be earlier of the following:-

- Date of Payment :- Earlier of the two date
 - * Date of Payment enter into Book a/c of recipient
 - * Date of payment on which payment is debited in

ii) The Date immediately following 60 days that is 61st day from the date of issue of invoice or any other document.

iii) In case of associated enterprise :- In case of supply of services by associated enterprise where supply of services is located outside India. The time of supply shall be date of entry in the book of a/c of recipient of supply or date of payment whichever is earlier.

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<u>Q.</u>	Date of invoice issued by supplier	Date of completion of service	Date of Payment by recipient	Entry of receipt of services in recipient Book
2018	30 Nov 2017	30 Nov 2017	20 Dec 2017 ✓	31 st Dec 2017
2018	30 Nov 2017	30 Nov 2017	25 Nov 2017 ✓	30 Nov 2017
2018	30 Nov 2017	30 Nov 2017	10 Feb 2018	30 Nov 2017
2018	30 Nov 2017	31 st Dec 2017	5 May 2018	28 April 2017
2018	—	31 st Dec 2017	—	5 Jan 2017

At Serial No. 4 services has been received from associated enterprise locate outside in India (Date of Payment entry).

At serial No. 5 service has been received from an unregistered person who has not issue invoice to whom payment has not been made.

Solⁿ Time of Supply :- 20 Dec 2017

25 Nov 2017

30 Jan 2018

28 April 2017

5 Jan 2017

4) Determination of Time of Supply In Case of Voucher :-

Time of Supply shall be :-

- i) Date of issue of voucher if supply is identifiable at that point.
- ii) The Date of redemption of voucher in all other cases.

~~Q. 23 Pg 173~~

~~Q. 2.~~ X is a service provider. He provided services to 3 customers A, B, C & issued coupons to each of them for future use of services.

Customer	1 st Service / Delivery of goods	Issue of Voucher	Redemption of Voucher	Last Date for acceptance of Voucher	Time of Supply
A	1 st Jan 2018	1 Jan 2018	15 March 2018	1 April 2018	1 Jan 2018
B	8 Jan 2018	10 Jan 2018	25 March 2018	10 April 2018	10 Jan 2018
C	15 Jan 2018	15 Jan 2018	30 March 2018	15 April 2018	30 March 2018

- i) X is supplier of automobile goods & also provide repair service for scooter & motorcycle.
- ii) Voucher issued to A & B are in respect of specified services or specified goods, the value of the coupon is 2000 each.
- iii) Voucher issued to C is not for any specific services & its value of ₹ 5000.

Soln

Time of Supply :- A \rightarrow 1 Jan 2018 (Service Identified \rightarrow Date of issue of voucher)

B \rightarrow 10 Jan 2018

C \rightarrow 30 March 2018 (Service Not Identified :- Date of Redemption of Voucher)

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Date _____

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* Change in rates of taxes in respect of Supply of goods & services -

i) In case of G/s supply before the change in rate of tax :-

Situation	Time of Supply	Rates
i) Where the invoice has been issued & payment is also received after the change in rate of tax.	Date of receipt of payment or Date of issue of invoice (whichever is earlier)	New Rate
ii) Where the invoice has been issued prior the change in rate of tax but payment is received after the change in rate of tax.	Date of issue of invoice (Before the change)	Old Rate
iii) Where payment has been received before the change in rate of tax but the invoice for the same is issued after the change in rate of tax.	Date of receipt of Payment. (Before the change)	Old Rate

2) In case G/S are supplied after the change in rate of tax :-

Situation	Date of receipt of New Rate Payment.	Time of Supply	Rate
i) Where the payment is received after the change in rate of tax, but invoice has been issued prior to the change in rate of tax.	(After the change in rate).	Date of receipt of New Rate Payment.	Old Rate
ii) Where invoice has been issued & payment is received before the change in rate of tax.	Date of issue of invoice.	Date of receipt of payment or Date of issue of invoice (whichever is earlier)	Old Rate
iii) Where invoice has been issued after the change in rate of tax but the payment is received before the change in rate of tax.	Date of issue of invoice.	(After the change of rate)	Old Rate (New Rate)

Q. Pg - 19

From the following information of services supplied by measures X Y Z Ltd. Determine time of supply & also determine tax liability if rate of service tax is raised from 5-12 with effect from 1st June 2018.

Date of Supply of Services	Date of issue of invoice	Date of receipt of Payment	Value of Services	Time of Supply
26 May 2018	5 June 2018	9 June 2018	2400000	
26 May 2018	26 May 2018	9 June 2018	1200000	
26 May 2018	9 June 2018	31 May 2018	1800000	

5 June 2018	29 May 2018	9 June 2018 ¹²	1,800,000
5 June 2018	29 May 2018 ⁵	31 May 2018	2,400,000
5 June 2018	5 June 2018 ¹²	31 May 2018	1,200,000

Sol:

Particulars	Time of Supply	Rate %.	Value of Supply	Sec
i) (a) → Service supplied before ch. in rate of tax.	6 June 2018	12%	24,00,000	2,88,000
(b) → Invoice issued after the change				
(c) → Pay. is received after change				
Time of Supply :- earlier of (a) & (b)				
ii) (a) Service provided before change 26 May 2018 5%	26 May 2018	5%	12,00,000	60,000
(b) Invoice issued before change				
(c) Pay. received after change				
TOS :- Date of issue of invoice				
iii) (a) Service supply before change 31 May 2018 5%	31 May 2018	5%	18,00,000	90,000
(b) Invoice issued after change				
(c) Pay Rec. before change				
TOS :- Rec. of Payment				
iv) (a) Service supplied after change 9 June 2018 12%	9 June 2018	12%	18,00,000	2,16,000
(b) Invoice issued before change				
(c) Pay. received after change				
TOS :- Receipt of Payment				
v) (a) Service supp. after change 29 May 2018 5%	29 May 2018	5%	24,00,000	1,20,000
(b) Invoice issued before change				
(c) Pay. received before change				
TOS :- (b) & (c) whichever is earlier				

vi) (a) Service Supply after change

5 June 2018 81021. 12,00,000 1,44,000

(b) Invoice issued after change

(c) Pay received before change

TOS:- Issue of invoice

not for audit but for audit

effected by 1st payment

000,88,5 000,00,00 - 1st payment - effected before issued \leftarrow (a) if

not for other mi

effected before issued \leftarrow (b)

egmada

egmada eff. before 1st pay \leftarrow (2) if

(1) 2nd payment - effected by 1st

000,00 000,00,51 - 12 days after egmada effected before issued (1) if

egmada effected before issued (1)

egmada effected before 1st pay (2) if

amount for issue for sth - : 20T

000,00 000,00,51 - 12 days after egmada effected before issued (1) if

egmada effected before issued (1)

egmada effected after 1st pay (2)

amount for issue - : 20T

000,00,51 - 12 days after egmada effected before issued (1) if

egmada effected before issued (1)

egmada effected before 1st pay (2)

amount for issue - : 20T

000,00,51 - 12 days after egmada effected before issued (1) if

egmada effected before issued (1)

26 May 2018 26 May 2018 egmada effected before issued (2)

26 May 2018 26 May 2018 receive si credit (2) & (1) - : 20T