

# MEGA SERIES ON IMPACT OF GST ON SECTORS



*Issues in Place of Supply*

*By C.A. A. R. Krishnan*

*Saturday, 11<sup>th</sup> August , 2018*

*Organized by  
Western India Regional Council of ICAI*

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## Case study - 1

Issues relating to registration and billing  
[Internal audit services provided by CA  
to client]



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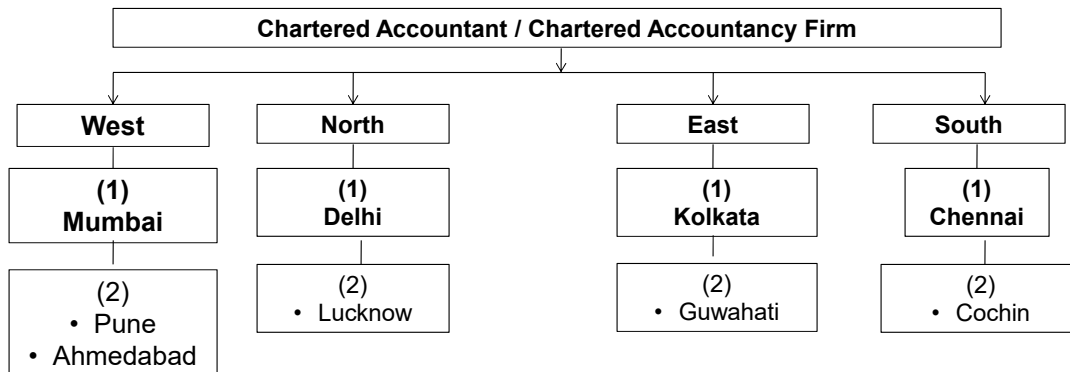
# Multi state SP/ SR

## Current Issues

- Registration
- Billing






### EXISTING CENTRALISED REGISTRATION INCLUDING OFFICES (INDIA)



- Location in Sl. no. (1) are providing services and are also the billing locations
- Location in Sl. no. (2) support the above locations
- *Service Tax paid and ST - 3 return filed – Centrally from Mumbai*

## AREAS OF CONCERN

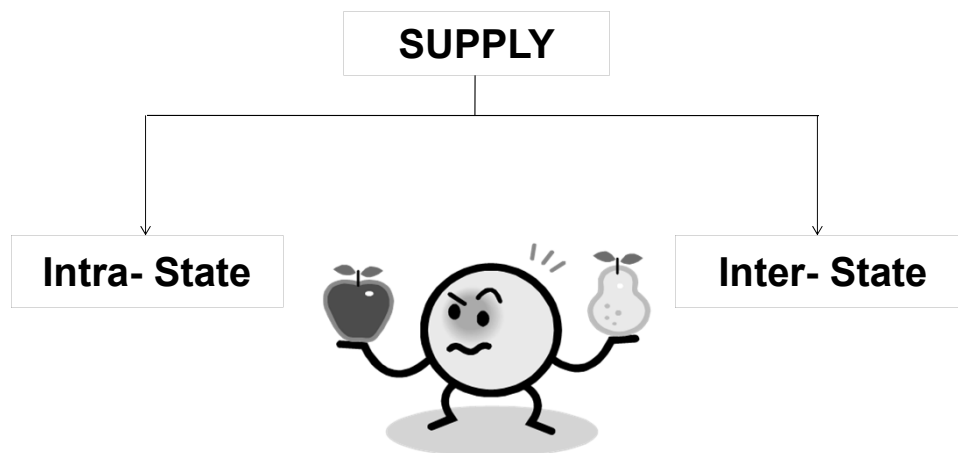
- Supply – Issues - Who is providing service to whom? 
- Supply from regd. establishment in one state to regd. establishment in another state deemed to be taxable supply
- Is the Branch providing service to H.O. or is it a cost centre?
- Registration – Existing locations to be registered 
- Determination of origin of supply – which unit
- Multiple supply i.e. supply from various units
- Inter unit supply 
- Supply from overseas related establishment without consideration

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## TYPES OF SUPPLY



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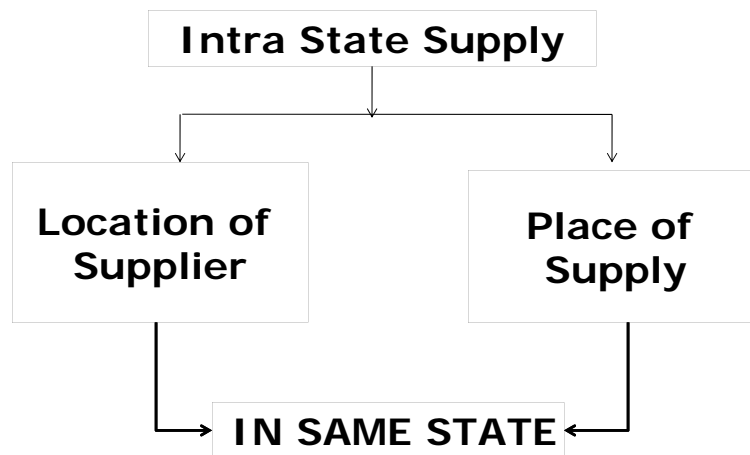
## Inter-state / Intra-state

Type of supply	Levy attracted
Intra state	CGST+SGST
Inter-State	IGST

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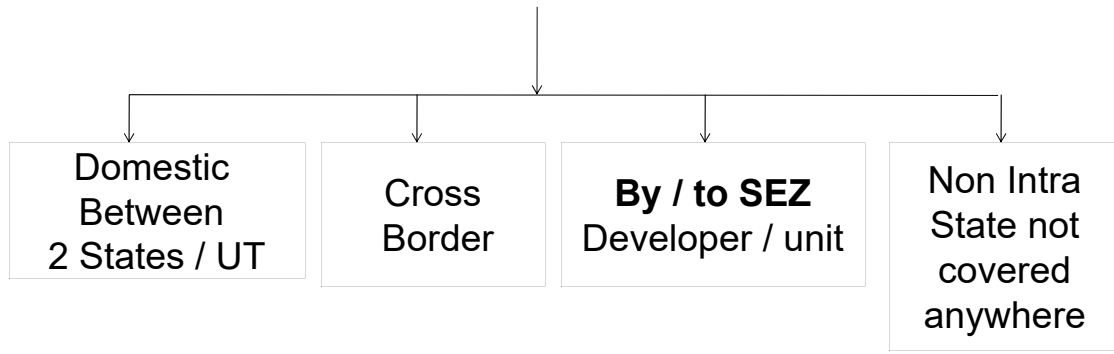


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## TYPES OF INTER - STATE SUPPLY



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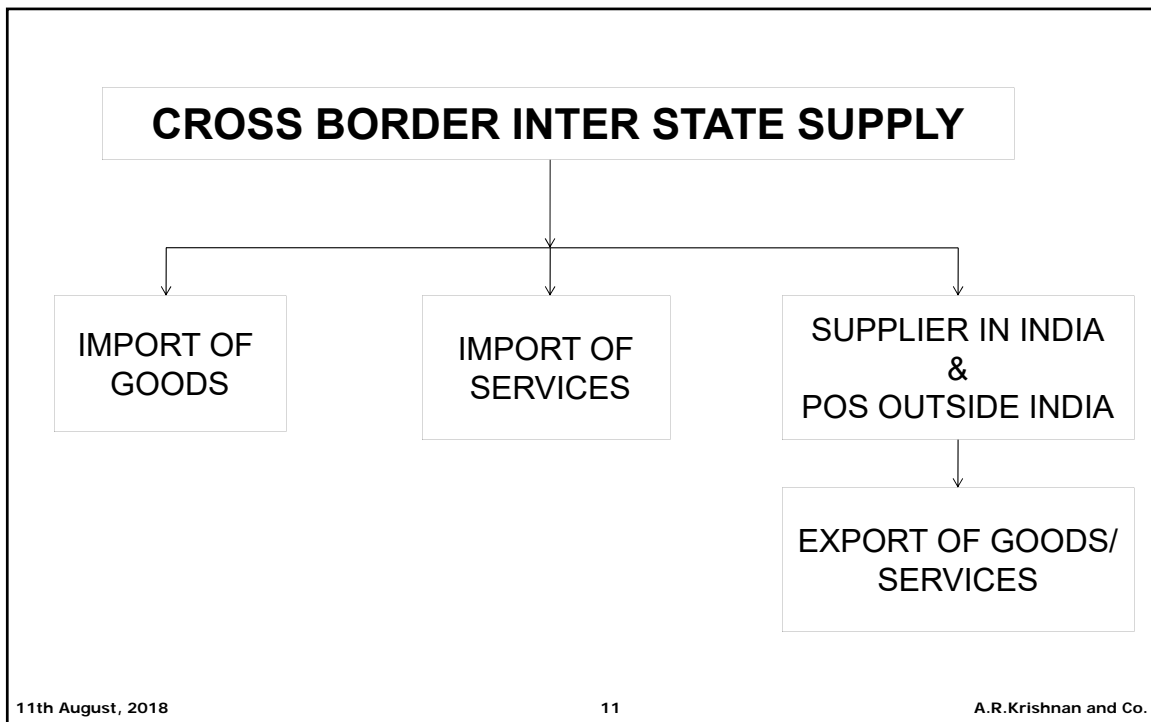
## DOMESTIC INTER STATE SUPPLY



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## Two Factors Relevant

1. Location of Supplier [Service Provider] - Place known
2. Place of Supply ? Slide 69

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## Place of Supply CA's Services (Domestic Scenario)

**Basic Rule – Section 12(2) of IGST Act, 2017**

SUPPLY MADE TO	PLACE OF SUPPLY
1. Registered Person [B2B]	<b>Location of such registered Person i.e. Recipient.</b>
2. Other than registered person [B2C] (i) where recipient's address available in records of supplier  (ii) Other cases	<div style="text-align: center;">  </div> Such address  Location of supplier

## Place of Supply CA's Services (Cross Border Scenario)

**Basic Rule – Section 13(2) of IGST Act 2017**

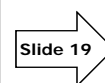
SUPPLY MADE TO	PLACE OF SUPPLY
1. where recipient's address available in ordinary course of business	<b>Location of the recipient</b>
2. where recipient's address is not available in ordinary course of business	Location of supplier

# Two Factors Relevant

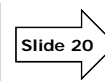
- Location of Service Provider (SP)
- Location of Service Recipient (SR)

## Location of Supplier of Service [S.2(15) of IGST Act 2017]

*Clause(i):* Supply from Registered POB – Registered POB



*Clause(ii):* Supply from FE (other than Registered POB) – Location of Fixed Establishment



*Clause(iii):* If supply from > 1 POB/FE – POB/FE directly concerned in providing supply.

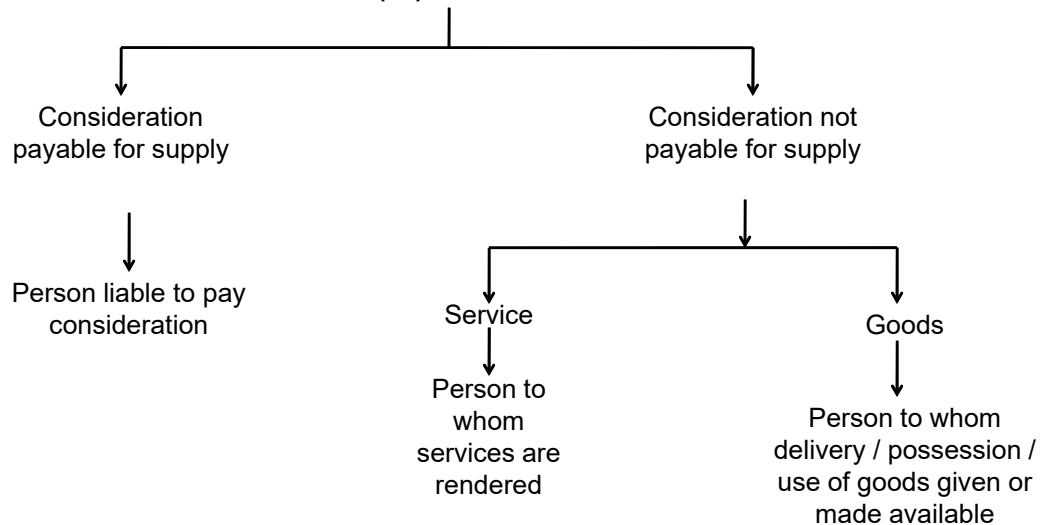


*Clause(iv):* If no POB/FE - usual place of residence



## Recipient of supply of goods / Services

s.2(93) of CGST Act 2017



**Recipient includes agent**

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## Location of Service Receiver [S.2(14) of IGST Act 2017]

Clause(i): Supply received at Registered POB – Registered POB

Clause(ii): Supply received at FE (other than Reg. POB) – Location of Fixed Establishment

Clause(iii): If supply received at > 1 POB/FE – POB/FE directly concerned in receiving supply

Clause(iv): If no POB/FE – usual place of residence

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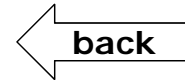
## RELEVANT DEFINITIONS

### ***Place of business ('POB') [S.2(85) of CGST Act 2017]***

- Place from where business ordinarily carried on
- Warehouse, godown, any other place where goods are stored or goods / services are provided / received
- Place where Books are maintained
- Place where taxable person engaged in business through agent

### ***Principal POB [S.2(89) of CGST Act 2017] –***

- Place specified as such in Regn. Certificate

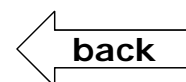


### ***Fixed establishment [S.2(50) of CGST Act 2017]***

Place (other than POB) having sufficient degree of permanence and structure in terms of human and technical resources to supply services or to receive and use services for own needs.

3 P's –

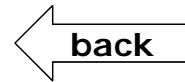
- *Place*
- *People*
- *Permanence*



## Location of Service Provider / Recipient – Big Issue

Education Guide provides following Indicators –

- **Contracts between Service Provider & Service recipient**
- If no contract – e-mail, documents, setting out oral understanding
- Staff of which FE involved
- Performance agreements
- Details of how business fits in larger corporate structure
- Establishment from where services are **actually** provided or actually consumed/effectively used / enjoyed



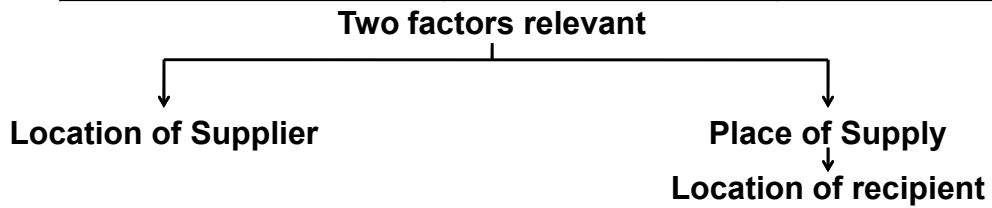
# Registration



# Registration

- Rule – Every supplier to be registered in state from where he makes taxable supply
- Taxable supply – two types

Location of Supplier & Place of Supply	Type of supply	Levy attracted
In Same state	Intra state	CGST+SGST
In Different states	Inter-State	IGST



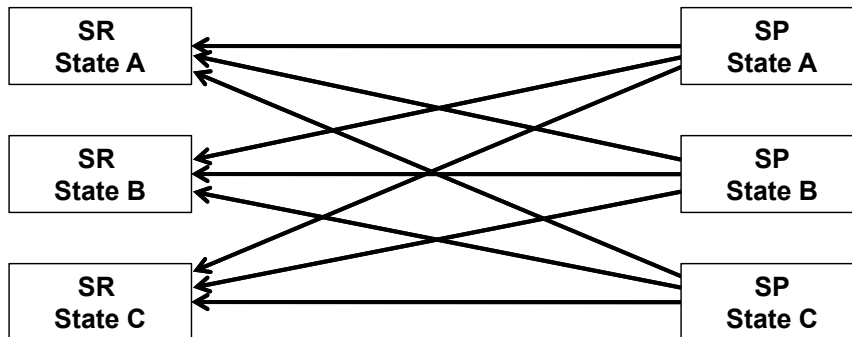
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## Scenario based on service

Only provision / receipt of service considered & contract ignored

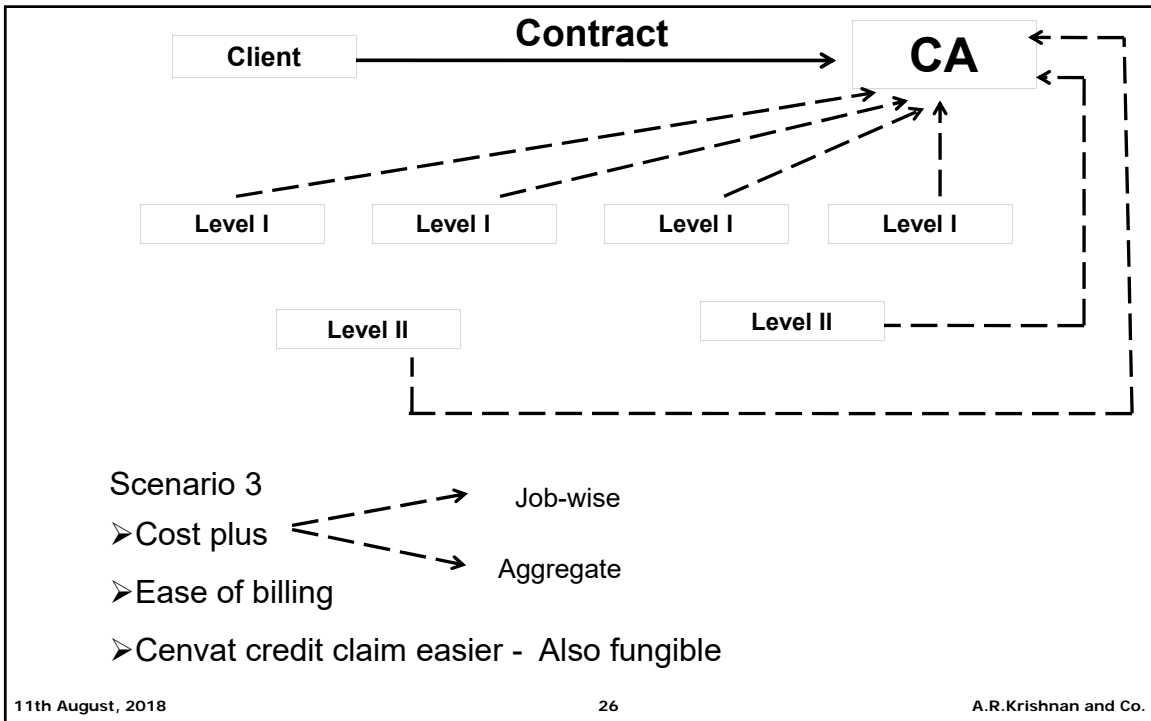
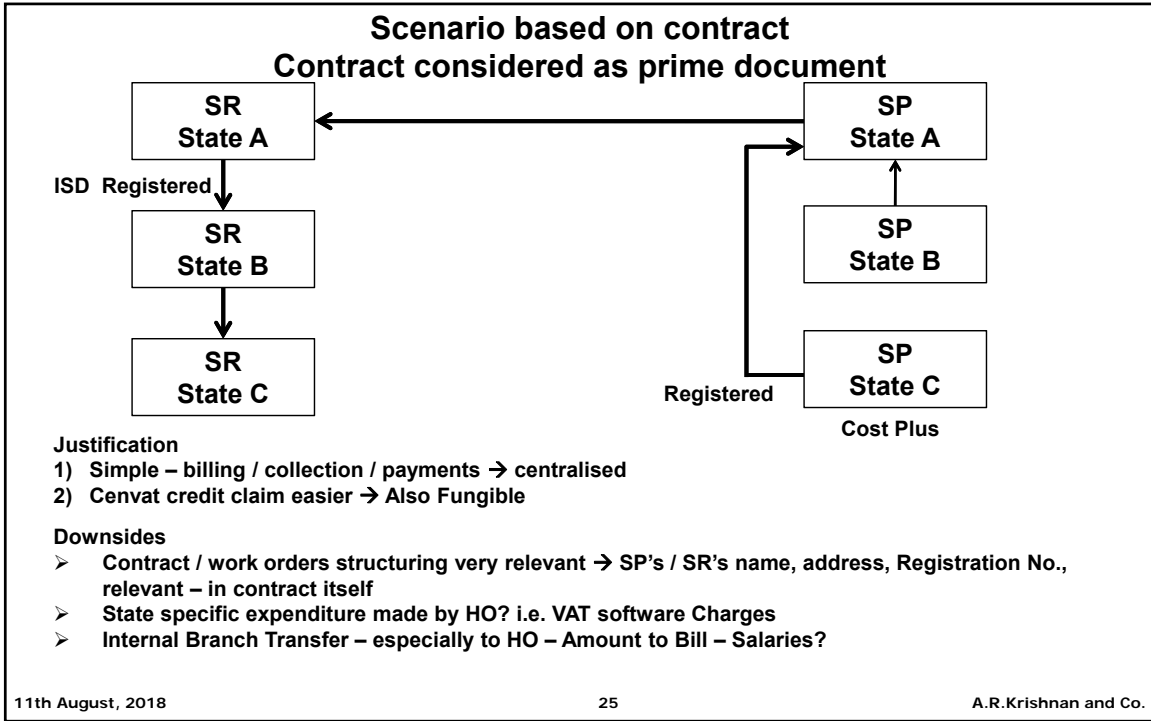


- 1) Multiple billings
- 2) Value of billing in case of single Contract
- 3) Collection / Payments → TOS / credit

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### Some Pros & Cons of alternative possibility

Merits	Demerits
➤ Client insulation from POS determination issue - Only HO relevant for determining POS	➤ Client convenience & business relationship with regional offices to be affected
➤ ISD registration & compliances can be avoided	➤ Compliances at regional offices would still continue
➤ Regional offices to charge only IGST on its supply – HO to take IGST credit – fully fungible against IGST/CGST/SGST	➤ Inter state billing transactions – valuation issue may arise at the time of assessment of regional offices – but good case – Salaries?
	➤ Direct Interactions of regional offices with client – question of who is the recipient may arise
	➤ May not work in case of immovable property related services

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## Contract scenario

### Client's Perspective

- May require individual location bill – does not want to distribute expense / credit at his end
- Take work order / contract from each location



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## OTHER ISSUES

Payment to overseas companies / bodies

- Group companies for recharge
- Group companies for management debit
- Other importation of services

### Tax paid entitled for input credit

ISSUE : When no consideration 

- Taxability & Valuation challenges - Inter-Division / Inter-State Billings – valuation to be in sync with domestic & international Income tax transfer pricing

## Business process Precautions to be taken

- Ascertain who is the recipient of your service & Ascertain his location
- Ensure all contractual documents corroborate the recipient of service – Role of negotiating branch to be delineated
- Vendor Validation to be done - services used for output supply to be procured directly by concerned service providing unit.
- Mentioning GSTN of recipient unit to be ensured in vendor invoices
- Amend P.O. – GST to be remitted if supply not reflected in GSTN
- Retention of vendor invoices – crucial for availing credit

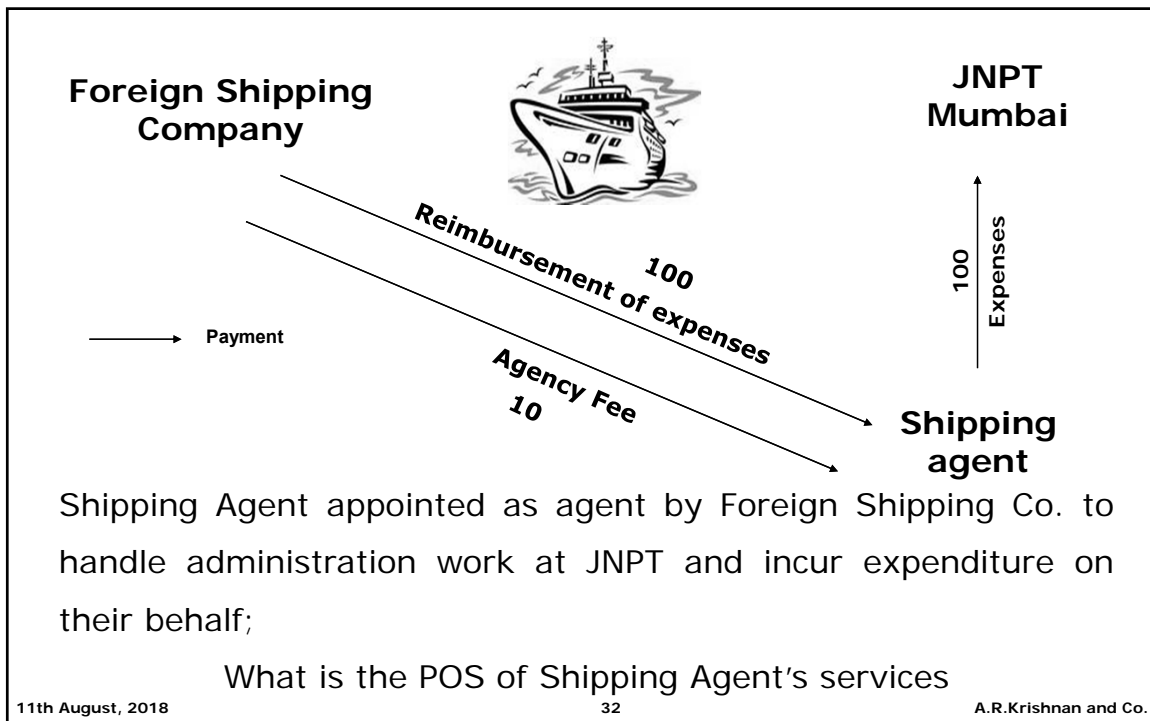
# Case study - 2

## Cross Border Steamer Agency Services

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## Reimbursement of Expenses [Rs.100/-] –

Port dues, Pilotage charges, Berth Hire charges, Light dues etc.

- Not a consideration for any service
- Excludible from Value of Supply of Services since incurred as pure agent u/r 33 of CGST Rules, 2017,

Pure Agency Conditions -

1. Enters into contractual agreement with to incur expenditure
2. Neither intends to hold nor holds title to goods / services
3. Does not use services for own interest
4. Recovers only actual amount incurred
5. Payment separately indicated in invoice
6. Supplies procured are in addition to the agency services

## Agency Fees [Rs.10/-]

Three possible candidates

Sl. no	Section	Place of Supply	Taxability
1.	s.13 (2)	Location of service recipient (Default POS)	Exports
2.	s.13 (3)	Location where services are actually performed (Work Upon Goods)	Taxable
3.	s.13 (8)	Location of Supplier of services (intermediary)	Taxable

Since goods never come under physical possession and control of the Shipping Agent – s.13(3) not attracted

### **Whether Shipping Agent an intermediary ?**

- As per **s. 2(13) of the IGST Act, 2017** an “Intermediary” means a broker, an agent or any other person, by whatever name called, who arranges or facilitates the supply of goods or services or both, or securities, between two or more persons, but does not include a person who supplies such goods or services or both or securities on his own account;
- Shipping Agent may be considered to be arranging / facilitating supply of services by port to foreign shipping company;
- Reimbursable component itself an indicator that services received from port are in addition to Shipping agent’s services;
- Shipping agent may be considered as an intermediary – Place of supply as per s.13(8) is location of supplier of services i.e. in this case, the Agent in India. Thus, location of supplier and POS in India. Hence liable to pay GST even if remuneration is received in foreign currency.

## **Case study - 3**

# **Ship Repairing services**

### Taxability of Ship repairing Activity

Sl. no.	Particulars	Scenario I	Scenario II
1.	Location of supplier	Mumbai	Mumbai
2.	Location of ship owning co.	Mumbai	London
3.	Ship anchored at port in	Vizag	Vizag

Ship repairing activity involves supply of parts as well as providing repair services – shown separately in Invoice

### Nature of levy ?

### ISSUES

- Is it a contract for services ?
  
- Is it a contract for goods ?
  
- Is it a contract containing 2 contracts, one for goods and another for services ?

### Whether it is a composite supply ?

**s.2(30) of CGST Act, 2017** - "composite supply" means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply;

Illustration.— Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is a principal supply;

**s.2(90) of CGST Act, 2017** - "principal supply" means the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary;

### From the facts it appears -

- Neither the spare parts nor the repairing service constitutes predominant element of the supply; both are equally important. Hence there is no one principal supply;

***Consequently Good case to say it is not a composite supply.***

### Whether it is a Mixed Supply ?

- **s.2(74) of CGST Act, 2017** “mixed supply” means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.

Illustration.— A supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drinks and fruit juices when supplied for a single price is a mixed supply. Each of these items can be supplied separately and is not dependent on any other. It shall not be a mixed supply if these items are supplied separately;

***Since there is no single price may not be considered as a mixed supply.***

### Whether it is two distinct supplies ?

- Since neither a composite supply nor mixed supply – same to be considered as 2 distinct supply; one for supply for goods and another for supply of services.
- Board Circular No. 47/21/2018 – GST dated 8.6.2018

Sl. no.	Issue	Clarification
2.	How is servicing of cars involving both supply of goods (spare parts) and services (labour), where the value of goods and services are shown separately, to be treated under GST?	2.1 The taxability of supply would have to be determined on a case to case basis looking at the facts and circumstances of each case.  2.2 Where a supply involves supply of both goods and services and the value of such goods and services supplied are shown separately, the goods and services would be liable to tax at the rates as applicable to such goods and services separately.

**Good case to say 2 distinct supplies**

## Supply of goods

- Supply involves movement of goods (parts) upto ship-  
Movement terminates in territorial waters. POS Vizag (Andhra Pradesh) [s. 10(1)(a) r.w.s. 9 of IGST Act]

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- **Both scenarios** – Location of supplier (Mumbai) and POS (Vizag) in different state. Hence in view of s.7(1) interstate supply of goods liable for IGST.

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## Supply of services

### Scenario - I

- POS – Location of recipient since supply made to a registered person i.e. Mumbai [s.12(2) of IGST Act].

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- Location of supplier and Place of supply both are in Mumbai  
- To charge CT + ST of Maharashtra

## Supply of services

### Scenario - II

- Work upon goods physically made available for carrying out repairs – POS is location where services are actually performed - ship anchored in territorial waters of Vizag. Hence POS Andhra Pradesh [S.13(3) r.w.s. 9(b) of IGST Act]

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Slide 61

- Location of supplier in Maharashtra and Place of supply in Andhra Pradesh - To charge IT

## Case study - 4

### Works Contract services

## FACTS

A Ltd. based in Mumbai contracts with B Ltd. in Mumbai to construct a factory for A Ltd. in Gujarat. B Ltd. subsequently sub-contracts to C Ltd. based in Gujarat (only Civil Work).

### Billing

1. C Ltd. bills to B Ltd.

Location of Supplier - Gujarat

Place of Supply – Gujarat [section 12(3)] of IGST Act, 2017]

Taxes applicable - CT + ST [Gujarat]

2. B Ltd., bills to A Ltd. [Mumbai]

Location of Supplier - Mumbai

Place of supply – Gujarat [section 12(3) of IGST Act, 2017]

Taxes applicable - IGST



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**B Ltd. not able to take credit of GST charged by C Ltd.- Issue?**

Contract to provide -

- A Ltd. and B Ltd. both to have their offices in Gujarat – since services are being provided from Gujarat [say from site office]
- B Ltd. (Gujarat) bills A Ltd. (Gujarat Office)
- C Ltd. (Gujarat office ) bills B Ltd. (Gujarat Office)

In all case, CT + ST (Gujarat) applicable and credit can be taken

For A Ltd. – Blocked Credit



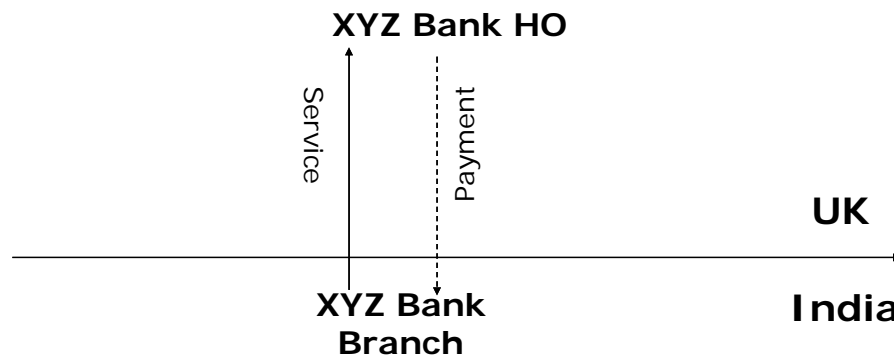
# Case study – 5

## Cross Border Inter-Branch Transactions

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**Services – Advisory Service**

Whether XYZ Indian Branch's services would be considered as exported u/s. 2(6) of IGST Act ?

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- **Location of service provider - India**
- **Location of service receiver - Outside India**
- **Place of supply - Section 13 (2) - Location of recipient outside India**
- **Payment received in foreign exchange**

**BUT**


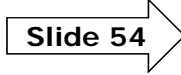
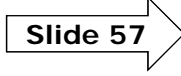
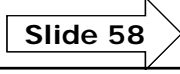
- **Service Provider is a branch of Service recipient**

**Not export of services**

- Same issue under ST regime -
- But no liability to pay service tax as POPS is outside the taxable territory
- Only not an export of service u/r 6A of Service Tax Rules, 1994

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### Under GST Regime

- SP and SR are distinct persons in terms of Expln.1 to s.8 of IGST Act, 2017 
- Not an export of service as defined u/s.2(6) of IGST Act, 2017. 
- But interstate supply u/s.7(5)(a) of IGST Act, hence liable to tax 
- Q No.54 of FAQs on banking, insurance and stock brokers sector 

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 Go to end

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### Relevant Legal Provisions

- s.2(6) of IGST Act, 2017 "export of services" means the supply of any service when,—
  - (i) the supplier of service is located in India;
  - (ii) the recipient of service is located outside India;
  - (iii) the place of supply of service is outside India;
  - (iv) the payment for such service has been received by the supplier of service in convertible foreign exchange; and
  - (v) the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8;

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### Relevant Legal Provisions

- Explanation 3 of s.65B (44) of FA,1994 - For the purposes of this Chapter,-
  - (a) an unincorporated association or body of persons, as the case may be, and a member thereof shall be treated as distinct persons;
  - (b) an establishment of a person in the taxable territory and any of his other establishment in a non-taxable territory shall be treated as establishments of distinct persons.



### Relevant Legal Provisions

Expln. 1 to s.8 of IGST Act, 2017 –

For the purposes of this Act, where a person has,–

- (i) an establishment in India and any other establishment outside India;
  - (ii) an establishment in a State or Union territory and any other establishment outside that State or Union territory; or
  - (iii) an establishment in a State or Union territory and any other establishment being a business vertical registered within that State or Union territory,
- then such establishments shall be treated as establishments of distinct persons.



## Relevant Legal Provisions

### s.7 of IGST Act, 2017.

(5) Supply of goods or services or both,—

(a) when the supplier is located in India and the place of supply is outside India;

(b) to or by a Special Economic Zone developer or a Special Economic Zone unit; or

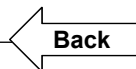
(c) in the taxable territory, not being an intra-State supply and not covered elsewhere in this section, shall be treated to be a supply of goods or services or both in the course of inter-State trade or commerce



## Frequently Asked Questions on Banking, Insurance and Stock Brokers Sector

### BANKING SECTOR

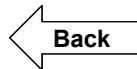
Sr.	Question	Answer
54.	Are services supplied by a Bank to its branch / head-office outside India, which are neither intermediary services nor services to account holders, taxable under GST?	GST is a destination based consumption tax. <b>Such services provided by a Bank or the branch of a foreign Bank in India to its offshore branch / head-office, which are neither intermediary services nor services to account holders, are inter-State supply of services between distinct establishments (as per section 7(5)(a) read with Explanation to section 8 of the IGST Act, 2017), and will be taxable in India, as the location of the supplier is in India and the place of supply is outside India.</b> Such services will not be treated as exports in view of the sub-clause (v) of section 2(6) of the IGST Act, 2017 read with Explanation 1 to section 8 of the IGST Act, 2017.



**s.10.** (1) of IGST Act, 2017 - The place of supply of goods, other than supply of goods imported into, or exported from India, shall be as under,—

(a) where the supply involves movement of goods, whether by the supplier or the recipient or by any other person, the place of supply of such goods shall be the location of the goods at the time at which the movement of goods terminates for delivery to the recipient;

(b) where the goods are delivered by the supplier to a recipient or any other person on the direction of a third person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to the goods or otherwise, it shall be deemed that the said third person has received the goods and the place of supply of such goods shall be the principal place of business of such person;



(c) where the supply does not involve movement of goods, whether by the supplier or the recipient, the place of supply shall be the location of such goods at the time of the delivery to the recipient;

(d) where the goods are assembled or installed at site, the place of supply shall be the place of such installation or assembly;

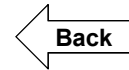
(e) where the goods are supplied on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle, the place of supply shall be the location at which such goods are taken on board.



**s.9 of IGST Act, 2017.** Notwithstanding anything contained in this Act,—

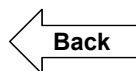
- (a) where the location of the supplier is in the territorial waters, the location of such supplier; or
- (b) where the place of supply is in the territorial waters, the place of supply,

shall, for the purposes of this Act, be deemed to be in the coastal State or Union territory where the nearest point of the appropriate baseline is located.



**s.12(2) of IGST Act, 2017** - The place of supply of services, except the services specified in sub-sections (3) to (14),—

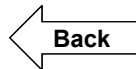
- (a) made to a registered person shall be the location of such person;
- (b) made to any person other than a registered person shall be,—
  - (i) the location of the recipient where the address on record exists; and
  - (ii) the location of the supplier of services in other cases.



**s.7(1) of IGST Act, 2017** - Subject to the provisions of section 10, supply of goods, where the location of the supplier and the place of supply are in—

- (a) two different States;
- (b) two different Union territories; or
- (c) a State and a Union territory,

shall be treated as a supply of goods in the course of inter-State trade or commerce.



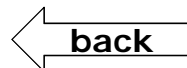
**s.13(3) of IGST Act, 2017** - The place of supply of the following services shall be the location where the services are actually performed, namely:—

(a) services supplied in respect of goods which are required to be made physically available by the recipient of services to the supplier of services, or to a person acting on behalf of the supplier of services in order to provide the services:

Provided that when such services are provided from a remote location by way of electronic means, the place of supply shall be the location where goods are situated at the time of supply of services:

Provided further that nothing contained in this clause shall apply in the case of services supplied in respect of goods which are temporarily imported into India for repairs and are exported after repairs without being put to any other use in India, than that which is required for such repairs;

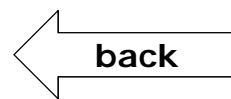
(b) services supplied to an individual, represented either as the recipient of services or a person acting on behalf of the recipient, which require the physical presence of the recipient or the person acting on his behalf, with the supplier for the supply of services.





**s.13(2) of IGST Act, 2017.** The place of supply of services except the services specified in sub-sections (3) to (13) shall be the location of the recipient of services:

Provided that where the location of the recipient of services is not available in the ordinary course of business, the place of supply shall be the location of the supplier of services.



**s.13(8) of IGST Act, 2017** - The place of supply of the following services shall be the location of the supplier of services, namely:–

(a) services supplied by a banking company, or a financial institution, or a non-banking financial company, to account holders;

(b) intermediary services;

(c) services consisting of hiring of means of transport, including yachts but excluding aircrafts and vessels, up to a period of one month.

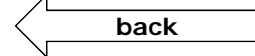
Explanation.....

## Export of services under Service tax regime

6A. of the Service Tax Rules

(1) The provision of any service provided or agreed to be provided shall be treated as export of service when,-

- a) The provider of service is located in the taxable territory,
- b) The receiver of service is located outside India,
- c) The service is not a service specified in section 66D of the Act,
- d) the place of provision of the service is outside India,
- e) The payment for such service has been received by the provider of service in convertible foreign exchange, and
- f) the provider of service and recipient of service are not merely establishments of a distinct person in accordance with item (b) of Explanation 3 of clause (44) of section 65B of the Act.



Section 12 (3) of IGST Act, 2017

The place of supply of services,—

(a) directly in relation to an immovable property, including services provided by architects, interior decorators, surveyors, engineers and other related experts or estate agents, any service provided by way of grant of rights to use immovable property or for carrying out or co-ordination of construction work; or

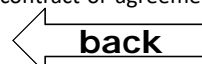
(b) by way of lodging accommodation by a hotel, inn, guest house, home stay, club or campsite, by whatever name called, and including a house boat or any other vessel; or

(c) by way of accommodation in any immovable property for organising any marriage or reception or matters related thereto, official, social, cultural, religious or business function including services provided in relation to such function at such property; or

(d) any services ancillary to the services referred to in clauses (a), (b) and (c), shall be the location at which the immovable property or boat or vessel, as the case may be, is located or intended to be located:

Provided that if the location of the immovable property or boat or vessel is located or intended to be located outside India, the place of supply shall be the location of the recipient.

Explanation.—Where the immovable property or boat or vessel is located in more than one State or Union territory, the supply of services shall be treated as made in each of the respective States or Union territories, in proportion to the value for services separately collected or determined in terms of the contract or agreement entered into in this regard or, in the absence of such contract or agreement, on such other basis as may be prescribed.



### Domestic Place of Supply of Goods [S.10 of IGST Act,2017]

<i>Nature of supply</i>	<i>Place of supply</i>
• Supply involving movement of goods	Location of goods at time of termination of movement for <b><i>delivery to recipient</i></b>
• Supply on direction of 3 <sup>rd</sup> person	Principal POB of 3 <sup>rd</sup> person
• Supply not involving movement of goods	Location of goods at time of <b><i>delivery to recipient</i></b>
• Supply by assembly / installation at site	Place of installation / assembly
• Supply on board a conveyance (vessel, aircraft, train etc.)	Location where goods are taken on board
• None of the above	Determined in a manner prescribed

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### Cross Border - Place of Supply of Goods [S. 11 of IGST Act,2017]

Nature of supply	Place of Supply
• Goods imported into India	Location of Importer
• Goods exported from India	Location outside India

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**Domestic Place of Supply of Service for different situations  
[i.e. where Location of 'SP' and 'SR' is in India]**

Sr. No.	Description of Service	Place of Supply of services
1.	Basic Rule (All services except if specifically covered below)	Location of Recipient, if he is registered  If not registered, his address on record  And if no address -location of supplier
2.	Service relating to Immovable Property/ boat/ vessel	Location of such Immovable Property/ boat/ vessel & Location of <b>recipient</b> where property located outside India
3.	Specified Performance based Service	Location where services actually performed <i>Except</i> where service of training /performance appraisal to registered person where POS is location of such registered person

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Sr. No	Situation	Place of Supply of services
4.	Services relating to admission to amusement park/ place or any event including organizing of events	Location of such park/ place/ event <i>Except</i> (i) service provided by way of organizing an event to Registered person where POS is location of such person (ii) Location of recipient where event held outside India
5.	Goods Transportation services (including by mail or courier)	Location of Recipient, if he is registered  If not registered, place where goods handed over for transportation
6.	Passenger transportation service	Location of Recipient registered/ place of embarkation/ address as available/ location of supplier Based on facts
7.	Service on board a conveyance, aircraft, train or motor vehicle	First scheduled point of departure of that conveyance

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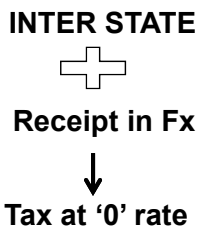
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SI.	Situation	Place of Supply of services
8.	Supply of telecommunication service including data transfer/ broadcasting/ cable/ DTH	Fixed telecommunication lines etc- Location of installation for receipt of service Mobile telecommunication and internet connection etc – Location of recipient/ location of supplier etc
9.	Banking & Financial services (including Stock broking services)	Where location of recipient available in records of the supplier – Location of recipient Where location of recipient not available – Location of supplier
10.	Insurance Services	Location of recipient, if he is registered  If not registered, Location of recipient as per record of supplier
11.	Advertisement service to CG/ SG/ LA/UT for identifiable states	Location in each state

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**CROSS BORDER INTER STATE SUPPLY OF SERVICES**  
**[i.e. where Location of either 'SP' or 'SR' is outside India]**

<i>Particulars</i>	<i>IMPORT</i>	<i>EXPORT</i>
Location of Supplier	Outside	India
Location of Recipient	India	Outside
POS	India	Outside

**INTER STATE**                      **INTER STATE**  


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### Place of Supply of Service for different situations

Sl.	Description of Service	Place of Supply of services
1.	Basic Rule (All services except if specifically covered below)	<ul style="list-style-type: none"> <li>• Location of service recipient</li> <li>• If address not available, then location of supplier</li> </ul>
2.	Performance based Service	Location of performance of service
3.	Service relating to Immovable Property	Location of the immovable property
4.	Service relating to Events	Location of the event
5.	Services (2,3,4 above) supplied at more than one location [including location in Taxable Territory ('TT')]	Location in TT
6.	Services (2,3,4 above) supplied in more than one state or union territory.	<ul style="list-style-type: none"> <li>▪ Respective State/ Union Territory</li> <li>▪ Value - Proportion to value of service separately or collected or based on contract/ agreement; and in case No contract – on prescribed basis</li> </ul>

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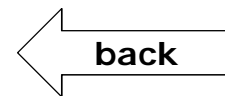
Sr. No	Situation	Place of Supply of services
6.	Specified Services	Location of service provider
7.	Goods Transportation services (other than mail or courier)	Place of destination of goods
8.	Passenger transportation service	Place of embarkation for continuous journey
9.	Service on board a conveyance	First scheduled point of departure of conveyance
10.	Online Information Database Access or Retrieval services	Location of recipient of service

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- **The Central Government to notify any description of service or circumstances in which the place of supply shall be the place of effective use and enjoyment of service in order to avoid double taxation / non-taxation.**



**MEGA SERIES ON IMPACT OF GST ON SECTORS**

*Issues in Place of Supply*

*By C.A. A. R. Krishnan*



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