

MCQ – Time of Supply

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Multiple Choice Questions

Multiple Choice Questions – Question 1

Question	Options	
What is the time of supply of service if the invoice is issued within 30 days from the date of provision of service?	A	Date of issue of invoice
	B	Date on which the supplier receives payment
	C	Date of provision of service
	D	Earlier of A or B

Ans – Option D - **Earlier of (A) or (B)**

Multiple Choice Questions – Question 2

Question	Options	
What is the time of supply of service for the supply of taxable services up to Rs 1000 in excess of the amount indicated in the taxable invoice?	A	At the option of the supplier – Invoice date or Date of receipt of consideration
	B	Date of issue of invoice
	C	Date on which the supplier receives payment
	D	Date of entry in books of account

Ans – Option A - **At the option of the supplier – Invoice date or Date of receipt of consideration**

Multiple Choice Questions – Question 3

Question	Options	
How is the date of receipt of consideration by the supplier determined?	A	Date on which the receipt of payment is entered in the books of account
	B	Date on which the receipt of payment is credited in the bank account
	C	Earlier of A or B
	D	Later of A or B

Ans – Option C – **Earlier of A or B**

Multiple Choice Questions – Question 4

Question	Options	
What is the time of supply of service in case of reverse charge mechanism?	A	Date of payment as entered in the books of account of the recipient
	B	Date immediately following 60 days from the date of issue of invoice
	C	Date of Invoice
	D	Earlier of A or B

Ans – Option D – **Earlier of A or B**

Multiple Choice Questions – Question 5

Question	Options	
Value of services rendered is Rs 1,00,000/-. Date of issue of invoice is 5th October 2018. Advance Received is Rs 25,000/- on 20th September 2018. Balance amount received on 7th October 2018. What is the time of supply for Rs 1,00,000/-	A	5 th October 2018 – Rs 1,00,000
	B	20 th September 2018 – Rs 25,000
	C	20 th September 2018- Rs 25,000/- and 5 th October 2018 for Rs 75,000/-
	D	20 th September 2018- Rs 25,000/- and 7 th October 2018 for Rs 75,000/-

Ans – Option C - **20th September 2018- Rs 25,000/- and 5th October 2018 for Rs 75,000/-**

Multiple Choice Questions – Question 6

Question	Options	
What is the time of supply of service in case an associated enterprise receives services from the service provider located outside India?	A	Date of entry in the books of account of associated enterprise(recipient)
	B	Date of payment
	C	Earlier of (A) or (B)
	D	Date of entry in the books of the supplier of service

Ans – Option C - **Earlier of (A) or (B)**

Multiple Choice Questions – Question 7

Question	Options	
There was increase in tax rate from 20% to 24% w.e.f.1.09.2018. Which of the following rate is applicable when services are provided after change in rate of tax in September 2018, but invoice issued and payment received, both in August, 2018:	A	20% as it is lower of the two
	B	24% as it is higher of the two
	C	20% as invoice and payment were received prior to rate change
	D	24% as the supply was completed after rate change

Ans – Option C - **20% as invoice and payment were received prior to rate change**

Multiple Choice Questions – Question 8

Question	Options	
There was increase in tax rate from 20% to 24% w.e.f. 1.09.2018. Which of the following rate is applicable when services provided, and invoice raised after change in rate of tax in September,2018, but payment received in August 2018:	A	20% as it is lower of the two
	B	24% as it is higher of the two
	C	20% as payment (being one of the factors) was prior to rate change
	D	24% as invoice was issued in the period during which supply is completed

Ans – Option D – **24% as invoice was issued in the period during which supply is completed**

Multiple Choice Questions – Question 9

Question	Options	
<p>There was decrease in tax rate from 24% to 20% w.e.f. 1.09.2018. Which of the following rate is applicable if the supplier has not opted for composition levy say Sita Manufacturers, Delhi supplies goods to Aakash Electronics, Dehradun. Further, Goods were removed from its factory in Delhi on 31.08.2018; delivered at Aakash Electronics, Dehradun on 2.09.2018; invoice is issued on 31.08.2018 and payment is received on 4.09.2018.</p>	A	20% as it is lower of the two
	B	24% as date of invoice and dispatch of goods from factory, has happened before change of rate
	C	20% as both, payment and completion of supply, has happened after change of rate
	D	None of the above

Ans – Option B – 24% as date of invoice and dispatch of goods from factory, has happened before change of rate

Multiple Choice Questions – Question 10

Question	Options	
There was increase in tax rate from 20% to 24% w.e.f.1.9.2018. Which of the following rate is applicable if the supplier has not opted for composition levy say Sita Manufacturers, Delhi supplies goods to Aakash Electronics, Dehradun. Further, Goods were removed from its factory in Delhi on 31.08.2018; invoice is issued on 31.08.2018 and payment is received on 4.09.2018.	A	20% as it is lower of the two
	B	24% as it is higher of the two
	C	20% as date of invoice and dispatch of goods from factory, has happened before change of rate
	D	24% as both, payment and completion of supply, has happened after change of rate

Ans – Option C – 20% as date of invoice and dispatch of goods from factory, has happened before change of rate

Thank you

Thanks for your Patience and Time

