

TAX INVOICE, CREDIT & DEBIT NOTES

Dr. Shivendra Singh
Department of Commerce
MGCU

INVOICE

An invoice is a document issued by supplier of goods or services to a recipient and describes the various details like parties involved, description of item, price discount date etc.(Bansal,2019)

SIGNIFICANCE OF TAX INVOICE UNDER GST SYSTEM

- Ensures Transparency
- ITC Availability
- Evidence of Transaction
- Evidence of Payment
- Invoice Matching System

Type of Invoices

- Tax Invoice
- Bill of Supply
- Receipt Voucher
- Refund Voucher
- Payment Voucher
- Credit Note
- Debit Note
- Supplementary Invoice

- **Credit Note- Debit Note-** Every registered person shall issue debit note where the taxable value and tax charged in respect of supply is more than the taxable value and tax payable mentioned in the tax invoice.

- **Supplementary Invoice-** Where in pursuance of any a contract entered into prior to the appointed day, the price of any goods or services is revised upwards on or after the appointed day, the registered person who had removed or provided such goods or services shall issue to the recipient a supplementary invoice or debit note within thirty days of such price revision.
- **Revised Invoice-** Every registered person shall issue revised invoice against the invoices already issued during the period beginning with the effective date of registration till the date of issuance of certificate of registration.

Tax Invoice

All registered persons other than supplier of exempted goods or exempted service and composite dealer shall be liable to issue Tax Invoice.

Particulars to be mentioned in the tax invoice

- (a) Name, address and GSTIN of the supplier;
- (b) A consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters hyphen or dash and slash;
- (c) Date of its issue;
- (d) Name, address and GSTIN or UIN, if registered, of the recipient;
- (e) Name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered and where the value of taxable supply is fifty thousand rupees or more;
- (f) HSN code of goods or Accounting Code of services;
- (g) Description of goods or services;
- (h) Quantity in case of goods and unit or Unique Quantity Code thereof;
- (i) Total value of supply of goods or services or both;
- (j) Taxable value of supply of goods or services or both taking into account discount or abatement, if any;
- (k) Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);
- (l) Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);
- (m) Place of supply along with the name of State, in case of a supply in the course of inter-State trade or commerce;
- (n) Address of delivery where the same is different from the place of supply;
- (o) Whether the tax is payable on reverse charge basis; and
- (p) Signature or digital signature of the supplier or his authorized representative:

TAX INVOICE

Name of Supplier: Address: Email id: GSTIN:	Invoice No. Date Tax payable under Reverse Charge (Yes/No) Mode of Transportation Place of Supply:
--	--

Details of Receiver (Billed to) Name Address State State Code GSTIN:	Details of Consignee (shipped to) Name Address State State Code GSTIN:
--	--

S No.	Description of Goods/Services	HSN/Accounting Code	Qty	Unit	Rate per item (Rs.)	Total (Rs.)	Discount (Rs.)	Taxable Value (Rs.)	CGST		SGST/UTGST		IGST		Total (Rs.)
									Rate	Rs.	Rate	Rs.	Rate	Rs.	
Total Invoice Value															

Declaration: The particulars given above are true and correct	Freight Charges Loading charges Packing Charges Insurance Charges Other Charges	
---	---	--

(Value in Words)	Total Amount	
-------------------------	---------------------	--

Terms & Conditions	For M/s _____ <div style="text-align: right;">(Authorized Signatory)</div>	
-------------------------------	---	--

Issuance of Invoice in RCM [31(3)(S)]

- A registered person who is liable to pay tax under reverse charge shall issue an invoice in respect of Goods or Services or both received by him from the supplier, who is not registered, on the date of receipt of Goods or Services or both

BILLS OF SUPPLY

A registered person supplying exempted goods or services or both or paying tax under composition scheme shall instead of a tax invoice, issue a bill of supply.

Particulars to be mentioned in bills of supply

- (a) Name, address and GSTIN of the supplier;
- (b) A consecutive serial number not exceeding sixteen characters, in one or more multiple series, containing alphabets or numerals or special characters
- (c) Date of its issue;
- (d) Name, address and GSTIN or UIN, if registered, of the recipient;
- (e) HSN Code of goods or Accounting Code for services;
- (f) Description of goods or services or both;
- (g) Value of supply of goods or services or both taking into account discount or abatement, if any; and
- (h) Signature or digital signature of the supplier or his authorized representative:

The registered person may not issue a bill of supply if the value of goods or services are both is less then Rs 200 subject to such conditions and in such manner as may be prescribed.

Question

- Annapurna limited has opted for composition levy scheme in the current financial year under section 10 of CGST act. It has approached you for advice whether it is mandatory for it to issue a tax invoice. What will you suggest them in this regard?

Types of Vouchers Relating to Receipt/Payments

In practical life sometimes the supplier receives advance payment from the person who will receive goods service letter on.

In case no supply is made, the amount may become refundable by the supplier.

Section 31(3) provides the issue of vouchers in relation to such receipt or payments. these are as follows---

(i) Receipt Voucher Sec 31(3)(d)

A registered person shall, on receipt of advance payment with respect to any supply of goods or service or both, issue a receipt voucher or any other document, containing such information as may be prescribed evidencing the receipt of such payment.

(ii) Refund Voucher Sec 31(3)(e)

- Where on the receipt of advance payment with respect to any supply of goods or services or both the registered person issues a receipt voucher, but subsequently no supply is made and no tax invoice is issued in pursuance thereof, the said registered person may issue to the person who had made payment, refund voucher against such payment .

(iii) Payment Voucher Sec 31(3)(g)

A registered person liable to pay tax under reverse charge (both for supplies on which tax is payable under reverse charge mechanism and supplies received from unregistered persons) has to issue an invoice in respect of goods or service or both received by him.

Such a registered person in respect of such supplies also has to issue a payment voucher on the date of receipt of goods or service or both.

Manner of issuing the invoice

(A) In case of supply of goods the invoice shall be prepared in triplicate in the following manner namely –

- the original copy being marked as **ORIGINAL FOR RECIPIENT**
- the duplicate copy being marked as **DUPLICATE FOR TRANSPORTER**
- the triplicate copy being marked as **TRIPPLICATE FOR SUPPLIER**

(B) In case of supply of services the invoice shall be prepared in duplicate in the following manner namely:

➤ the original copy being marked as **ORIGINAL FOR RECIPIENT**

➤ the duplicate copy being marked as **DUPLICATE FOR SUPPLIER**

Credit Note

- As per section 34 (1) “Where a tax invoice has been issued for supply of any goods or services or both and the taxable value or tax charged in that tax invoice is found to **exceed** the taxable value or tax payable in respect of such supply or where the goods supplied are returned by the recipient or where goods/services or both are found to be deficient, the registered person may issue to the recipient a credit note containing search particulars as may be prescribed”.

Debit Note

- As per section 34 (3) “Where a tax invoice has been issued for supply of any goods/services or both and the taxable value or tax charged in that tax invoice is found to be less than taxable value or tax payable in respect of such supply, the registered person shall issue to the recipient a debit note containing such particulars as may be prescribed”.

SUPPLEMENTARY INVOICE/ DEBIT NOTE / CREDIT NOTE

Name of Supplier: Address: Email id: GSTIN:	SI/DN/CN No.: Date Tax payable under Reverse Charge (Yes/No) Mode of Transportation Place of Supply:
--	--

Details of Receiver (Billed to)	Details of Consignee (shipped to)
Name Address State State Code GSTIN:	Name Address State State Code GSTIN:

S No.	Description of Goods/Services	HSN/ Accounting Code	Qty	Unit	Rate per item (Rs.)	Total (Rs.)	Discount (Rs.)	Taxable Value (Rs.)	CGST		SGST/UTGST		IGST		Total (Rs.)
									Rate	Rs.	Rate	Rs.	Rate	Rs.	
Total Invoice Value															

Declaration: The particulars given above are true and correct. SI/DN/DC is issued in pursuance of Invoice No. _____ dated _____	Freight Charges Loading charges Packing Charges Insurance Charges Other Charges
--	---

(Value in Words)	Total Amount
-------------------------	---------------------

Terms & Conditions	For M/s _____ <p align="right">(Authorized Signatory)</p>
-------------------------------	---

Further Reading

- TAXMANN'S GST & Custom laws by CA K.M. Bansal
- <https://www.gst.gov.in/>

Thank You