

Documents

Accounts & Records

Payment of Taxes

Documents

Section 31 to 34 of CGST Act, 2017
Rule 46 to 55A of CGST Rules, 2017

Tax Invoice

Section 2(66) of CGST Act, 2017

- “Invoice” or “Tax Invoice” means the Tax Invoice referred to in Section 31 of CGST Act, 2017.

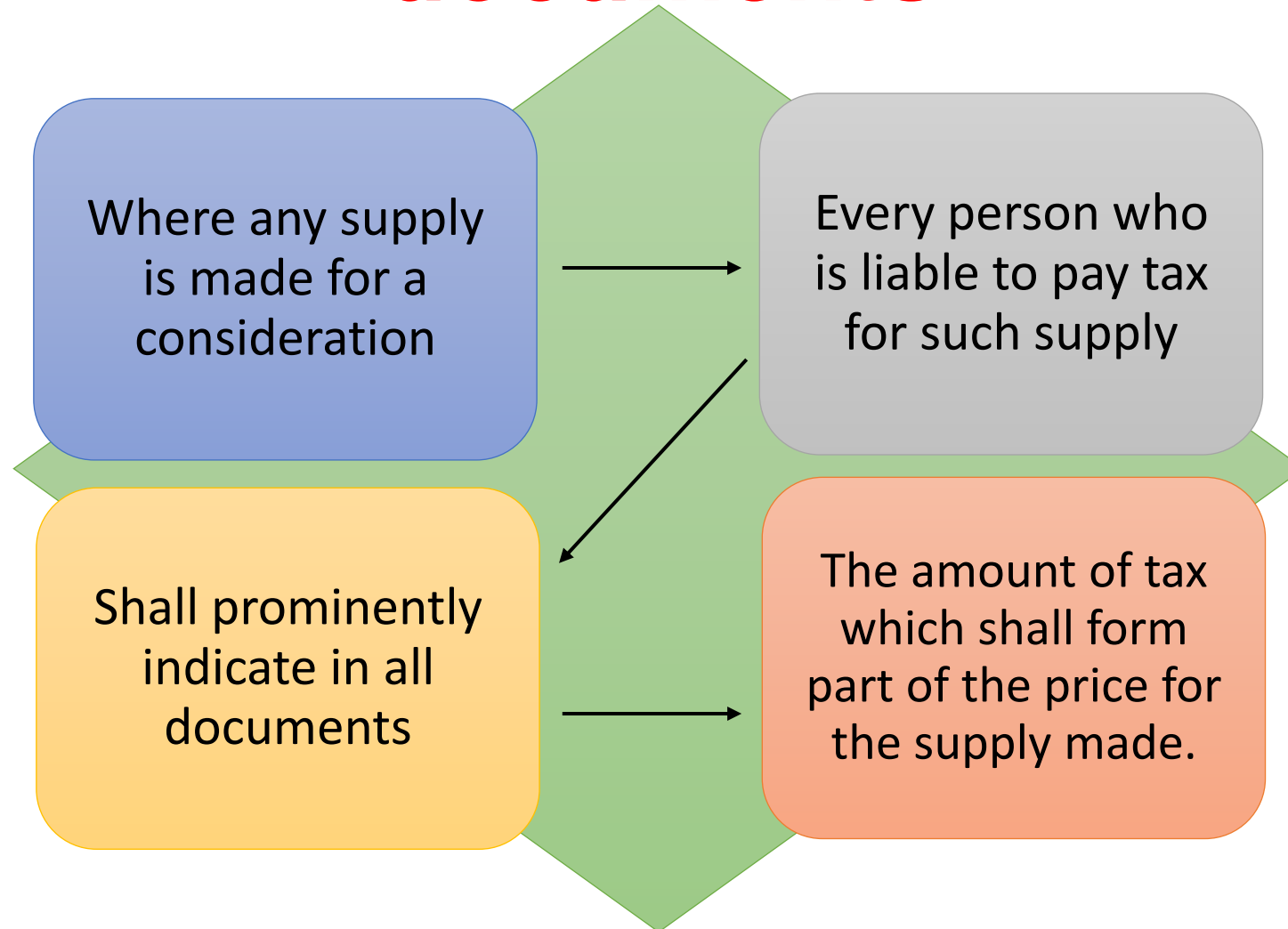
Prohibition of unauthorized Collection of Tax

Section 32 of CGST Act,
2017

Registered Person is
authorized to collect tax
under GST Law

Collection of Tax is in
accordance with the
provisions of the Acts or
Rules made thereunder.

Tax collected to be indicated in documents



Tax Invoice for supply of Goods

Tax Invoice for supply of Goods

When to issue Tax Invoice for Goods

Before or at the time of removal of goods – where the supply involves movement of goods (or)

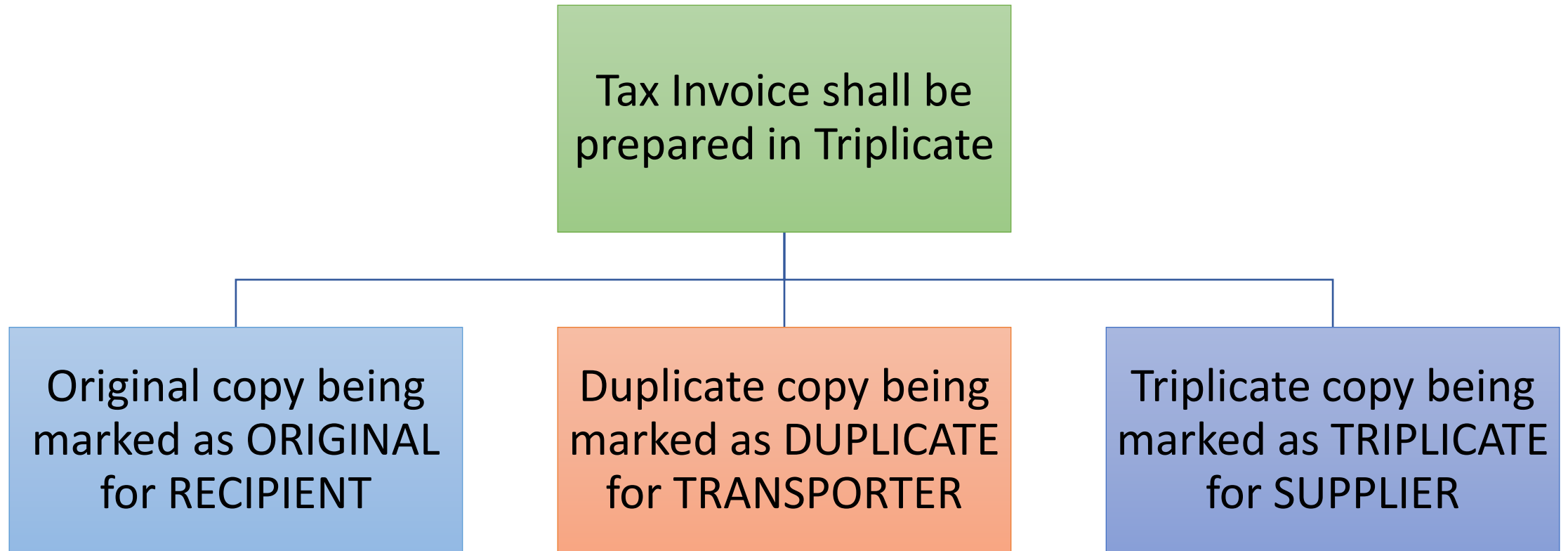
Delivery of goods or making available thereof to the recipient

Content of Tax Invoice

Showing the description, quantity and value of goods, the tax charged thereon and

Such other particulars as prescribed in Rule 46 of CGST Rules, 2017.

Manner of issuing Tax Invoice for goods



Tax Invoice for supply of Services

Tax Invoice for supply of Services

When to issue Tax Invoice for Services

- Issue a Tax Invoice before or after provision of service but within a period of 30 days from the date of provisioning of service.

Content of Tax Invoice

- Showing the description, values, the tax charged thereon and
- Such other particulars as prescribed in Rule 46 of CGST Rules, 2017.

Manner of issuing Tax Invoice for Services

Tax Invoice shall be prepared in Duplicate

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graph TD; A[Tax Invoice shall be prepared in Duplicate] --> B[Original copy being marked as ORIGINAL for RECIPIENT]; A --> C[Duplicate copy being marked as DUPLICATE for SUPPLIER];
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Original copy being marked as ORIGINAL for RECIPIENT

Duplicate copy being marked as DUPLICATE for SUPPLIER

Tax Invoice

Issue a consolidated tax invoice at the end of the each day.

- In case value of supply is less than Rs. 200/-
- Admission to exhibition of cinematography films in multiplex screens

Issue of Invoice by transport agency – R54(3)

Suppliers of taxable passenger transportation [Bus, Train, Flight]

In case of cessation of contract

- Tax Invoice till the date of cessation of contract has to be issued.

Issue of Tax Invoice in case of goods sent on approval

- When goods are removed without Tax Invoice for the reasons of approval by the recipient
- Tax Invoice shall be issued within a period of 6 months from the date of removal.

Invoice for RCM & Payment Voucher

When to issue Self Invoice & Payment Voucher

- Transactions falling under Section 9(3) & (4)
- GST Law is silent on Invoice for RCM & Payment Voucher to be issued at the time of making payment.

Content of Invoice & Payment Voucher

- Self Invoice format is not prescribed in rules, one may use Tax Invoice format
- Rule 52 prescribes the content of payment voucher

Revised Invoice

Who has to issue a revised invoice

- Newly registered person

Period covered for issue of revised invoice

- From the effective date of registration till the date of issuance of certificate of registration

When to issue a revised invoice

- A registered person within one month from the date of issuance of certificate of registration
- A consolidated revised invoice may be issued to unregistered recipient.

Content of revised invoice

- Format of revised invoice is prescribed in Rule 53(1) of CGST Rules, 2017

Bill of Supply

Who has to issue Bill of Supply

- Registered Person dealing in Exempted Goods or Services
- Registered person paying tax under Composition

Issue of Bill of supply for the value less than Rs. 200/-

- Issue consolidated bill of supply at the end of each day.

Content of Bill of Supply

- Rule 49 of CGST Rules, 2017 prescribes the content of Bill of Supply
- Any invoice issued under other acts for non taxable supplies

Receipt Voucher

When to issue receipt voucher

- On receipt of advance payment with respect to any supply - Evidencing receipt of consideration

When to issue Invoice in lieu of receipt voucher – Sec. 31(5)

- In case of continues supply of services

Content of Receipt Voucher

- Rule 50 of CGST Rules, 2017 prescribes the content of receipt voucher.

Rate of tax to be paid on receipt of advance

- The rate of tax is not determinable at the time of receipt of advance, the tax @ 18% has to be paid.

Inter State or Intra State Supply

- At the time of receipt of advance, the nature of supply is not determinable, shall be treated as **Inter State Supply**.

Refund Voucher

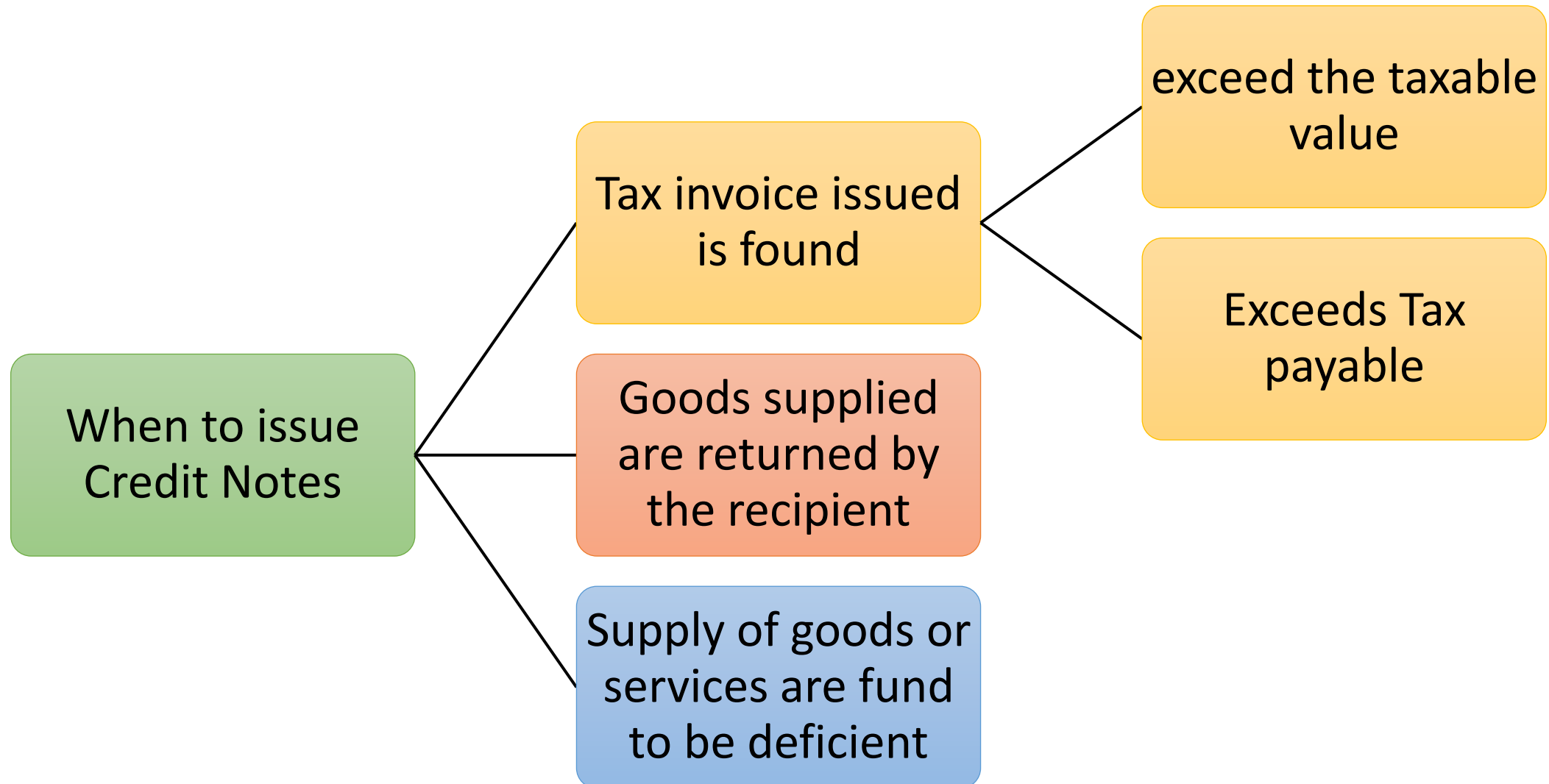
When to issue refund voucher

- Upon receipt of advance, in case the supply is not made, the amount so refunded to the recipient in refund voucher

Content of refund voucher

- Rule 51 of CGST Rules, 2017 prescribes the content of refund voucher

Credit Notes



Who has to issue Credit Note

- It is always the supplier of goods or services or both

Number of Credit notes to be issued

- One or more credit notes for a financial year can be issued

Time Limit to issue credit notes is earliest of

- 30th November following the end of the FY or Date of furnishing of relevant annual return, whichever is earlier

Condition for reduction of tax liability of supplier on issue of Credit Note

- Unless the recipient reduces his ITC

Content of Credit Notes

- Rule 53(1A) of CGST Rules, 2017 prescribes the content of Credit Note.

Debit Notes

When to issue Debit Notes

Tax invoice issued is found

Less than the taxable
value

Less than Tax payable

Who has to issue Debit Note

- It is always the supplier of goods or services or both

Number of Debit notes to be issued

- One or more debit notes for a financial year can be issued

Time Limit to issue Debit notes

- No time limit

Supplementary Invoice

- Debit Note shall include a supplementary Invoice

Content of Debit Notes

- Rule 53(1A) of CGST Rules, 2017 prescribes the content of Credit Note.

Accounts & Records



Accounts & Records

Section / Rule	Particulars
Sec. 35	Accounts & Records
Sec. 36	Period of retention of accounts
Rule 56	Maintenance of accounts by Registered Person
Rule 57	Generation & Maintenance of electronic records
Rule 58	Records to be maintained by owner or operator of godown or warehouse and transporters

Where to maintain

At principal place of **business** as mentioned in the certificate of registration

Registered for more than one place – **at all such places**

What to maintain

A true and correct account of

- Production or manufacture of goods
- Inward & outward supply of goods or services or both
- Stock of goods
- Input tax credit availed
- Output tax payable and paid
- Such other particulars as may be prescribed

Such other particulars prescribed are

True and correct account of

- Goods or services imported
- Goods or services exported
- Supply attracting reverse charge
- **Along with relevant documents including**
 - Invoices, Bills of supply, delivery challans
 - Credit notes, debit notes
 - Receipt vouchers, payment vouchers
 - Refund vouchers and e-way bills

The above records to be maintained for each activity including manufacture, trading and provisioning of services etcetera.

Such other particulars prescribed are

Every registered person

- Other than Composition dealer

Maintain Account of Stock

- Goods received & Supplied

Particulars to be captured

- Opening Balance
- Receipt
- Supply
- Goods lost, stolen, destroyed, written off or disposed by way of gift or free samples
- Balance of stock including raw materials, finished goods, scrap and wastage thereof

In which form to be maintained

In Hard copy format or

In electronic format

- Shall be authenticated by means of DSC
- Back-up of records
- On demand
 - produce records in Hard copy or Electronically readable format
 - Provide details of such files, passwords of such files
 - Explanation for codes used
 - Sample copies in print form of information stores in files

Records relating to TAX

Keep & Maintain records – containing details

- Tax Payable
- Tax payable under RCM - 9(3) & 9(4) of CGST Act
- Tax Collected & Paid
- ITC & ITC claimed

During the tax period - Register of

- Tax Invoice, Credit Note, Debit Note,
- Delivery Challan issued or received

Manufacturer of Goods

Every registered person manufacturing goods

Monthly production
account

Quantitative
details

Quantitative details
of goods

Raw
Materials

Services
used

Manufact
ured

Wastage

By
Products

Service Providers

Every registered person
supplying services

Quantitative details of
goods used in

Details of input
services utilized

Services supplied

Agents

Particulars of authorization received from the each principal for receipt / supply of goods or services

Description, value & quantity of goods or services received / supplied on behalf of principal

Accounts furnished to every principal

Tax paid on receipt / supply of Goods or Services on behalf of every principal

Works Contractor

Name & complete address of

- Each contractee
- Each supplier of Goods or Services

Description, value & quantity of Goods or Services received / utilized for execution of contract

Details of payments received in respect of each contract

Owner or operator of godown, Warehouse or transporters

Enrollment by filing FORM GST ENR-01

Transporter of Goods

- Goods Transported
- Goods Delivered
- Goods stored in transit – GSTIN wise & branch wise

Warehouse or godown keeper

- Period for which goods remain in godown
- Details of dispatch & movement
- Receipt & disposal of such goods

Clearing & Forwarding Agent

Having custody over other registered persons' Goods

As carrier or C & F Agent

For deliver or dispatch to recipient on behalf of registered person

Maintain true & correct accounts

- Goods handled by him
- Produced on demand by the proper officer

Other provisions

Accounts relating to Goods lost, stolen, destroyed, written off or disposed of by way of gifts or free samples

- Registered Person fails to maintain proper records
- The proper officer can determine the amount of tax payable
- Provisions of Section 73 & 74 shall apply mutatis mutandis.

Every registered person shall keep and maintain

- Separate account of
- Advances Received, Paid and adjustment made thereto.

Other provisions

Every registered person shall keep the particulars of Name & Complete address of

- Supplier of Goods or Services
- Recipient of Goods or Services

Every registered person shall keep the particulars of Complete address of

- premise where goods are stored,
- Goods stores during the transit
 - along with stock stores therein

Other provisions

Entries in the registered, accounts and documents

- Shall not be erased, effaced or overwritten
- All incorrect entries to be scored out under attestation
- And correct entry to be recorded.

Each volume of books of accounts shall be serially numbered

Unless proved otherwise

- Any documents, registers or any books of accounts
- Belonging to a Regd. Person are found at any premises other than mentioned in the certificate of registration
- Shall be presumed to be maintained by the said registered person

Undisclosed place of business

Rule 56(6) If any taxable goods are found to be stored at any place(s) other than those declared under sub-rule (5) without the cover of any valid documents, the proper officer shall determine the amount of tax payable on such goods as if such goods have been supplied by the registered person

Period of retention of accounts

In all cases

- Until the expiry of **72 months** from the end of due date for submission of annual return

Example: Books of Accounts relating to Financial Year **2017-18** to be maintained till **06-02-2025**

In case of Appeals
/ Revision /
Investigation

- One year from the end of the final disposal of Appeals / Revision / investigation / proceedings; or the above period, which ever is later



Payment of Taxes

Central Goods and Services Tax Act (CGST) & Telangana State Goods & Services Tax Act

- Section 49 to 53

Payment of Tax Rules

- Rule 85 to 88C

Payment of Tax formats

- Form GST PMT-01 to GST PMT-09

Central Goods and Services Tax Act

Section	Content
49	Payment of tax, Interest, Penalty and other amounts
50	Interest on delayed payment of tax
51	Tax deduction at source
52	Collection of tax at source
53	Transfer of input tax credit

Payment of Tax - Rules

Rule	Content
1	Electronic Tax Liability Ledger
2	Electronic Credit Ledger
3	Electronic Cash Ledger
4	Identification number for each transaction

GST Payment Formats

Form No	Description of form
GST PMT – 01	Electronic Liability Register of registered person Part–I: Return related liabilities Part–II: Other than return related liabilities
GST PMT – 02	Electronic Credit Ledger
GST PMT – 03	Order for re-credit of the amount to cash or credit ledger on rejection of refund claim
GST PMT – 04	Application for intimation of discrepancy in Electronic Credit Ledger/Cash Ledger/Liability Register
GST PMT – 05	Electronic Cash Ledger
GST PMT – 06	Challan For Deposit of Goods and Services Tax
GST PMT – 07	Application for intimating discrepancy in making payment
GST PMT – 09	Transfer of amount from one account head to another in electronic cash ledger

Session

Sl. No	Coverage
1	Electronic Liability Register
2	Electronic Credit Ledger
3	Electronic Cash Ledger
4	Tax deduction at Source
5	Collection of tax at source
6	Other provisions

Electronic Liability Register

All liabilities of taxable person

Recorded and maintained in an “Electronic Liability Register”

Liability to be discharged as follows

- Dues relating to previous tax period
- Dues relating to current tax period
- Other amount payable

Register is maintained in Form GST PMT-01

Electronic Liability Ledger debited by

- Tax, Interest, etc. as per the return filed
- Tax, Interest, etc. as determined by the Proper Officer under the provisions of the Act
- Tax, Interest, etc. on account of mismatch U/s. 42, 43 & 50
- Interest that may accrue from time to time

Payment of Liability as per return filed

- Debited to
 - Electronic Credit Ledger and / or
 - Electronic Cash Ledger
- Credited to
 - Electronic Liability Register

TDS, TCS, RCM (CGST, SGST, UTGST, IGST), Composition Tax, Interest, Penalty, Fee or any other amount under CGST, IGST, SGST & UTGST

- Debited to Electronic Cash Ledger
- Credited to Electronic Liability Register

Any demand debited to Liability Register

- Shall stand reduced to the extent relief granted
- As per Order of Appeal, Tribunal or Court

The amount of Penalty imposed or liable to be imposed

- Stands reduced by debiting Electronic Cash Ledger and credited to Electronic Liability Register

Electronic Credit Ledger

Self – assessed ITC in the return credited to the “Electronic Credit Ledger”

Credit may be used for making payment of **output tax** under the relevant Act or IGST Act

The Electronic Credit Ledger is maintained on the common portal in “Form GST PMT – 02”

- The claim of ITC is credited to this ledger

In the event of claim of refund of credit U/s. 54

- The ledger is debited with the refund amount
- If the refund is rejected – again re-credited –
Form GST PMT – 03

No direct entry is permitted in Electronic Credit Ledger under any circumstances

In case of discrepancy in the Electronic Credit ledger

- To be notified to the Proper Officer through common portal
- Form GST PMT - 04

Manner of utilization of credit in the Electronic Credit Ledger

Credit of IGST	IGST	Permitted
	CGST	
	SGST / UTGST	
Credit of CGST	CGST	
	IGST	
Credit of SGST / UTGST	SGST / UTGST	
	IGST	
Credit of CGST	SGST / UGST	Not Permitted
Credit of SGST / UTGST	CGST	

Electronic Cash Ledger

Every Deposit made towards Tax, Interest, Fee, Penalty or any other amount

- Credited to “Electronic Cash Ledger”

Mode of Payments permitted

- Internet Banking
- Credit or Debit Cards
- National Electronic Fund Transfer
- Real Time Gross Settlement, or
- Over the Counter Payment (OTC)
 - Cash / Cheque / Demand Draft
 - Maximum up to Rs. 10,000/- per challan per tax period

Limitation of Rs. 10,000/- not applicable to

- Government Departments
- Persons notified by the Commissioner
- Proper / Authorized Officer
 - Recovery of outstanding dues
 - Recovery made through attachment or sale of property
 - Collection of Cash / Cheque / DD During investigation or enforcement activity or any adhoc deposit

Credit in the Electronic Cash Ledger utilized

Tax, Interest, Penalty, Fee or any other amount

The balance after payment of above

Can be claimed as refund U/s. 54

Challan generated in Form GST PMT – 06

Valid for a period of 15 days

Unregistered person can generate challan by “Temporary Identification Number”

In case of NEFT / RTGS along with challan a ‘mandate form’ is and to be submitted to the banker at the time of payment.

Valid for a period of 15 days

On successful credit of the amount to Government Account

Challan Identification Number (CIN) is generated

On receipt of CIN

- Amount is credited to Electronic Cash Ledger
- Receipt is made available at common portal

In case Bank a/c. is debited but no CIN is generated

- Represent in Form GST PMT – 07
- Through the common portal to the gate way

The amount of TDS / TCS claimed in GSTR-02

- Credited to Electronic Cash Ledger

On claiming refund – debited to ECL

In case of rejection of refund

- Order in Form GST PMT - 03
- Credited to Electronic Cash Ledger

Identification Number

Each 'Debit' and each 'Credit'
in the

Electronic
Liability
Register

Electronic
Credit Ledger

Electronic
Cash Ledger

A unique
Identification
Number will
be generated
at common
portal

Other provisions

Unless proved otherwise

- Every person who has paid tax under the Act
- Is deemed he has passed on the full incidence of tax to the recipient

Applicable Interest on late payment of tax

- Unpaid tax - @ 18% PA
- To be calculated day succeeding the due date

Undue or Excess claim of ITC (or) undue or excess reduction of output tax

- Undue or excess claim / reduction - @ 18% PA

Tax deduction at Source

Applicable to:

- Department or Establishment of CG or SG
- Governmental Agencies
- Such person as notified by the Government
- Taxable supply of Goods or Services or Both

When to deduct

- Value of taxable supply under Contract exceeds Rs. 2,50,000/- (excluding taxes)
- At the time of payment or credit to supplier

Applicable Rate of TDS

- @ 1% of payment or credit to supplier

TDS Not applicable

- The location of Supplier and Place of Supply are in same State / UT and the State /UT of Registration of recipient is different.

Time limit for Deposit of TDS Amount

- 10 days from the month in which deducted

Deductor shall issue certificate containing

- Contract Value - Rate of Deduction
- Amount Deducted - Amount paid to Govt.
- Such Other particulars as may be specified

Delay in payment of TDS amount

- Interest @ 18% PA (Sec. 50(1)).

Time limit for issue of TDS Certificate

- Within five days from the date of deposit to the credit of Government.

Delay in issue of TDS Certificate

- Rs. 100/- per day maximum up to Rs. 5,000/-

The deductee shall claim credit in his Electronic Cash Ledger

Excess or erroneous deduction can be claimed by deductor or deductee as refund.

- Deductor is not entitled for refund if the amount is credited to the Electronic Cash Ledger of the deductee

Collection of tax at source

Who Shall collect tax at source:

- Every Electronic Operator (Operator) not being agent

From whom TCS to be collected

- Suppliers made supply through the operator
- Consideration is collected by the operator

Rate of TCS

- Not exceeding @ 1% as may be notified by Govt.

On what value to be collected

- Net Value of taxable supply

What is Net Value of Taxable Supply

- Net value of taxable supply means: Aggregate value of taxable supply of Goods or Services or both(-) aggregate value of supplies returned (-) services notified under Section 9(5)

Time limit for payment of TCS

- Within 10 days from the end of the month, in which the collection is made

Submission of statement by operator electronically

- Return rules & annual return rules, matching, etc. also applies to operator and his suppliers

TCS amount shall be credited to the Electronic Cash Ledger of the supplier

Furnishing of information

- Authority not below the rank of Dy. Commissioner
- Before or during the proceedings
- Require the operator to furnish the details of
 - Supplies effected through the operator
 - Stock of goods held by the supplier in the godown or warehouse of the operator
- The information to be furnished within 15 days
- Fails to furnish the information
 - Liable to Penalty which may extends to Rs. 25,000/-

Thank you

CA Satish Saraf

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Partner: Saraf Satish & Co., CA's