L&S UPDATE

An e-update to clients from Lakshmikumaran & Sridharan

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INDIRECT TAX

E-invoicing – Recent FAQs

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Recently, GSTN released updated FAQ on E-invoicing. Some of the relevant FAQs, which are newly added, have been listed in the table below:

S. No. of FAQ	Question	Answer
22	If aggregate turnover crossed prescribed threshold (INR 50 crore) during current financial year (**'FY'**), from which date e-invoicing would become applicable?	E-Invoicing required w.e.f. beginning of next FY.
23	How to compute aggregate turnover for the year 2017-18 for checking eligibility?	Aggregate turnover to be considered from 1 July 2017 (i.e. the inception of GST) till 31 March 2018.
32	Is there any time window within which I need to report an invoice to IRP, i.e. is there any validation to the effect that the 'document date' (in the payload to IRP) must be within a specified time window, for reporting to IRP/generation of IRN?	No such validation is kept on the portal. ••• **L&S Comments:** Though there is no time-limit for reporting invoice to IRP, but it should be done within the time limit prescribed in Section 31 of the CGST Act, 2017 for issuance of invoice for supply for goods/services since invoice without IRN, wherever applicable, is not a valid invoice.
53	How to report negative values such as penalty, deductions, etc.?	Such values can be shown under 'Item Discount Amount'.
54	How to show abated value in invoice? (Say, in real estate industry, 1/3rd land deduction)	To report invoices in such scenarios, below workaround is suggested: • *Pre Tax Value = INR 1,00,00,000* • *Taxable Value = INR 67,00,000*

		• *GST Amount = INR 5,00,000* • *Other Charges (item level) = INR 33,00,000 (Abatement Charges)* *Total Inv. Value = INR 1,05,00,000*
55	In cases where amortization cost needs to be included for calculation of tax but same is to be deducted from invoice value. How the above should be reported?	A separate field / placeholder for 'amortisation cost' to be examined in the next revision of schema (INV-01). As a workaround, it may be reported, as shown in below example: *Amortised cost - INR 2176* ***Values at Item Level:*** • *Pre tax value = INR 25067.52* • *Taxable value = INR 27243.52 (Base value + Amortised cost of INR 2176)* *Tax Rate=28 % IGST Value=INR 7628.19* ***Values at Invoice Level:*** • *Discount Amt Invoice Level = INR 2176/- (Amortised cost)* *Total Invoice Value = INR 32695.71* *(27243.52 + 7628.19 - 2176)*
93	If discrepancy is found in invoice or supply is not made but IRN was generated. How to cancel it after 24 hours?	Upon generation of IRN, amendments are not possible on IRP and cancellation of IRN only is permitted within a time window. The details of invoices actually issued during the tax period have to be reported in GSTR-1. Taxpayers shall delete the details in GSTR-1, wherever required, as per the documents actually cancelled during the tax period.

96	After generation of IRN, is there any time limit for generation of e-way bill?	No such time limit is kept presently in the system.
98	Does taxpayers need to check auto-populated e-invoice details before filing GSTR-1?	Auto-population only a facility to taxpayers. Owing to validations in GSTR-1, some e-invoices may not get auto-populated. All invoices are available in consolidated excel file downloaded from GSTR-1 dashboard. Taxpayer shall verify the data in each field and file the same in GSTR-1.
99	Supplier generated IRN for the invoice. But, in GSTR-2A, details of IRN are not appearing against those invoices.	Where the details are modified by supplier in GSTR-1, the re-uploaded / modified details will be visible. However, the 'Source', 'IRN' and 'IRN date' will be reset to blank in respective tables of GSTR-1 and the said details would also not get reflected in GSTR-2A/2B/4A/6A. Non-appearance of IRN details in GSTR-1/2A alone should not be assumed to mean that such invoices were not reported to IRP.

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