

TIME OF SUPPLY AND PLACE OF SUPPLY UNDER GST



Time of Supply



- ▶ Time of Supply determines the Point of Taxation along with the Rates of Taxation
- ▶ Section 12 and 13 and 14 of the Central Goods and Service Tax Act relates to Time of Supply of Goods and Services.
- ▶ The Following contingencies may arise for Consideration:-
 1. Advance payment
 2. Raising of Invoice
 3. Supply of Goods or the Last date when invoice is required to be raised
 4. Receipt of Payment

Time of Supply of Goods



1. Forward Charge

- a) Out of the four contingencies referred to supra, that which is anterior in time will constitute the basis for time or point of taxation.
- b) Vide Notification 66/2017 – CT dt 15.11.2017, the criteria of advance payment stands deleted.
- c) Explanation 1: Supply shall be deemed to have been made to the extent it is covered by the invoice or, as the case may be, the payment.
- d) Date of receipt of payment would mean date on which the payment is entered into the books or credited to the bank account, whichever is early.

Time of Supply of Goods



2. Reverse charge

- a) Date of receipt of goods
- b) Date of payment
- c) The date immediately following 30 days from the date of issue of Invoice or any other document
- d) If none of the above is possible, date of entry in the books of accounts of the recipient of supply.

Time of Supply of Goods



3. Vouchers

- a) Date of issue of voucher if the supply is identifiable at that point
- b) Date of redemption
- Section 2(118) of CGST – “voucher” means an instrument where there is an obligation to accept it as consideration or part consideration for a supply of goods or services or both and where the goods or services or both to be supplied or the identities of their potential suppliers are either indicated on the instrument itself or in related documentation, including the terms and conditions of use of such instrument;

4. Residuary Clause

- a) The date on which periodical return needs to be filed
- b) In any other case, the date on which tax is paid.

Time of Supply of Services



1. Forward charge

- a) Advance payment
- b) Date of issuance of invoice
- c) Date of provision of service in case invoice is not issued within the prescribed period
- d) Date on which the recipient shows the receipt of service in his books of accounts.

Time of Supply of Services



2. Reverse Charge

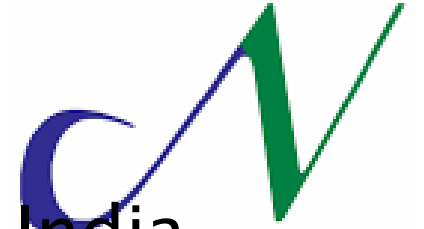
- a) Date of payment as entered into the books of account of the recipient or the date on which the payment is debited in the bank account, whichever is earlier.
- b) Date immediately following 60 days from the date of issuance of Invoice or any other document.
- c) If time of supply cannot be identified under Clause (a) or clause (b), date of entry in the books of account of the recipient.
- d) In the case of supply by associated enterprises, date of entry in the books of accounts or the date of payment whichever is earlier.

Time of Supply of Services

- ▶ Vouchers
 - Same as supply of goods
- ▶ Residual Clause
 - Same as goods



Place of Supply of Goods



1. Goods other than imported into, or exported from India
 - a) Where movement of goods is involved – place at which movement of goods terminate for delivery to the recipient
 - b) When goods are delivered by the supplier to the recipient on direction of a third person – principal place of business of such third person
 - c) Where supply does not involve movement of goods – location of such goods at the time they delivered to the recipient.
 - d) Where supply is on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle – location at which goods were taken on board

Place of Supply



- ▶ Intra-State Character
 - i. Location of Supply and Place of Supply of services within the same state is Intrastate.
- ▶ Inter-State Character
 - i. Between two states, Union Territories and States and Union Territories
 - ii. Goods imported into the territory of India till they cross the Customs Frontier
 - iii. Supply of goods or service or both
 - i. Supplier is located in India and place of supply outside of India (Duty Free Shops)
 - ii. Supply to or by an SEZ (Developer/unit), Residual Supply will be interstate Supply.

Place of Supply of Goods



2. Goods Imported into, or Exported from India

- a) Goods imported into India – location of importer.
- b) Goods exported from India – location outside India.

Place of Supply of Services



1. Location of Supplier and Recipient is in India

General Cases

- a) When made to a registered person – Location of such person
- b) When made to persons other than registered persons –
 - i. location of the recipient if address on record exists
 - ii. location of supplier in all other cases

Place of Supply of Services



Specific Cases

- a) Service in relation to immovable property, including expert services (architects, interior decorators, surveyors, etc) – location at which the immovable property is located
- b) Service by way of lodging accommodation in hotel, inn, guest house, etc – location at which the immovable property is located
- c) Service by way of accommodation in an immovable property for organizing any marriage reception and other functions at such property – location at which the immovable property is located
- d) If the immovable property is located outside India – location of recipient



- f) Services related to training and performance appraisal
 - i. provided to registered person – location of such person
 - ii. persons other than that – location where services performed
- g) Admission to in the event or the amusement park – location of the park or other such place
- h) Services in relation to organising events
 - i. provided to registered person – location of such person
 - ii. persons other than that – location where event is held
- i) Services related to transportation of goods, including by mail or courier
 - i. provided to registered person – location of such person
 - ii. persons other than that – location at which goods are handed over
- j) Passenger transport services
 - i. provided to registered person – location of such person
 - ii. persons other than that – location at which passenger embarks



- k) Services on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle – scheduled point of departure of that conveyance for the journey.
- l) Supply of telecommunication services –
 - i. fixed telecommunication line – location of the telecommunication line
 - ii. mobile connection – location of billing address of the recipient and if address is not available, location of supplier of service
- m) Banking and other financial services – location of recipient of service and if location is not available, location of a supplier of service
- n) Insurance services
 - i. provided to registered person – location of such person

Place of Supply of Services



2. Location of supplier or of recipient is outside India

General cases

- a) location of the recipient of services
- b) location of recipient is not available, location of supplier of service

Place of Supply of Services



▶ Specific Cases

- a) Service with respect to goods which are required to be made physically available to the recipient – location where service is performed
- b) Service in relation to immovable property, including expert services, supply of accommodation by hotel, inn, etc. services for carrying out construction work and other related work – place where immovable property is located
- c) Admission to in the event and services ancillary to admission or organisation of such event – place where event is held
- d) If services mentioned under (a), (b), (c) provided in more than one location, including a taxable territory – place of supply – location in the taxable territory
- e) If services mentioned under (a), (b), (c) provided in more than one State or Union territory – Proportion to value of service



- f) Services supplied by financial institution to account holders, intermediary services, services consisting of hiring – location of supplier of service
- g) Services related to transportation of goods including by mail or courier – place of the destination of such goods
- h) Passenger transport services – place where passenger embarks
- i) Services provided on board a conveyance – first scheduled point of departure
- j) Supply of online information – location of the recipient