Tax Invoice / Dr. Note /Cr. Note

1. Who is required to issue Tax Invoice
   a) A registered person paying tax under regular scheme shall issue the tax invoice.
   b) A registered recipient liable to pay GST under reverse charge need to issue the tax invoice.
2. Time Limit for Issue of Invoice – Covered Under Time of Supply Chapter
3. HSN Code – Code Used to Identify Goods / Services (8 Digit Code)

Supplies T/o in Preceding FY	No. of Digit to mention on Invoice of HSN code
Aggregate Turnover ≤ 5 crore	B2B Supply – 4 Digit B2C Supply – 4 Digit (Optional)
Aggregate Turnover > 5 crore	6 Digit Fo all Supplies

4. **Registered Person may not Issue tax Invoice if following 3 Conditions fulfilled**:
   - Value of Supply is less than 200/–
   - Recipient is unregistered
   - Recipient doesn't Require invoice

   for these type of supplies during the end of the day a Consolidated Invoice can be raised

   however above provisions are not applicable to Service through admission to exhibition/ cinema/multiplex.

5. **No. of Copies of Invoices/Delivery Challan to be issued**

   Taxable Supply of goods ⇒ 3 copies
   - 1st - Recipient
   - 2nd - Transporter
   - 3rd - Supplier

   Taxable Supply of service ⇒ 2 copies
   - 1st - Recipient
   - 2nd - Supplier

6. **Bill of Supply**

   Composition Supplier and the Supplier of Exempted Goods shall not allowed to issue tax invoice. Instead they will issue Bill of supply.

7. **In Case Supplier making taxable & Exempt Supplies together**

   No need to issue Separate tax Invoice for taxable as well as Exempt Supply. Supplier can issue Invoice Cum Bill of supply

8. **For Receipt of Advance** – Receipt Voucher

   for Refund of Advance – Refund Voucher

9. **At the time of Receipt of advance**
   - rate of tax not determinable – @ 18%
   - nature of Supply not determinable – Inter State Supply

10. **Revised Tax Invoice**

    Every Registered Person who been granted Registration Certificate from retrospective effect, Shall Issue "Revised tax invoice" (within 1 month from Date of Issue of Registration Certificate. For Period from effective date of registration to the date of receipt of registration certificate.

    Eg. Person Crossed TO of 20lac on 02/04/24 he applied for Registration on 25/04/24 & Granted Registration Certificate on 04/5/24.

    A Shall Issue Revised tax Invoice till 03/6/24 for Period 02/04/24 – 25/04/24.

    Consolidate Revised tax Invoice can be issued only if
    - Inter State B2C is less than Rs. 2,50,000 → State wise consolidated invoice
    - Inter State B2C is Rs 2,50,000 or more → Recipient wise consolidated invoice
    - Intra state B2C (for any value) → Consolidated Invoice

11. **Delivery Challan**
    - Rule 55 specifies the cases where at the time of removal of goods for transportation, goods can be removed on delivery challan and invoice may be issued after delivery.
    - Eg. Goods sent on approval basis, goods sent to job work, goods transferred from factory to warehouse where both are not distinct person etc
    - Serially numbered not exceeding 16 characters is to be issued at the time of removal of goods for transportation

12. **E-Invoicing [Invoices / Debit Note / Credit Note]**
    - Supplier is notified Person (i.e. Registered Person having Aggregate T/o > 5 cr [In any Preceding FY from 2017-18 Onwards)
    - Supply is B2B or Export
    - Notified Person–
    - E-invoicing doesn't mean generating Invoice on Govt. Portal its just Reporting Invoice on Govt. Portal (Invoice Registration Portal) "IRP"
    - E-Invoicing Not applicable on following:
      - i) Input Service Distributor (ISO)
      - ii) SEZ units (not developers)
      - iii) Insurance / Bank / Financial institution / NBFC
      - iv) Goods transporter agency (GTA)
      - v) Passenger transportation services
      - vi) Admission to Exhibition, Cinema, Multiplex
      - vii) Govt. Department Local authority

- However If E-Invoicing applicable and RP doesn't issue E-invoice then it shall be Considered that no Invoice has been Issued (i.e. normal invoice shall not be considered as valid invoice)

13. E-Invoicing In Case of Supplies under RCM
    - Supplier is a notified person → E-Invoicing Applicable
    - Supplier is URP & Recipient is notified person → E-Invoicing Not applicable

14. Dynamic QR code on B2C invoices
    - All B2C invoices issued by a registered person whose aggregate turnover in any preceding financial year from 2017-18 onwards exceeds ` 500 crores will have a QR code.
    - The purpose of this provision is to enable and encourage digital payments where buyer can scan the dynamic QR code and make payment from mobile wallet directly.
    - Any person, who has obtained a Unique Identity Number (UIN), is not a "registered person" Therefore, any invoice, issued to such person having a UIN, shall be considered as invoice issued for a B2C supply and shall be required to comply with the requirement of Dynamic QR Code.
    - Dynamic QR code is not applicable to an invoice issued to an unregistered person by following suppliers:
      (i) Insurer or banking company or financial institution including NBFC
      (ii) GTA
      (iii) Supplier of passenger transportation service
      (iv) Services by way of admission to exhibition of cinematograph films in multiplex screens
      (v) Supplier of OIDAR services
    - No Dynamic QR code in case of exports as E-invoicing is required.
    - Parameters/ details to be captured in the Dynamic QR Code Dynamic QR Code, inter-alia, shall contain the following information: -
      - Supplier GSTIN number
      - Supplier UPI ID
      - Payee's Bank A/c number and IFSC
      - Invoice number & invoice date,
      - Total invoice value and
      - GST amount along with breakup i.e. CGST, SGST, IGST, Cess, etc.

15. Document other than Tax Invoice Permitted

Supplier	
1. Insurance / Banking co. / F2 / NBFC	• Monthly Statement can be issued
2. GTA for transport of Goods through road	• Gross weight of consignment • Name of Consignor /consignee • Registration no. of Carriage

	• Details of Goods • GSTIN of Payee • Other Info Same as Tax invoice
3. Passenger transportation	Tickets can be issued
4. Service by way of Admission to exhibition / cinema / multiplex	E-ticket can be issued

16. Credit Note & Debit Note [Section 34]

Credit Note

In following cases credit note get issued

- Supplier Declared Value in invoice exceeds Actual Value of Supply
- Supplier charged High tax rate than applicable
- Quantity Received lower than Quantity mentioned in invoice
- Quality of Supplied Goods Services not satisfactory hence required Partial / total Reimbursement of Invoice Value
- Sales Return
- Advance Received & Invoice issued, now Refunding amount as no supply is to be made.
- Credit note Issued by Supplier will reduce his tax Liability and ITC of Recipient.

Declaration of credit note in Return.

Any Registered Person who issues credit note shall declare details of such Credit note in return of month in which Credit note issued but not later than

- 30th of November following end of FY to which original supply Relates
- Date of furnishing Annual Return

Whichever is earlier

Debit Note

In following Cases Debit note get issued

- Supplier Declared Value in invoice is less than Actual Value of Supply
- Supplier charged Lower tax rate than applicable
- Quantity supplied is higher than Quantity mentioned in invoice
- Debit note Issued by Supplier will Increase his tax Liability and recipient is eligible for ITC.
- Declare in Return of month in which Debit note issued

  [No maximum time limit in Case Debit note]