

# TIME OF SUPPLY [TOS]

**Authors' Note:** That tariff is to be used which is prevalent on point of taxation (*i.e.* Time of supply). In the beginning phase of GST, we have seen lots of changes in TOS. Let us read those minutely. We have covered number of 'FAQs and Issues' in this chapter. Reader is requested to take care of dates before reaching on decision of TOS, as law has been changed at multiple times in first year of GST in this context.

## BIRD EYE VIEW

### TIME OF SUPPLY - PART 1

**Authors' Note:**

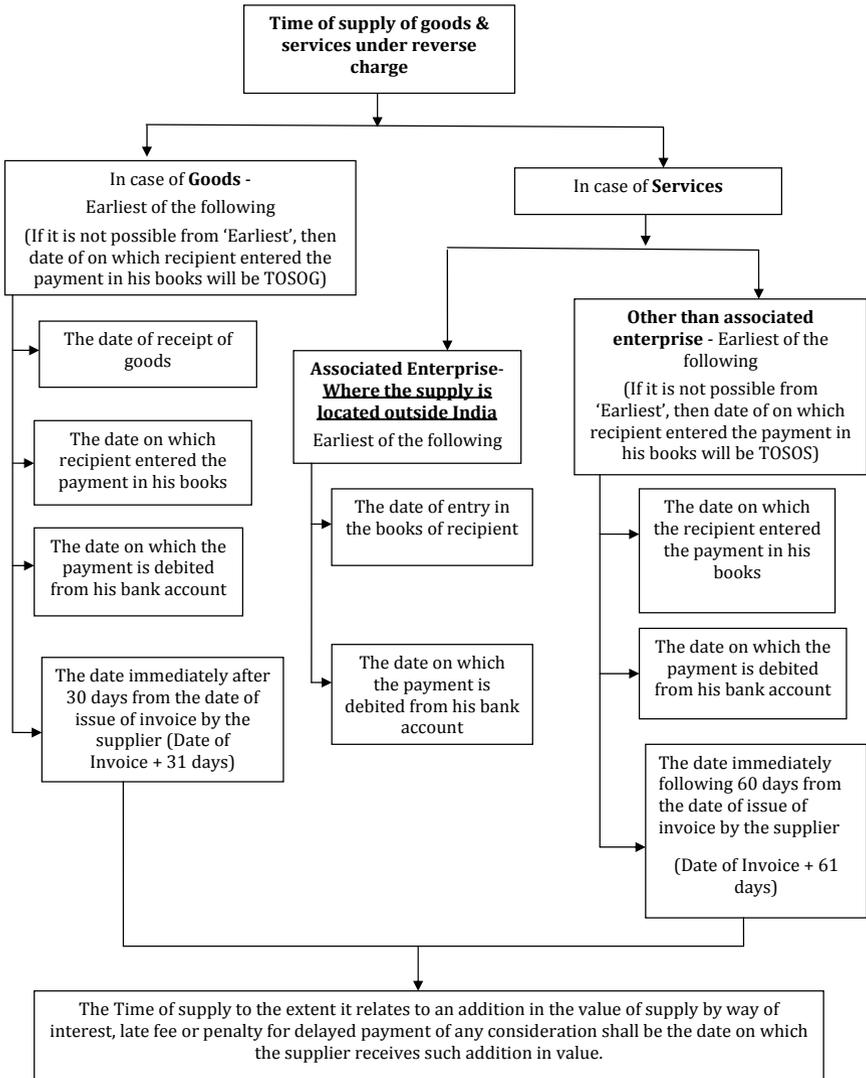
- There are two notifications dealing with TOSOG for regular dealers, these notifications are exempting from levy of GST on advances.  
1st-N/N 40/2017-CT, Dated 13/10/2017 - It is dealing with small players.  
2nd- N/N 66/2017-CT, Dated 15/11/2017 - It is dealing with small and big players.
- It is also to be noted that 'Time of Supply' related provisions of CGST Act are borrowed in IGST Act, so the notifications of TOS will be equally applicable for inter-State supplies.

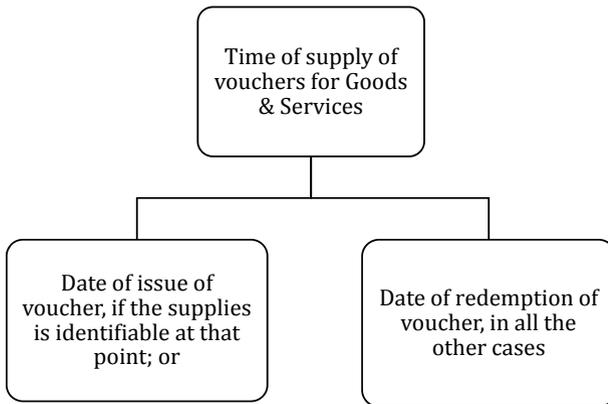
Basis	Composition Dealer	Regular Dealer			
		Big Players*		Small Players* (N/N 40/2017-CT)	
		Up to 14/11/2017	15/11/2017 onwards	Up to 12/10/2017	13/10/2017 onwards
TOSOG	<b>Earliest</b> of the following:- <ul style="list-style-type: none"> <li>◆ Date of entry in books of account of supplier,</li> <li>◆ Date of credit in bank accounts of supplier,</li> <li>◆ Date of issue of invoice (if Invoice is not issued, then last date on which invoice is issued)**.</li> </ul>	Same as in composition dealer	Date of issue of invoice (if Invoice is not issued, then last date on which invoice is required to be issued)**. ↓ Effect: tax will not be paid on advances.	Same as in composition dealer	Date of issue of invoice (if Invoice is not issued, then last date on which invoice is required to be issued)**. ↓ Effect: tax will not be paid on advances.  (Notification No. 40/2017 - Central Tax, Dated 13-10-2017)

Basis	Composition Dealer	Regular Dealer			
		Big Players*		Small Players* (N/N 40/2017-CT)	
				Upto 12/10/2017	From 13/10/2017
			(N/N 66/2017-Central tax, Dated 15-11-2017)		+ (N/N 66/2017-Central tax, Dated 15-11-2017)
<b>TOSOS</b> (1) If invoice is issued within 30 days (2) If invoice is not issued within 30 days	<b>Earliest of the following:-</b> (a) Date of issue of invoice. (b) Date of entry of <i>receipt of amount</i> in books for receipt (c) Date of Credit in bank				TOSOS is same for composition and regular dealer. Even no difference is there between small and big players in regular scheme
	<b>Earliest of the following:-</b> (a) Date of provision of service (b) Date of entry of <i>receipt of amount</i> in books for receipt (c) Date of Credit in bank account				
<b>*Big Players vs. Small Players</b> (Not relevant to see these terms for composition scheme)	<b>Kindly note that these are not legal wordings. We have used it just to simplify the things.</b>				
	Any registered person in regular scheme who is satisfying any of the below two condition is denoted as small players, [Taxable persons other than small are denoted as big players.]				
	(A-1) Registered person whose aggregate turnover in the preceding financial year <b>did not exceed 1.5 Cr or</b>				
	(A-2) Registered person whose aggregate turnover in the year in which such person has obtained registration is <b>likely to be less than 1.5 Cr</b>				
<b>Common points for TOSOG &amp; TOSOS</b>	<b>Excess payment</b>	If supplier receives excess payment resulting into advance (a) Excess is up to ₹ 1000 - Date of issue of later stage of invoice [It is at the option of supplier, if he does not exercise, he has to apply (b)] (b) Excess is more than ₹ 1000 - apply the formula as above			
	<b>Short payment</b>	Consider the part payment for determining the TOS.			
	<b>TOS for interest, late fee or penalty</b> - Time of supply to the extent it relates to an addition in the value of supply by way of interest, late fee or penalty for delayed payment of any consideration shall be the date on which the supplier receives such addition in value.				

Conclusions: Whether GST on advance is there?			
Period	Time of Supply of Goods		Time of Supply of Services
	Regular Dealer	Composition dealer	
Till 12/10/17	Yes	Yes	Yes
13/10/17 to 14-11-17	<b>Yes (But only for big players and not for small players)</b>	Yes	Yes
15/11/17 onwards	No	Yes	Yes

**TIME OF SUPPLY - PART 2 [RCM CASES]**



**TIME OF SUPPLY - PART 3 [TIME OF SUPPLY OF VOUCHERS]****INTRODUCTION**

Time of supply is nothing but, is point of taxation. Point of taxation means the point in time when the goods/services are deemed to be supplied. In other words, to find out that supplies have been made or not, we need to determine time of supply. Once time of supply occurred, a supplier or recipient (in case of RCM) is required to discharge his GST liability.

The point of taxation thus enables to determine the tax rate, its value, and the due dates for the payment of taxes.

There are some general provision and some specific provision for determining time of supply. Time of supply is different for goods and services. If specific provision is applicable to determine the time of supply, then general provisions are irrelevant.

**IMPORTANT DEFINITIONS**

Section	Term	Remark
2(30)	Composite Supply	Readers are requested to refer the <b>Chapter titled as 'Important definitions'</b> for the content of these. It is avoided here due to data duplication, as the same term is likely to be used in another chapter.
2(32)	Continuous Supply of Goods	
2(33)	Continuous Supply of Services	
2(90)	Principal Supply	
2(96)	Removal	