

CHAPTER - VII

TAX INVOICE, CREDIT AND DEBIT NOTES

Section 31 : Tax invoice

- (1) A registered person supplying taxable goods shall, before or at the time of, —

- (a) removal of goods for supply to the recipient, where the supply involves movement of goods; or
- (b) delivery of goods or making available thereof to the recipient, in any other case,

issue a tax invoice showing the description, quantity and value of goods, the tax charged thereon and such other particulars as may be prescribed:

Provided that the Government may, on the recommendations of the Council, by notification, specify the categories of goods or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed.

- (2) A registered person supplying taxable services shall, before or after the provision of service but within a prescribed period, issue a tax invoice, showing the description, value, tax charged thereon and such other particulars as may be prescribed:

¹[**Provided** that the Government may, on the recommendations of the Council, by notification,-

- (a) specify the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed;
- (b) subject to the condition mentioned therein, specify the categories of services in respect of which-
 - (i) any other document issued in relation to the supply shall be deemed to be a tax invoice; or
 - (ii) tax invoice may not be issued.]

1 Proviso substituted by Finance Act, 2020 (No. 12 of 2020). It is made effective from 01-01-2021 by Noti. No. 92/2020–Central Tax, dt. 22-12-2020. Earlier to substitution it read as under:

"**Provided** that the Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which –

- (a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or
- (b) tax invoice may not be issued."

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- (3) Notwithstanding anything contained in sub-sections (1) and (2) –
- (a) a registered person may, within one month from the date of issuance of certificate of registration and in such manner as may be prescribed, issue a revised invoice against the invoice already issued during the period beginning with the effective date of registration till the date of issuance of certificate of registration to him;
 - (b) a registered person may not issue a tax invoice if the value of the goods or services or both supplied is less than two hundred rupees subject to such conditions and in such manner as may be prescribed;
 - ²(c) a registered person supplying exempted goods or services or both or paying tax under the provisions of section 10 shall issue, instead of a tax invoice, a bill of supply containing such particulars and in such manner as may be prescribed:

Provided that the registered person may not issue a bill of supply if the value of the goods or services or both supplied is less than two hundred rupees subject to such conditions and in such manner as may be prescribed;
 - (d) a registered person shall, on receipt of advance payment with respect to any supply of goods or services or both, issue a receipt voucher or any other document, containing such particulars as may be prescribed, evidencing receipt of such payment;
 - (e) where, on 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 the payment, a refund voucher against such payment;
 - (f) a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 shall ³[, within the period as may be prescribed] 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;
 - (g) a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 shall issue a payment voucher at the time of making payment to the supplier.

2 Following has been clarified by GST (3rd ROD) Order, 2019 [Order No. 3/2019-Central Tax], dt. 08-03-2019:

It is hereby clarified that provisions of clause (c) of sub-section (3) of section 31 of the said act shall apply to a person paying tax under notification no. 2/2019- Central Tax, dt. 07-03-2019.

3 Inserted by The Finance (No. 2) Act, 2024 (No. 15 of 2024). It is made effective from 01-11-2024 by Noti. No. 17/2024-Central Tax, dt. 27-09-2024.

Central Goods & Services Tax Act, 2017

⁴**[Explanation]**—For the purposes of clause (f), the expression “supplier who is not registered” shall include the supplier who is registered solely for the purpose of deduction of tax under section 51.]

- (4) In case of continuous supply of goods, where successive statements of accounts or successive payments are involved, the invoice shall be issued before or at the time each such statement is issued or, as the case may be, each such payment is received.
- (5) Subject to the provisions of clause (d) of sub-section (3), in case of continuous supply of services,—
 - (a) where the due date of payment is ascertainable from the contract, the invoice shall be issued on or before the due date of payment;
 - (b) where the due date of payment is not ascertainable from the contract, the invoice shall be issued before or at the time when the supplier of service receives the payment;
 - (c) where the payment is linked to the completion of an event, the invoice shall be issued on or before the date of completion of that event.
- (6) In a case where the supply of services ceases under a contract before the completion of the supply, the invoice shall be issued at the time when the supply ceases and such invoice shall be issued to the extent of the supply made before such cessation.
- (7) Notwithstanding anything contained in sub-section (1), where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued before or at the time of supply or six months from the date of removal, whichever is earlier.

Explanation—For the purposes of this section, the expression “tax invoice” shall include any revised invoice issued by the supplier in respect of a supply made earlier.

Relevant Rule: Rule 46, 46A, 47, 48, 49, 50, 51, 52, 53, 54

⁴ Explanation inserted by The Finance (No. 2) Act, 2024 (No. 15 of 2024). It is made effective from 01-11-2024 by Noti. No. 17/2024-Central Tax, dt. 27-09-2024.