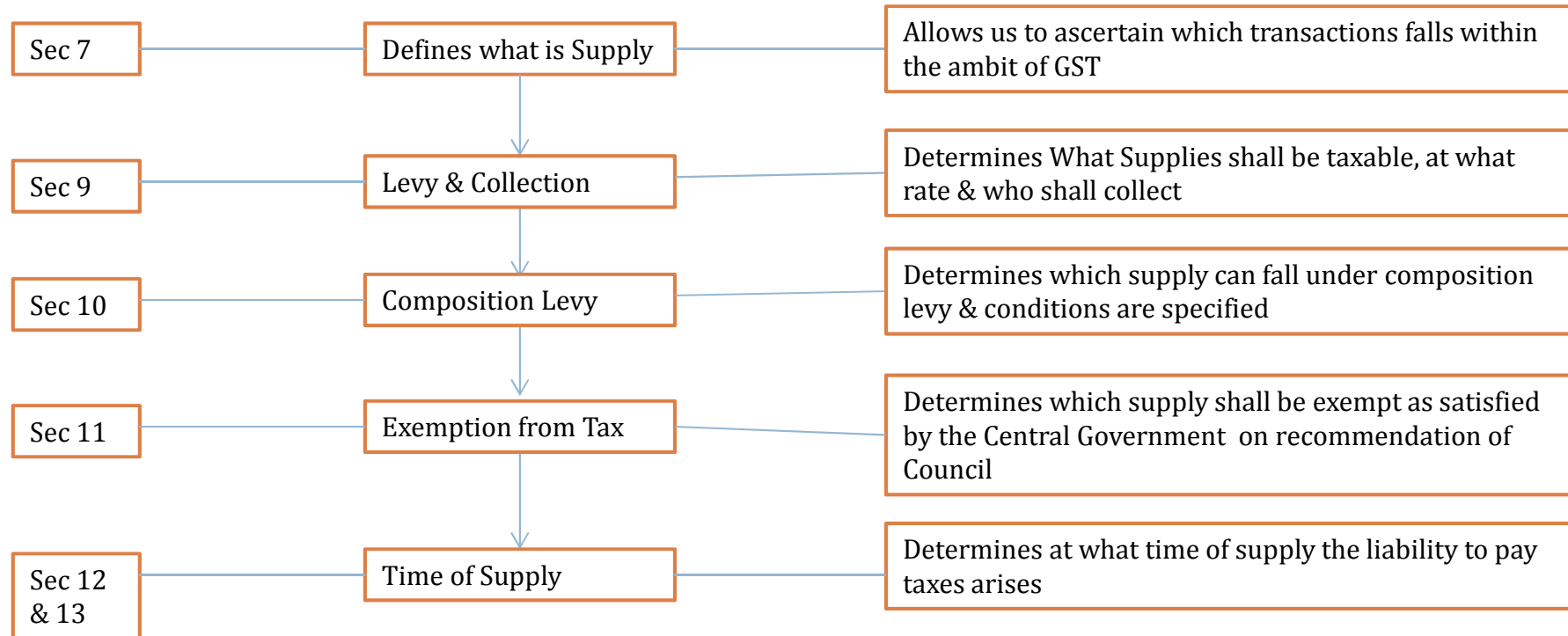




GST- TIME OF SUPPLY



Time of Supply = Time to TAX



Time of Supply

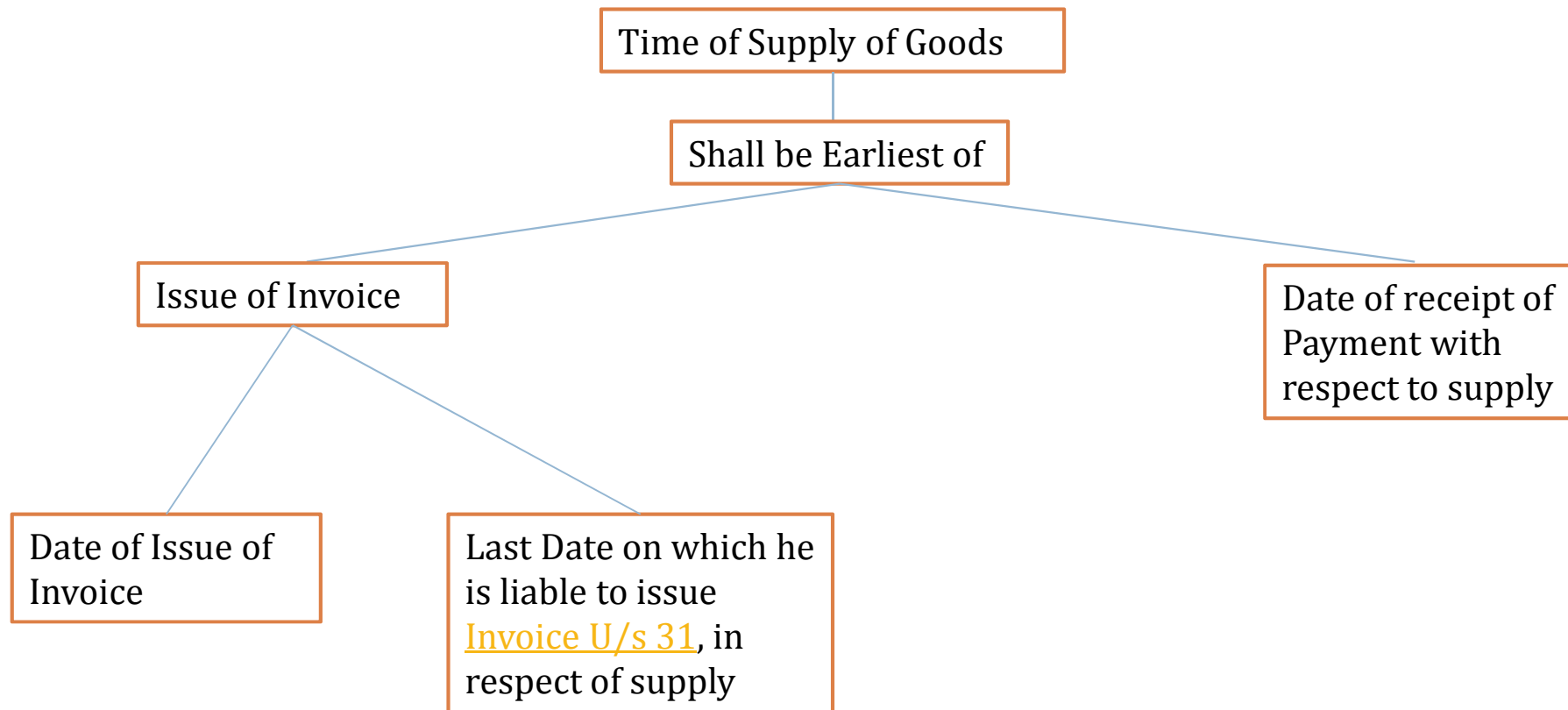
- Time of Supply would mean the point at which:-
 - Supply is deemed to have been made
 - Taxable Event Occurs
 - Supplier is entitled to charge GST to the customer

- Time of Supply is relevant to determine
 - Applicable tax rate
 - Applicability of relevant provisions, rules & notifications
 - Due date of Tax Payment

Point of Taxation in Existing V/s GST

| Tax | Point of taxation in the Existing Law | Point of Taxation in GST |
|-------------------|--|--|
| Service Tax | Earliest of :- - Issue of Invoice/ Completion of Service - Receipt of Payment | Time of Supply to be determined U/s 12,13,14 of CGST Act |
| Excise Duty | - Manufacture of goods but payable on removal of goods | |
| VAT/Sales tax/CST | - Time of sale/time of Transfer of title or possession of goods | |
| CVD/SAD | - Date on which Bill of Entry- In case for goods cleared for home consumption - Date on which Bill of Entry for home consumption is presented-In case of goods cleared from warehouse - Date of Payment of duty- in any other case | |

Time of Supply of Goods- Sec 12(2)



Proviso- If supplier receives the amount > by Rs. 1000 , than the amount as indicated on Tax Invoice , Time of supply for such an excess receipt at the option of supplier shall be the date of issue of invoice in respect of such excess amount.

Exp. To Sec 12(2)

- “Supply” is deemed to have been made to the extent as covered by Invoice or receipt of payment

- “Date on which the supplier receives the payment”- shall be the earliest date of
 - Payment as entered in the books of account
 - Date of credit to books of accounts

- Example:-
 - Date of Invoice is 15th May,2017
 - Date of receipt of Payment is 10th July,2017
 - Date when supplier recorded receipt in books is 11th July,2017
 - What shall be Time of Supply? What if the advance is received on 1st May,2017

Example

| Issue of Invoice | Date of Removal * | Last date of issue of Invoice | Receipt of Consideration | Time of Supply |
|------------------|-------------------|-------------------------------|--------------------------|----------------|
| 30/09/17 | 30/09/17 | 30/09/17 | 05/11/17 | 30/09/17 |
| 01/10/17 | 30/09/17 | 30/09/17 | 05/11/17 | 30/09/17 |
| 30/09/17 | 30/09/17 | 30/09/17 | 05/08/17-40K | 05/08/17-40K |
| | | | 15/10/17-60K | 30/09/17-60K |
| 01/10/17 | 30/09/17 | 30/09/17 | 05/08/17-40K | 05/08/17-40K |
| | | | 15/10/17-60K | 30/09/17-60K |

* In case where the sale do not require movement of goods, date on which the goods are made available to recipient

Continuous Supply of Goods

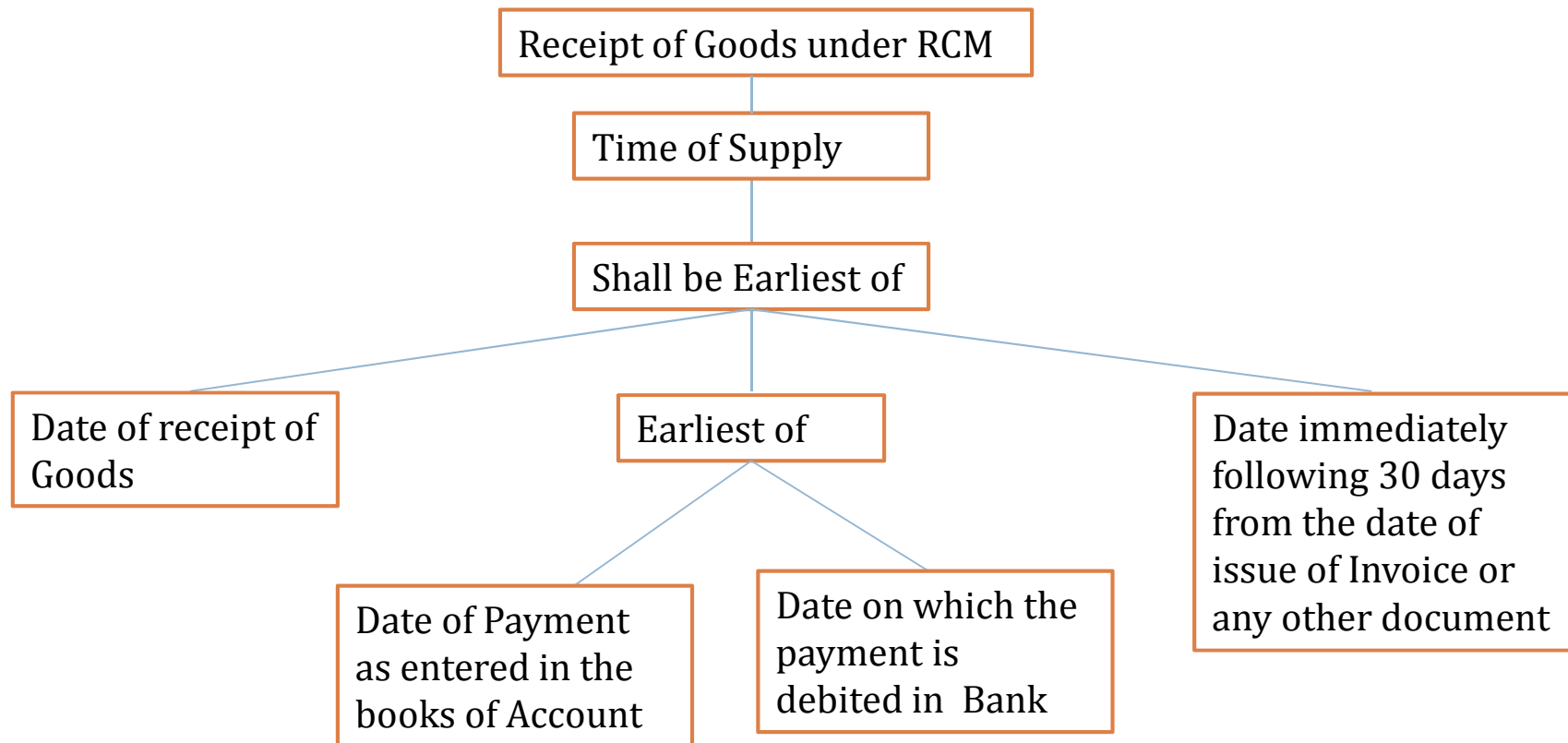
- Where the successive statement of accounts or successive payments are involved, Invoice shall be issued before or at the time of
 - Issue of each such statement
 - Date of receipt of successive payments

- Continuous Supply of goods means
 - Supply of goods provided or agreed to provided
 - On continuous or recurrent basis
 - Under a Contract
 - Whether or not by means of wire, cable, pipeline or other conduit
 - For which supplier invoices recipient on regular or periodic basis
 - Includes supply of such goods as Government may notify in this regard

Example for Continuous Supply

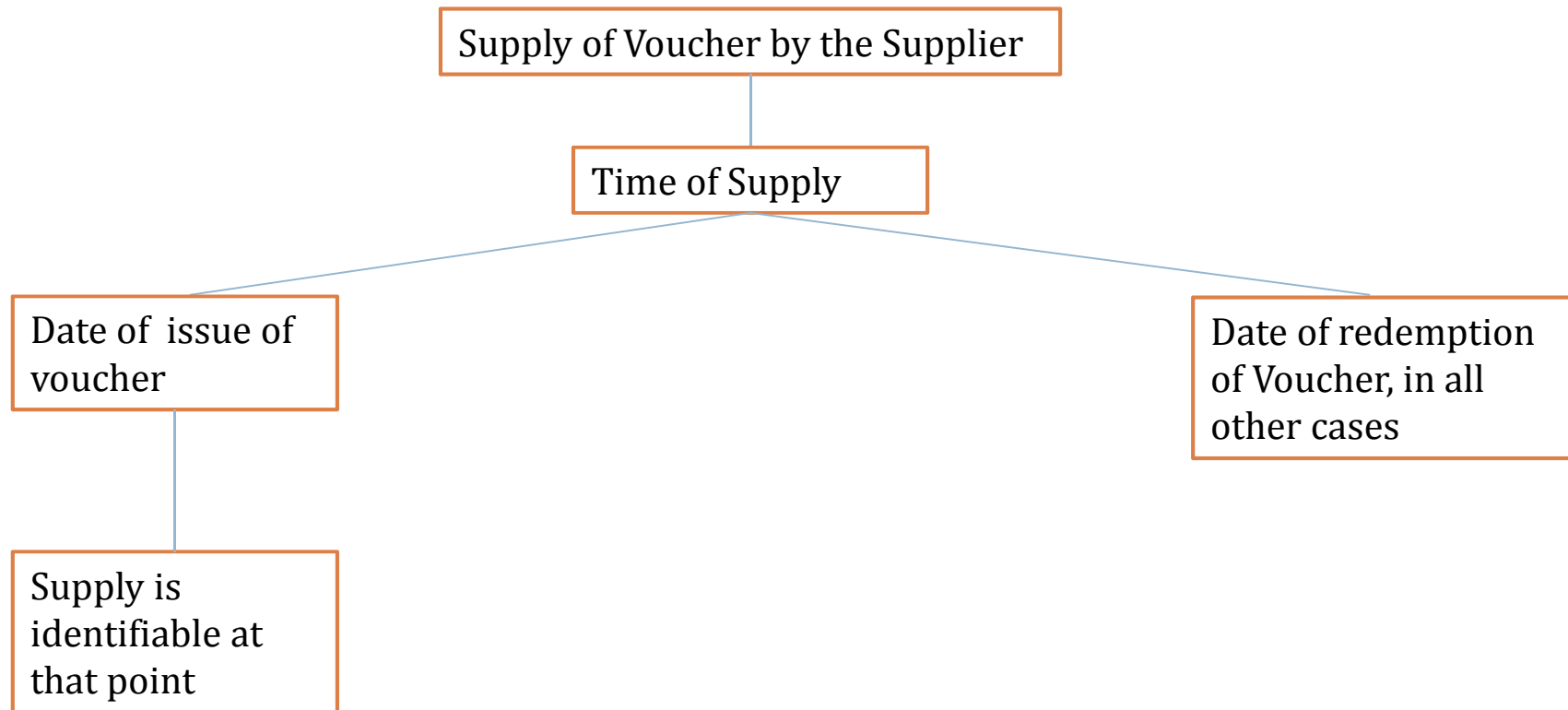
| Issue of Invoice | Date of Issue of Statement | Receipt of Consideration | Time of Supply |
|------------------|----------------------------|--------------------------|----------------|
| 30/09/17 | 30/09/17 | 05/11/17 | 30/09/17 |
| 30/09/17 | 30/09/17 | 01/08/17 | 01/08/17 |
| 15/10/17 | 30/09/17 | 01/11/17 | 30/09/17 |
| 01/11/17 | N.A | 29/10/17 | 29/10/17 |

TOS- Receipt of Supplies under RCM-1 2(3)

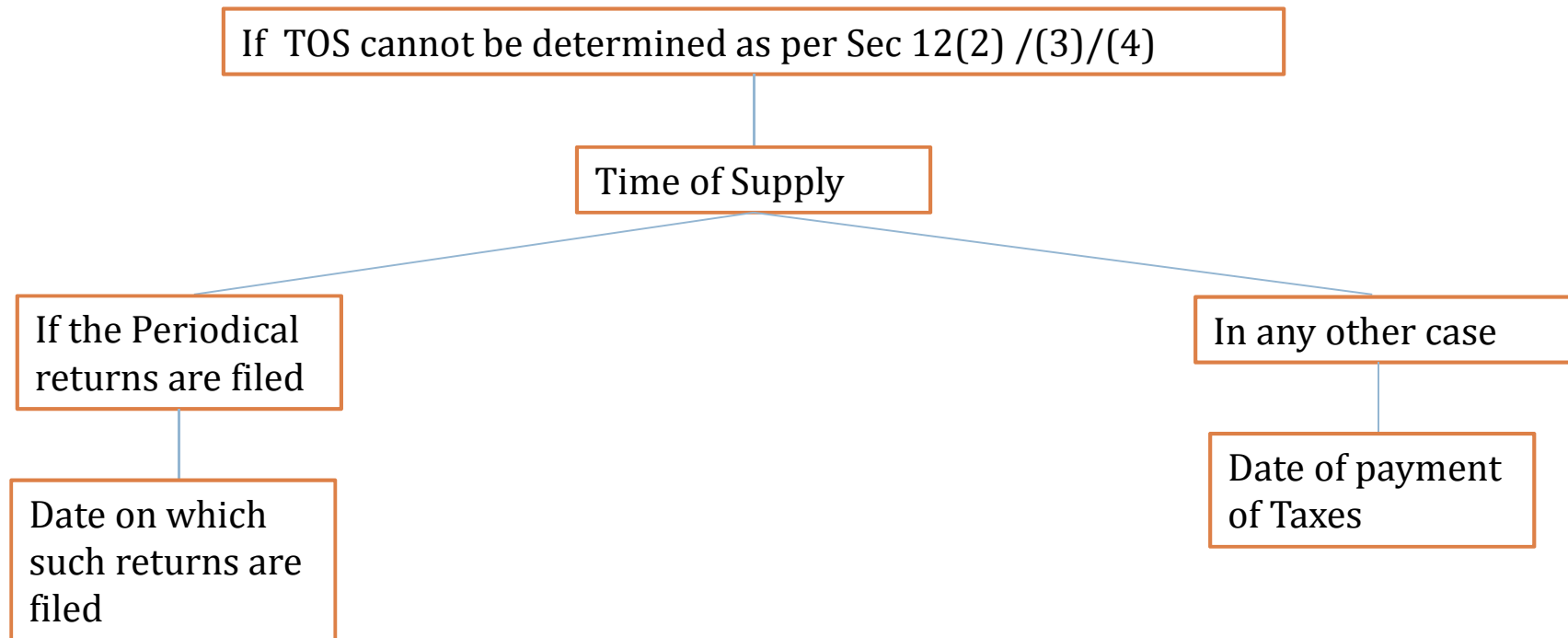


Proviso- If not possible to determine as above, time of supply shall be the date of entry in books of accounts of the recipient of supply

TOS-Supply of Vouchers-1 2(4)

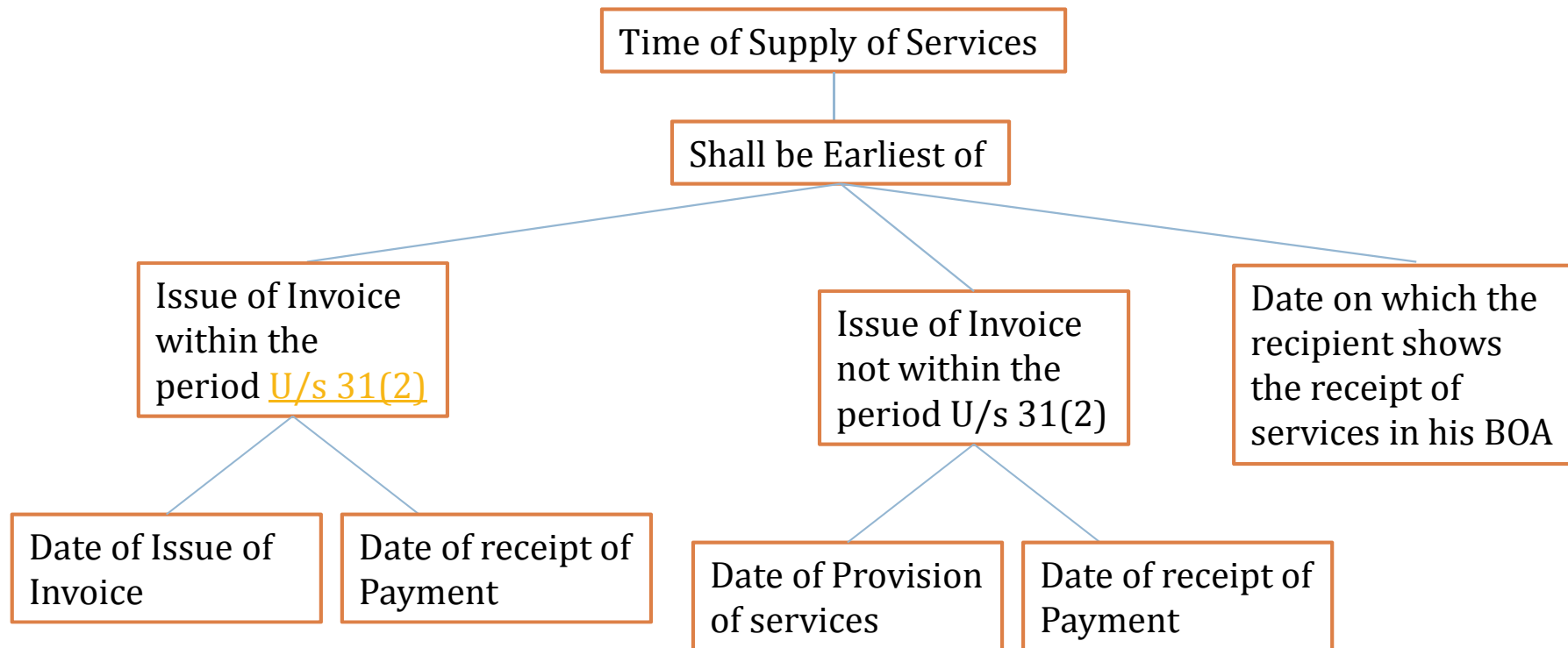


Residuary Provision- 12(5) & (6)



Sec 12(6)- Time of Supply in case of Addition in Value by way of Interest , late fee or penalty for delayed payments- Shall be the date on which the supplier receives value addition

Time of Supply of Service- Sec 13(2)



Proviso- If supplier receives the amount > by Rs. 1000 , than the amount as indicated on Tax Invoice , Time of supply for such an excess receipt at the option of supplier shall be the date of issue of invoice in respect of such excess amount.

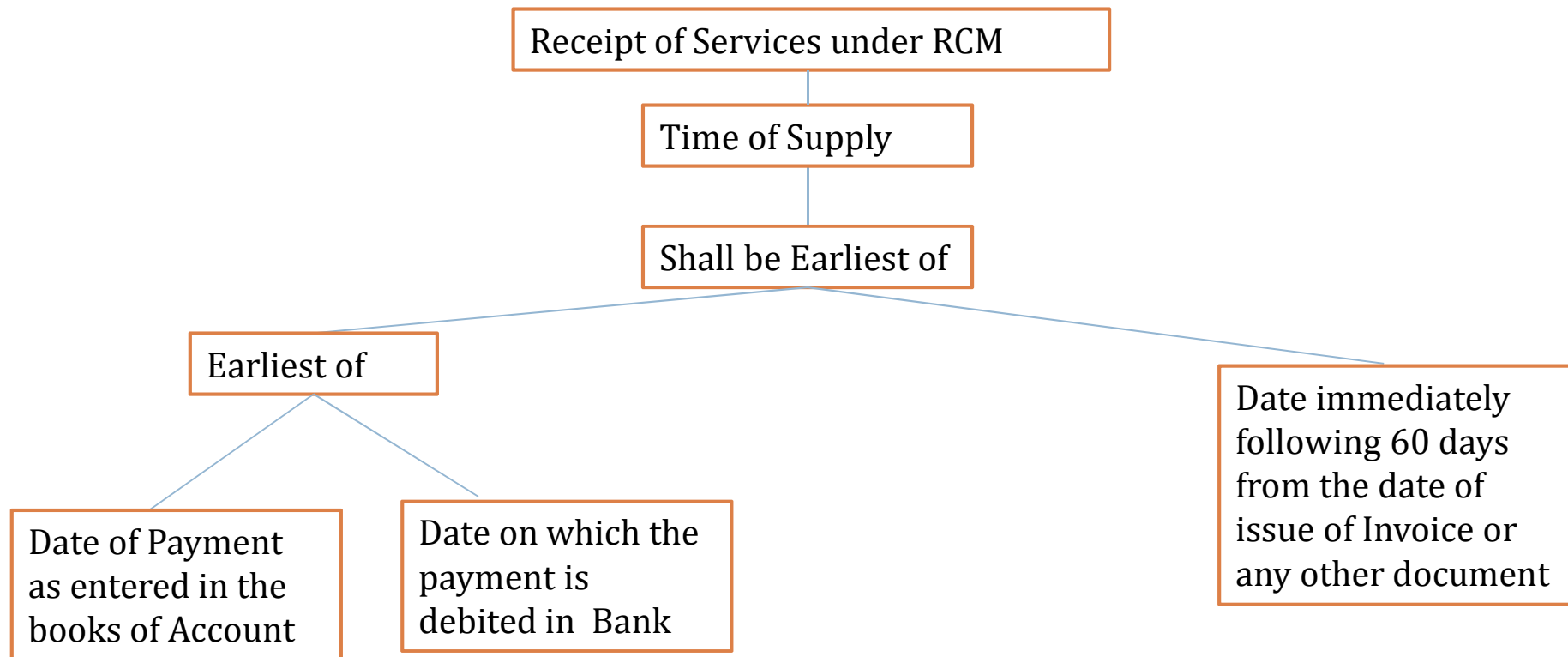
Exp. To Sec 13(2)



- “Supply” is deemed to have been made to the extent as covered by Invoice or receipt of payment

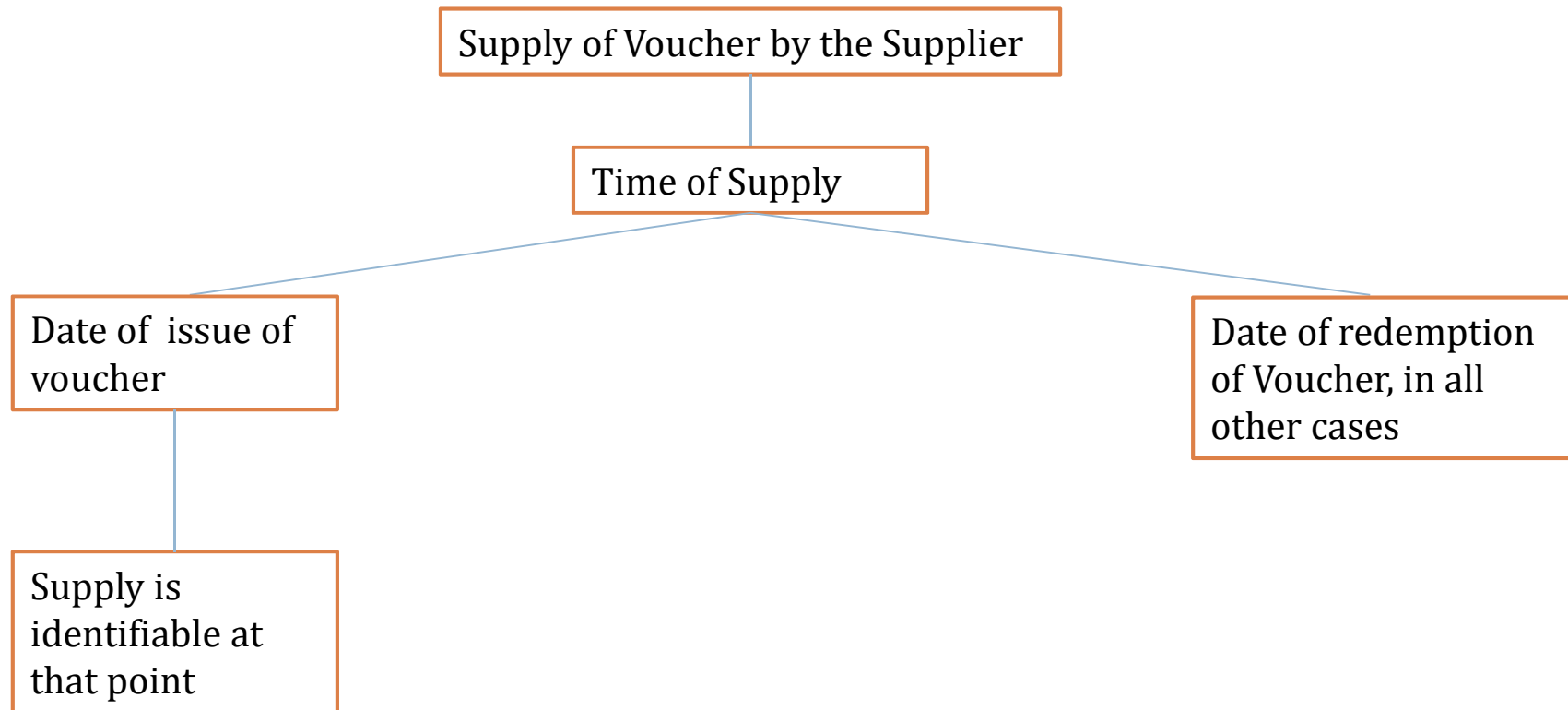
- “Date on which the supplier receives the payment”- shall be the earliest date of
 - Payment as entered in the books of account
 - Date of credit to books of accounts

Receipt of Supplies under RCM-13(3)

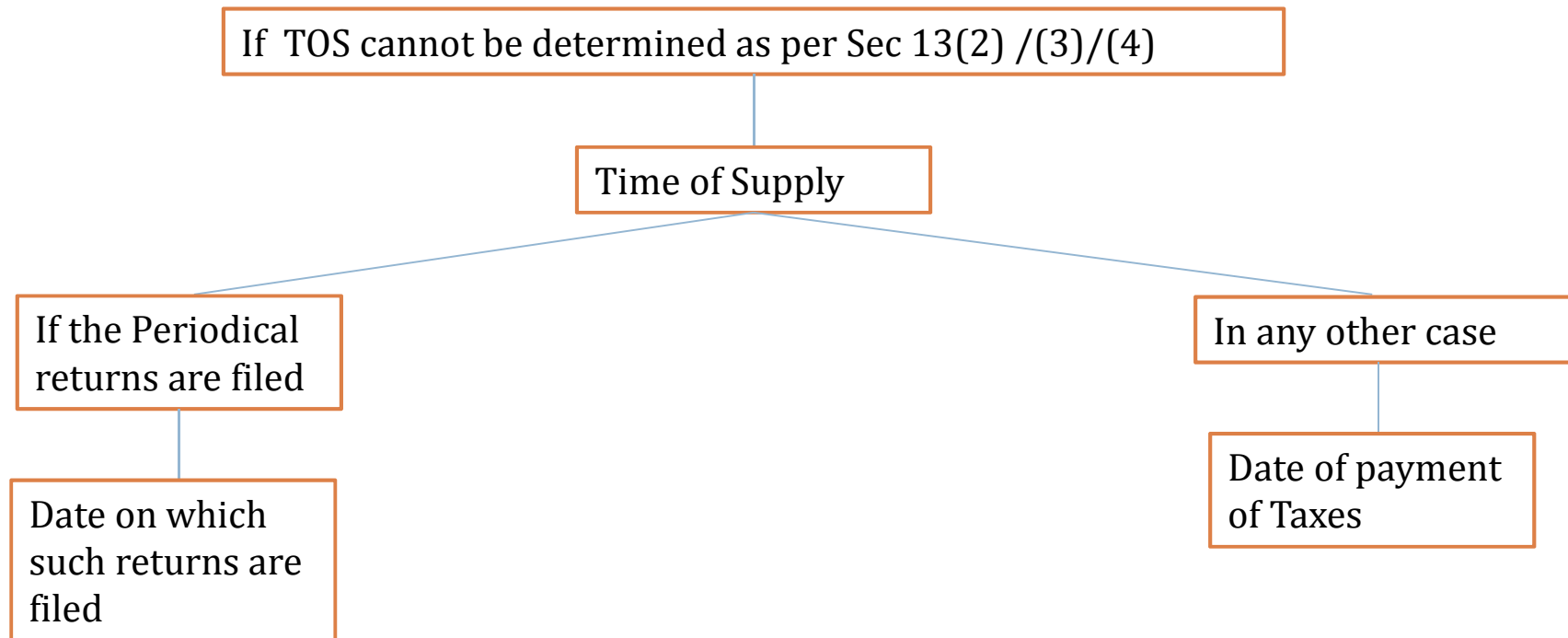


Proviso- If not possible to determine as above, time of supply shall be the date of entry in books of accounts of the recipient of supply
- If supply by associate Enterprise, where supplier is outside India, Time of Supply shall be earlier of date of entry in BOA of recipient or date of payment

TOS-Supply of Vouchers-1 3(4)



Residuary Provision- 13(5) & (6)



Sec 13(6)- Time of Supply in case of Addition in Value by way of Interest , late fee or penalty for delayed payments- Shall be the date on which the supplier receives value addition

Sec 14- Change in Rate of Tax

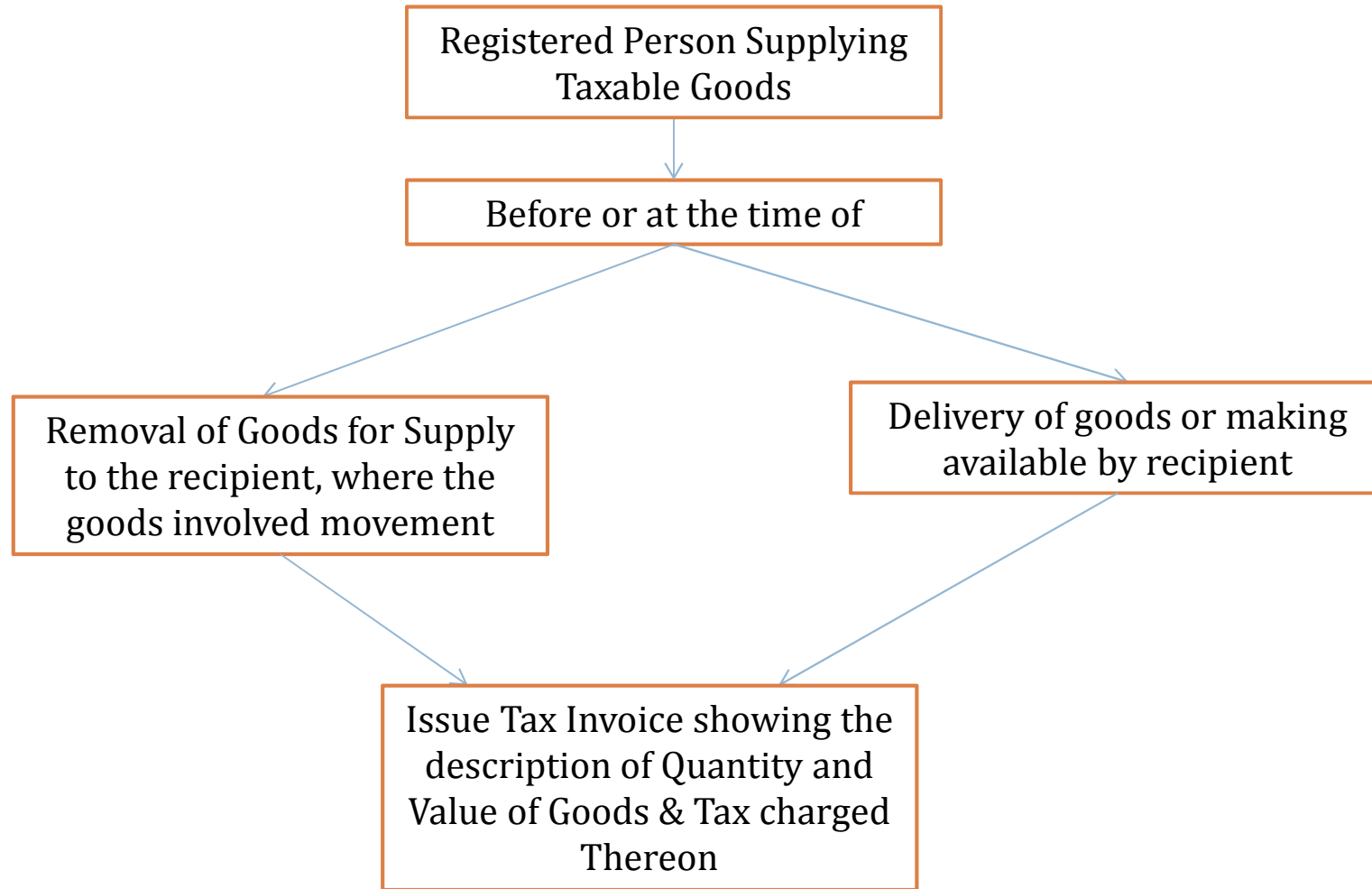
| Sr. no. | Invoice Issued | Payment received | Time of Supply |
|--|----------------|------------------|--|
| Goods or services are supplied before change in rate | | | |
| 1 | After Change | After Change | Date of issue of Invoice or date of receipt of payment, whichever is earlier |
| 2 | Before Change | After Change | Date of Issue of Invoice |
| 3 | After Change | Before Change | Date of receipt of Payment |
| Goods or services are supplied After change in rate | | | |
| 1 | Before Change | Before Change | Date of issue of Invoice or date of receipt of payment, whichever is earlier |
| 2 | Before Change | After Change | Date of Receipt of Payment |
| 3 | After Change | Before Change | Date of Issue of Invoice |

Proviso to Sec 14

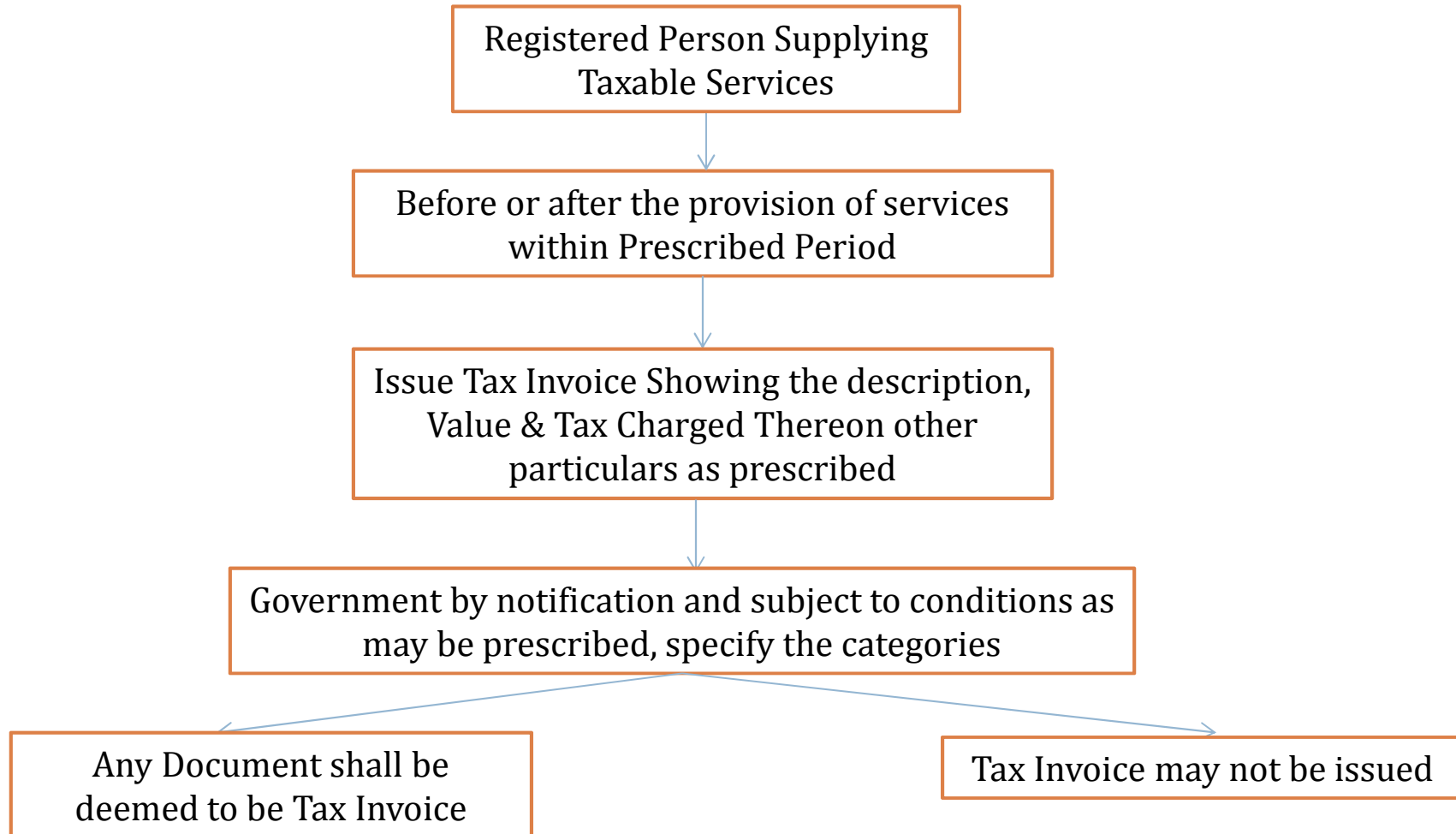


- “Date of Receipt of Payment= Shall be date of Credit in the Bank Account” if such credit in the Bank Account is after 4 working days from the date of change in the rate of tax

Tax Invoice for Goods



Tax Invoice for Services



Thank You
for your interest.....

Hardik Dave

