

India's CBIC notifies mandatory GST e-invoicing for businesses with turnover exceeding INR100 crore

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India's Central Board of Indirect Taxes and Customs (CBIC) recently issued notifications¹ in relation to e-invoicing under the Goods and Services Tax (GST).

In the 35th GST Council meeting held on 21 June 2019, it was decided that an e-invoicing system should be introduced in a phased manner for business to business (B2B) transactions. The proposed system was supposed to commence from 1 January 2020 on a trial basis.

As per the notifications, registered persons whose aggregate turnover in a financial year exceeds INR100 crore, shall be required to generate e-invoices from 1 April 2020 for supplies to registered persons (B2B supplies). In such cases, the present requirement to prepare the invoice in triplicate (for goods) or duplicate (for services) shall be eliminated.

In the case of registered persons whose aggregate turnover exceeds INR500 crores, tax invoices issued to unregistered persons (business to consumer (B2C) supplies) on or after 1 April 2020 shall have a Quick Response (QR) code.

Ten websites are notified as Common GST Electronic Portals for the preparation of e-invoices and in effect from 1 January 2020.

The e-invoice standard was approved by the GST Council in its 37th meeting held on 20 September 2019 and is available on the GST portal.

It is pertinent to note that the requirement of a QR code is currently prescribed only for tax invoices and not for a bill of supply.

Endnote

1. Notification Nos. 68 - 72/2019 - Central tax, dated 13 December 2019.

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