**Place of Supply under GST- ISB case**

**The term ‘Place of Supply’ has the vital role in the GST. To know the nature of Supply whether the supply is inter-state supply or intra-state supply, one should know the place of supply to determine the nature of supply.** The tax is paid according to the nature of the Supply.

* If the supply is intra-state supply, tax shall be paid as CGST+SGST and
* if the Supply is inter-state supply, tax shall be paid as IGST.

**There are two terms which mainly determines the nature of Supply**:

1.Location of the Supplier :Location of the Supplier is from where the person is registered under GST.

2.Location of the Place of Supply: Location of the Place of Supply is determined according to Sections 10, 11,12 and 13 of the IGST Acts

**Sec 12 (2):**

The place of supply of services, except the services specified in sub-sections (3) to (14),—

a) Made to a registered person shall be the location of such person;

b) Made to any person other than a registered person shall be,—

i. the location of the recipient where the address on record exists; and

ii. the location of the supplier of services in other cases.

**Scope of *"actually performed"* :**

Section 12 (4) & Section 12(5) of the IGST Act, 2017 lays down that the place of supply of training services (to unregistered persons) shall be the place where they are **actually performed.**

**ISB Under Place of Supply:**

GST is a destination-based consumption tax. Accordingly, the provisions pertaining to place of supply under GST have also been framed keeping in mind the destination/consumption principle.

However, unlike goods, services are intangible in nature and, therefore, the challenge has always been determining the exact place where services are acquired, enjoyed and consumed and, therefore, in respect of certain categories of services, the place of supply is determined with reference to a proxy.

Certain services such as cosmetic surgery, health and fitness services, class room teaching etc., require the physical presence of the individual for the provision of service and the services are provided at the service provider premises/ at the customer’s premises if the customer is on the move.

ISB is physically located in Hyderabad and the students who seek admission generally gives his original address, but can’t give the address of ISB stating that they are already got seat and in ISB. Hence at the time of admissions the fees will be paid and generally the educational institutions give invoice in the name of student address, but not with institution address. As most of the courses are offline i.e physically in ISB, Tax will be collected as intra state supply of service i.e SGST+CGST. All the students are generally unregistered.

Specific services are of such typical nature that the performance of such services has to be where both the supplier and recipient are located together (Intra State Supply) and it would be impossible for the supplier to supply such services without the physical presence of the receiver.

If the courses are online and the service provider and service recipient are located in two different states (Inter State Supply) then IGST will come in to picture.