

Tax Alert | Delivering clarity

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GSTN issues FAQs on e-invoicing under GST

FAQs released by GSTN provide clarity on e-invoicing under GST

The GST Network has issued a compilation of Frequently Asked Questions (FAQs) relating to e-invoicing under GST. The key aspects are:

- On uploading of the relevant details on Invoice Registration Portal (IRP), IRP will validate GSTIN existence (of supplier and recipient) and duplication of invoice. If non-existent GSTIN and / or a duplicate invoice is found, the invoice will be returned with relevant error codes, without registering it.
- Post validation on IRP, a signed Invoice Reference Number (IRN) will be provided to the supplier. IRP will also return a QR code, with digital signatures of IRP. In case an invoice is required to be printed by the supplier, the same shall also contain IRN and QR code.
- IRN shall be generated only through IRP basis GSTIN of supplier, invoice number of supplier, financial year.
- Invoice in PDF format shall not be generated on IRP. Also, emails shall not be sent by IRP to the recipient.
- Option to upload details of e-invoices on IRP in bulk shall be available. However, IRP shall accept one invoice at a time. Line items supported in an e-invoice have been increased from 250 to 10,000 per e-invoice.
- IRN shall also be required on debit notes, credit notes, export invoices and Input Service Distributor's invoices and credit notes.
- IRN is not required to be obtained for delivery challan and bill of supply. Further, in case of imports, for bill of entry generated by the Customs authorities, it is not required to obtain IRN.
- No amendment is permitted of an invoice whose IRN has been generated. If a business wants to cancel an already reported invoice, the same may be done by uploading IRN or by uploading the following details:
 - GSTIN
 - Type of document
 - Document number and dateOnce an invoice is cancelled, the same invoice number cannot be used again to generate another invoice.
- Foreign service provider can integrate with IRP from India only.
- Amendments to be made in the GST law for bringing consistency in the contents of e-invoice template (Form GST INV-01) with the particulars prescribed to be contained in a tax invoice.

Our comments:

The recent initiatives of the government around e-invoicing shows the government's progress towards the target start date for mandatory implementation of e-invoicing system from 1 April 2020.

The FAQs provide further clarification on issues such as no requirement of generation of IRN for bill of entry in case of import, bill of supply and delivery challan, number of line items supported by an e-invoice, etc. Further developments are expected from the government and businesses should monitor the same to be compliant with the prescribed regulations.

While the government planned to introduce the e-invoicing system on trial basis from 1 January 2020, APIs are still expected to be released.

Industry also need to set up internal procedures and IT related processes for adapting to the e-invoicing system and test the same before the mandatory rollout.



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