



IMPORTANT PROVISION OF ITC RELATING TO TIME LIMIT FOR INVOICES / DR NOTE / CR NOTE

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	Section under CGST Act	Recommendations
1	<p>Section 16 (4) of CGST Act (Eligibility and condition for taking input tax credit)</p> <p>A Registered Person shall not be entitled to take input tax Credit in respect of any invoice our debit note for supply of goods or Services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier.</p>	<p>All business need to account all tax invoices / DR note / CR note issued by supplier / vendor on or before 31 - 03-2018 immediately on or before 20-10-2018 to salvage ITC from time bar ground.</p> <p>Any delay in accounting of tax invoice issued till 31-03-2018 after 20-10-2018, ITC Will become cost to company.</p> <p>Books of accounts to be finalized ensuring above compliance.</p>
2	<p>Section 16 (2) (d) of CGST Act (Eligibility and condition for taking input tax credit)</p> <p>Provided Further that where a recipient fails to pay to the supplier of goods or service or both, ---the amount towards the Value of supply along with tax payable thereon within a period of one hundred and eighty days from the date of issue of invoice by the supplier, an amount equal to the input tax shall be added to his output tax liability along with interest thereon, in such manner as may be prescribed:</p>	<p>If ITC is availed based on receipt of invoice , payment against said invoice Need to be made within 180 days from invoice date else ITC to be reversed with interest.</p> <p>However re credit is allowed after release of payment later but interest will become cost to company.</p>