

PLACE OF SUPPLY IN IGST

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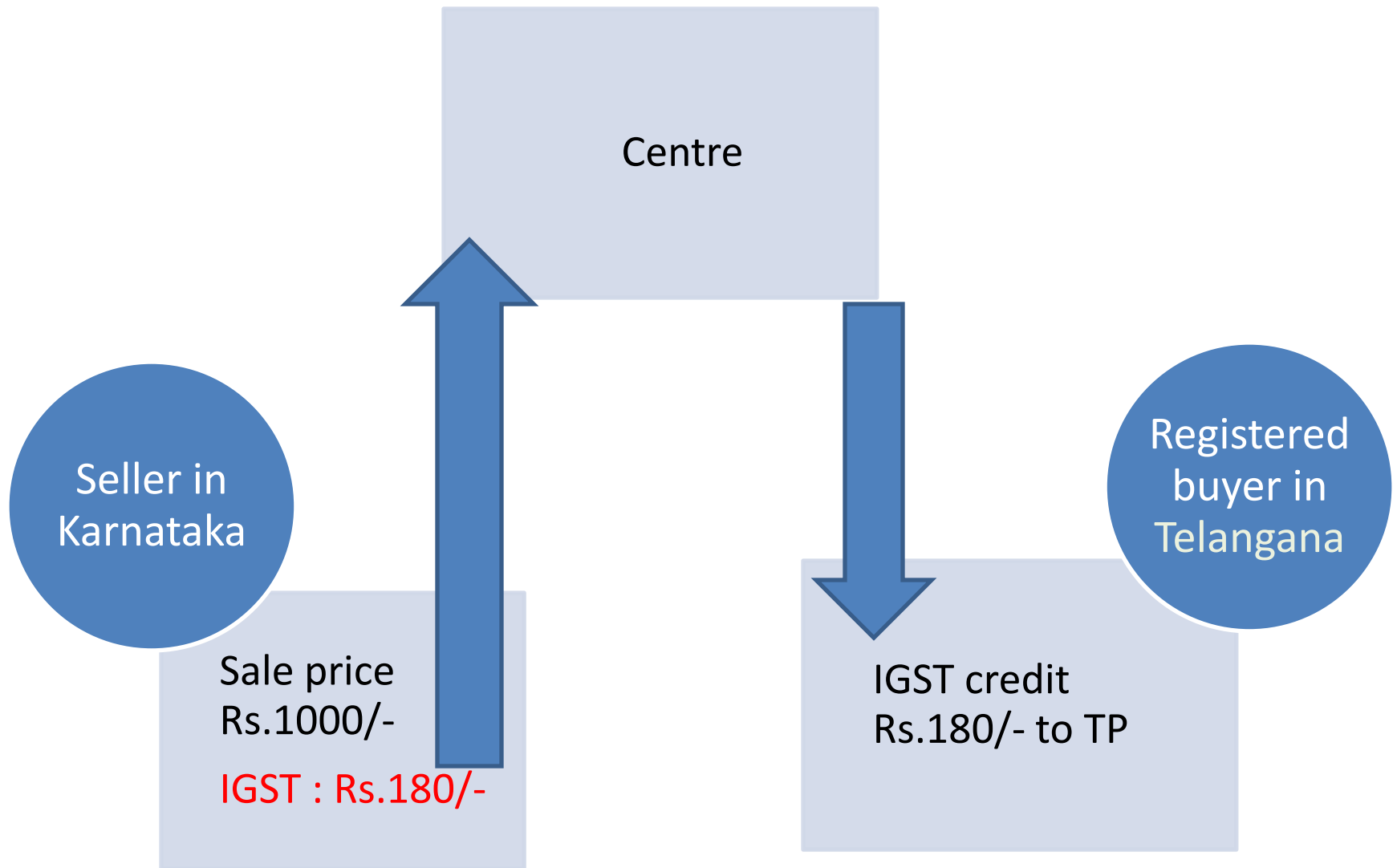
Outline

- Significance of place of supply.
- Place of supply of goods & services other than International.
- Place of International supply of goods & services.

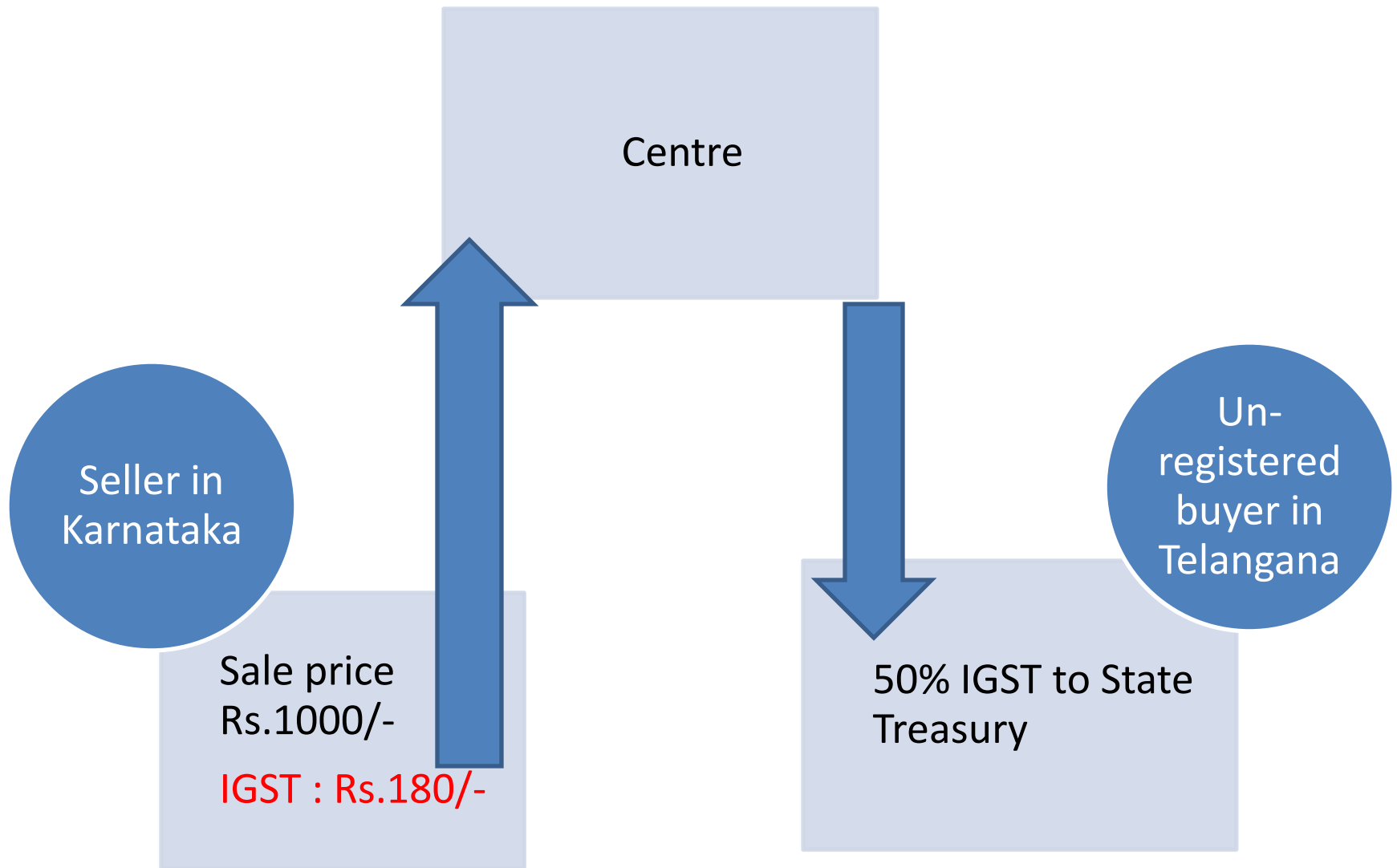
Significance of Place of Supply

- IGST is levied and collected by centre but appropriated to destination State.
- POS determines the destination State in inter-state transactions.
- Thus the destination State will get revenue in IGST.
- The origin State will lose revenue in form of ITC under SGST used for IGST.

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IGST Credit of Registered TP

Used as ITC for IGST liability

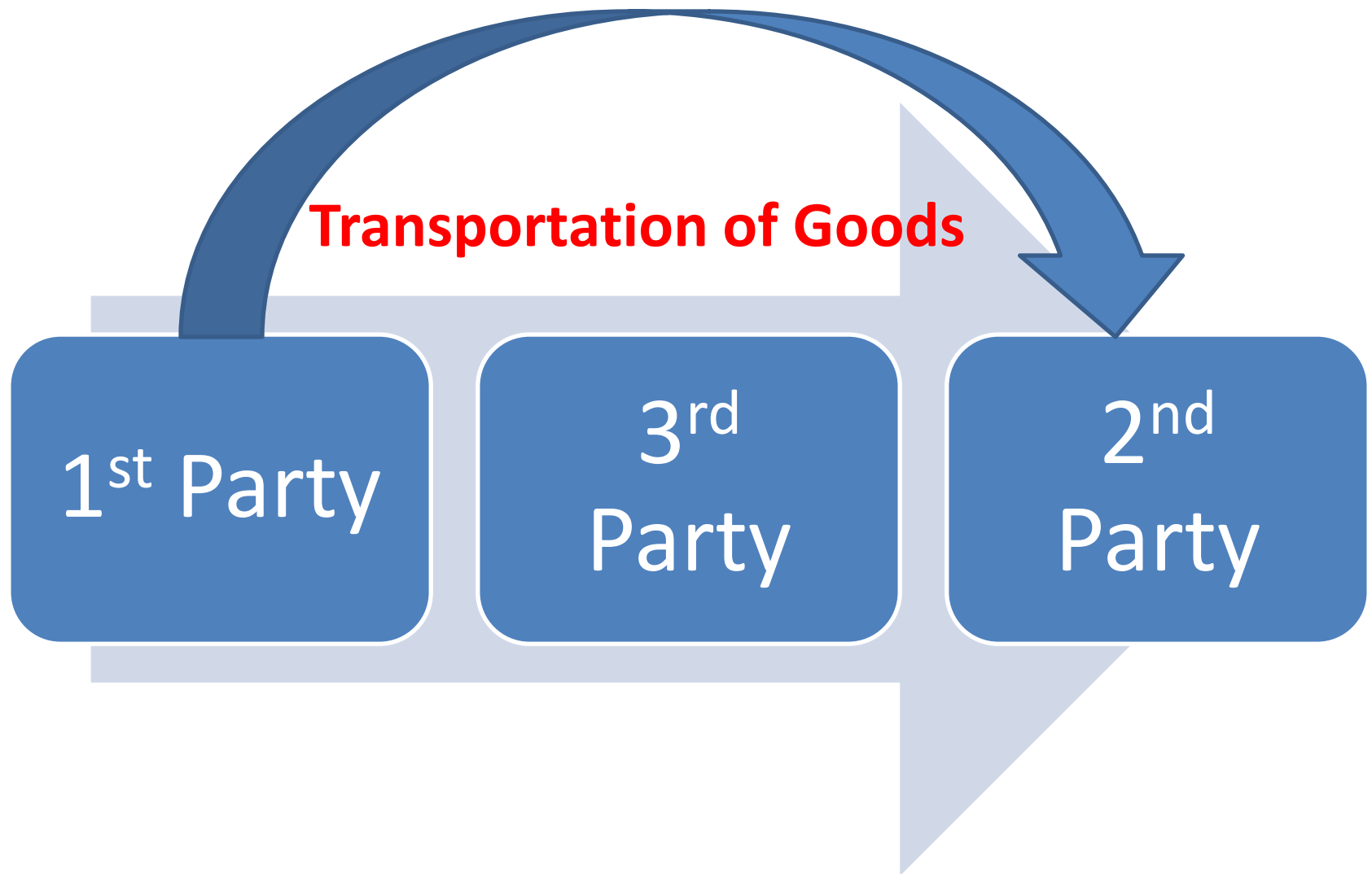
Used as ITC for CGST liability

Used as ITC for SGST liability
which comes to State
treasury by IGST settlement

POS of Goods in India

1. Where supply involves movement of goods
POS is :
 - a. Simple supply: Where the movement of goods ends for delivery.
 - b. Simultaneous supply: Where goods are delivered to a 2nd party while they are in movement by transfer of document of titled goods then on direction of 3rd party,
 - i. POS is the State in which 3rd party is registered.

Contd...



Contd...

2. Where supply does not involve movement of goods, POS is:

a. Location of goods at the time of delivery. Eg. Goods involved in sale of business.

b. Location where goods are assembled.

3. Where goods are supplied while recipient is in movement:

Location of goods when they were taken on board.

Place of Supply of Services in India

1. General Rule:

- a. Where recipient is registered person then, location of such person.
- b. If he is not registered then,
 - i. Address of recipient on record.
 - ii. If the above is not available then, address of supplier on record.

Contd...

2. Immovable property:

a. Services for immovable property.

- Such as Architect, Surveyor etc.

b. Services of immovable property.

- Such as Lodging, Function Hall etc.

Location of the immovable property.

Contd...

3. Where services are provided in a fixed place:

- Restaurants, Catering, Cinema Theatres, Events organised etc.
- Then, where such service is provided.

4. Transportation services for goods:

- For registered person receiving the service it is his location.
- For unregistered persons, where such goods are handed over to the recipient.

Contd...

5. Transportation of passengers:

- For registered persons, location of the person.
- For others, where the conveyance is embarked for continuous journey.

6. On board services:

- Location of 1st Departure.

7. Telecommunications:

- For post paid: Address of the recipient.
- For prepaid: Where the prepaid amount is paid.

Contd...

8. Banking, Financial & Insurance services:

- Address of the recipient on record.
- For insurance, if registered then, such place.

9. Advertisement to Govt. Sector made in all States:

- Proportional revenue.

POS of Import/Export of Goods

- Import: State where importer is located
- Export: Place outside India

POS of Export/Import of Services

- General Rule: Location of recipient of Services
- Specific Rules:
 1. Goods supplied by Recipient of Services
 - When goods remain in India – State of Import.
 - When goods are Exported back – No POS in India.
 - When Recipient / Agent physically present to receive Services – State where present.

Contd...

2. POS is location of supplier in following cases:

a. Banking / Financial Services

b. Hiring Services

3. Transportation of Goods: Destination of Goods.

4. Transportation of Passengers: Where Passenger embarks on the conveyance for a continuous journey.

POS of Online information and Database Access

- Location of Recipient of Service & any Two of the following conditions are met:
 - a. Location of Recipient in taxable territory.
 - b. Credit Card / Debit Card issued in India.
 - c. Billing address in India.
 - d. Internet Protocol or Landline in India.
 - e. Bank account used for payment in India.
 - f. Country code or subscriber in India.

Online Information and Database Access or Retrieval Services (OIDAR)

- Supplier in Non-taxable territory & Recipient is non-taxable (Individuals).
- Supplier shall pay IGST through Single Registration.

- Thank You