

Place of Supply



By

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Place of Supply

Definitions: Sec 2 of the CGST

93. Recipient of supply of goods or services or both:

(a) Where consideration is payable – person who is liable to pay the consideration.

e.g. A delivers goods to B and receives payment from C

(a) Where consideration is not payable for supply of goods – the person to whom the goods are delivered or made available.

(b) Where consideration is not payable for supply of service – the person to whom service is rendered

... includes his agent

Place of Supply

Definitions: Sec 2 of the CGST

105. Supplier of goods or services or both:

- Person who is supplying the said goods or services or both including his agent



Place of Supply

Definitions: Sec 2 of the IGST

14. Location of the Recipient of Service:

(a) Supply is received at registered place of business, the location of such place of business

(b) Supply is received at a fixed establishment, other than the registered place of business, the location of such fixed establishment

e.g. Received at Liaisoning office which is not registered.

(a) Supply is received at more than one establishment, the location of the establishment most directly concerned with the receipt of service

e.g. Stock audit done including branches, assignment given by HO

(a) In absence of such places, the location of the usual place of residence of the recipient.

Place of Supply

Definitions: Sec 2 of the IGST

15. Location of the Supplier of Service:

(a) Supply is made from registered place of business, the location of such place of business

(b) Supply is made from a fixed establishment, other than the registered place of business, the location of such fixed establishment

e.g. Supplied from Liaisoning office which is not registered.

(a) Supply is made from more than one establishment, the location of the establishment most directly concerned with the supply of service

e.g. Stock audit done by staff from branches & HO, assignment was given to HO

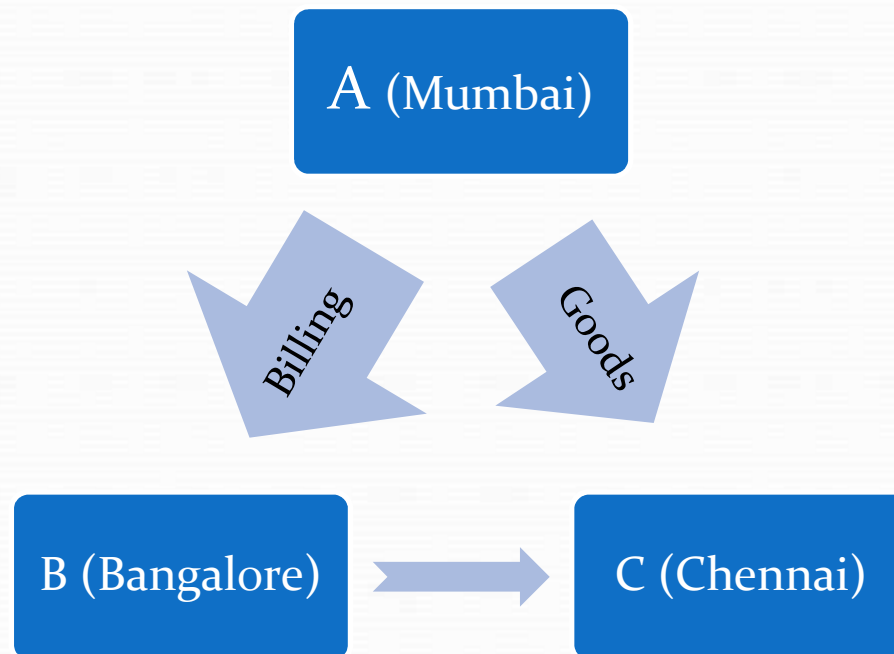
(a) In absence of such places, the location of the usual place of residence of the supplier.

Place of Supply


GOODS: Sec 10 of the IGST (Other than imports/exports)

Situations	Place of supply
➤ Where supply involves movement of goods	Location of the goods at the time at which movement of the goods terminates for delivery to the recipient
e.g. What if goods are given at Mumbai transporter to transport it to Surat?	
• Supplier acting on direction of the third person (e.g., “Bill to – Ship to—” supplies, sale in transit etc.)	Principal place of business of the third person

Example of Bill to -Ship to transactions in GST




Situations	Place of supply of goods
Supply does not involve movement of goods	Location of the goods at the time of delivery to the recipient
e.g. Goods sent on approval, goods with jobworker, goods at cold storage etc	
Goods Installed/assembled at site	Place of such installation/assembly e.g. Machines / Lift?
Supplied on board a conveyance /Vessel/Aircraft/Train/Motor vehicles	Location at which such goods are taken on board
e.g. Chennai to Mumbai flight via Bangalore, Biscuit packs supplied on Board	
Place cannot be determined as above	Determined in such manner as may be prescribed



Imports – Exports

Sec 11

Situations	Place of supply of goods
Imports	Location of the Importer
Exports	Location outside India



India Sec 2(56) of CGST

(56) “India” means the territory of India as referred to in article 1 of the Constitution, its territorial waters, seabed and sub-soil underlying such waters, continental shelf, exclusive economic zone or any other maritime zone as referred to in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976, and the air space above its territory and territorial waters;

Supplies in Territorial Water: Sec 9 of the IGST Act:

Notwithstanding anything contained in this Act,—

(a) where the location of the supplier is in the territorial waters, the location of such supplier; or

(b) where the place of supply is in the territorial waters, the place of supply,

shall, for the purposes of this Act, be deemed to be in the coastal State or Union territory where the nearest point of the appropriate baseline is located.

SERVICES: Sec 12 – Supplier & Recipient located in India

Situations	Place of supply of service
1. Supplied to a registered person	Location of such person
2. Supplied to a person other than a registered person	Location of the recipient as per records; otherwise, location of the supplier
3. (a) In relation to immovable property: including - architects - interior decorators - Surveyors - Engineers - Estate Agents etc	Location of such immovable property (or intended to be located)

e.g. Architect A from Mumbai gives service to B of Mumbai for his property in Delhi.

Architect A from Mumbai gives service to B of Delhi for his property in Mumbai

SERVICES: Sec 12 – Supplier & Recipient located in India

Situations	Place of supply of service
(b) Lodging accommodation by hotel/inn/guesthouse/house club, boat/vessel etc	Location of such immovable property
e.g. Employee of A Ltd, Mumbai stays at Hotel in Bangalore, in the bill address of A Ltd. Mumbai mentioned	
P Ltd, Mumbai takes the booking for its house boat at Kerala for a person from Gujarat	

SERVICES: Sec 9 – Supplier & Receiver located in India

Situations	Place of supply of service
(c) Accommodation in any immovable property for organizing: - marriage/official/social/cultural/religious function including services provided in relation to such function there	Location of such immovable property
(d) any service ancillary to the (a), (b), (c) above	Location of such immovable property
e.g. Pandal, shamiyana supplied for marriage	

SERVICES: Sec 9 – Supplier & Receiver located in India

Situations	Place of supply of service
If the location of the immovable property or boat or vessel is located or intended to be located outside India	Location of the recipient
e.g. Mr. A from Mumbai providing architect service to Mr. B from Bhopal for his Bungalow in Singapore	
If immovable property or boat or vessel is located in more than one state/UT	Each state/UT proportion to the value of service as per agreement/contract

Situations	Place of supply of service
4. - Restaurant & catering service, - personal grooming, - Fitness - Beauty treatment - Health service including cosmetic and plastic surgery	Location where services are actually performed
e.g. Dr A from Bangalore performs a cosmetic surgery for a person from Rajasthan in Mumbai	

Situations	Place of supply of service
5. Services in relation to training and performance appraisal	Location of the registered person receiving the service. If the person is not registered, place where service is performed
<p>e.g. ABC Ltd, Bangalore conducts product training at Mumbai for XYZ Ltd Gujarat.</p> <p>ABC Ltd, Bangalore conducts product training at Mumbai for PQR Gujarat (URD).</p> <p>Casual Taxable Person???</p>	

Situations	Place of supply of service
6. Admission to : <ul style="list-style-type: none">- cultural, artistic, sporting, scientific, educational or entertainment event- amusement park	Location where event is held or park is situated





Situations	Place of supply of service
7. Organization of : -cultural, sporting, scientific, educational, entertainment event, conference, fair exhibition, or - ancillary services & assigning of sponsorship to above	Location of registered person receiving the services If person not registered - place where event actually held

e.g. A Ltd, Mumbai, sponsors for football match in Goa organized by B Ltd, Goa.

C Ltd Chennai, organizes a conference at Chennai for Q Ltd, Daman



Situations	Place of supply of service
If the event is held out side India	The location of the recipient
e.g. C Ltd, Delhi, organizes Flimfare award for ABC Ltd, Mumbai at Dubai	
If the event is held in more than one State/UT	Each state/UT proportion to the value of service as per agreement/contract
e.g. PQR Ltd, Mumbai organizes the product exhibition programme for XYZ Ltd, Goa in Bangalore, Chennai, Hyderabad, Jaipur.	



Situations

Place of supply of service

8. Transportation of goods,
including mail/courier

Location of registered person receiving the
services

If person not registered – place where such
goods are handed over for their transportation.

e.g. A registered person from Gujarat purchases his merchandise from Mumbai and gives to a transporter in Mumbai to reach it to Gujarat.

A person from Gujarat does purchases in Mumbai for a marriage in his family and gives to a transporter in Mumbai to reach it to Gujarat.

Situations

Place of supply of service

9. Passenger transportation service

Location of the registered person

If person not registered – place where the passenger embarks on the conveyance for the continuous journey.

e.g. G Ltd, Gujarat hires a bus from P Ltd Mumbai to transport its employees to Gujarat

e.g. Mr. G from Gujarat hires a bus from P Ltd Mumbai to transport his relatives to Gujarat for a wedding

Where open ticket is issued and point of embarkation is not known, the place of supply shall be the location of Regd person/Address on record else location of the supplier

Continuous Journey:

Section 2 (3) of IGST:

“continuous journey” means a journey for which

- a single or more than one ticket or invoice is issued at the same time,
- either by a single supplier of service or through an agent acting on behalf of more than one supplier of service,
- and which involves no stopover between any of the legs of the journey for which one or more separate tickets or invoices are issued.

Explanation.—For the purposes of this clause, the term “stopover” means a place where a passenger can disembark either to transfer to another conveyance or break his journey for a certain period in order to resume it at a later point of time


Situations	Place of supply of service
10. Service on board a conveyance such as vessel, aircraft, train or motor vehicle	Location of the first scheduled point of departure of that conveyance for the journey
<p>e.g. Food served to Mr X who boarded the flight at Bangalore (Chennai to Mumbai flight)</p> <p>What if Biscuit packs taken on board at Bangalore, sold in flight (Chennai to Mumbai flight)</p>	

Situations	Place of supply of service
<p>11. Telecommunication services including data transfer, broadcasting, cable and direct to home television services:</p> <p>a. Services by way of fixed telecommunication line, leased circuits, internet leased circuit, cable or dish antenna;</p>	<p>Location where the telecommunication line, leased circuit or cable connection or dish antenna is installed.</p>

Situations	Place of supply of service
<p>b. Mobile connection for telecommunication and internet services provided on post-paid basis;</p> <p>c. Mobile connection for telecommunication, internet services & DTH are provided on pre-payment through a voucher or any other means</p>	<p>Location of billing address of the service recipient on record of the supplier of service.</p> <p>(i) Sold through agent/distributor- the address of the selling agent/distributor.</p> <p>(ii) By any person to the subscriber – the location where such pre-payment recd or vouchers sold.</p>

Situations	Place of supply of service
d. In other cases	Address of the recipient as per records.
<ul style="list-style-type: none"> Where address of the recipient as per records of the supplier of service is not available 	The location of the supplier of service.
<ul style="list-style-type: none"> Pre-paid service is availed / recharge made through online 	The location of the recipient on record of the supplier
<ul style="list-style-type: none"> Leased circuit is installed in more than one state /UT 	Each state/UT proportion to the value as per the agreement/contract

Situations	Place of supply of service
12. Banking or other financial services including stock broking	Location of the service recipient on the record of the service provider. - If no address is available, the place of supply shall be location of the supplier of services.
13. Insurance services	In case of registered person – location of such person Other than registered person - location of the service recipient available on the records of the supplier of service.



Situations	Place of supply of service
14. Advertisement services to the central government, state government, UT, a statutory body or a local authority meant for identifiable states.	Each such states/UT, proportionate value attributable on dissemination as per contract/agreement Or such other basis as may be prescribed.

Supplier or Recipient located outside India

Situations	Place of supply of service
1. General Rule	<ul style="list-style-type: none"> - Location of the recipient - If the location of the recipient is not available, then location of the supplier
2. (a) Where services in respect of goods that are required to be made physically available	Place where service is actually performed
- If service is provided from a remote location in electronic mode	Location where goods are located at the time of supply of service
If the goods are temporarily imported into India for repairs and re-exported, the place of supply would be the location of the recipient	

Supplier or Recipient located outside India

Situations	Place of supply of service
(b) Service Provided to Individual which requires physical presence	Place where service is actually performed
3. Services in relation to immovable property, Hotel inn, guest house, club or campsite	Where immovable property is located or intending to be located
4. Admission to or organization of cultural, artistic, sporting, scientific, educational, entertainment, celebration, conference, fair, exhibition or similar events including ancillary to these. Place of Supply is the location where event is actually held	
5. Where the above 2,3,4 services are supplied at more than one location including a location in India	Location in India

Supplier or Recipient located outside India

Situations	Place of supply of service
6. Where service specified in 2,3,4 above are supplied in more than one state/UT	Each state/UT proportion to the value of service as per contract/agreement
7. (a) Services by Banks, FI, NBFC to account holders	Location of the supplier of service
(b) Intermediary	Location of the supplier of service
(c) Hiring means of transport including yachts, other than aircrafts & vessels upto a period of 1 month	Location of the supplier of service

Supplier or Recipient located outside India

Situations	Place of supply of service
8. Transportation of goods other than mail/courier	Place of destination of goods
9. Passenger transportation	Passenger embarks the conveyance for a continuous journey
10. Services provided on board conveyance (passenger transport)	First scheduled point of departure

Supplier or Recipient located outside India

Situations	Place of supply of service
11. Online information and data base access or retravel service	Location of the recipient
12. For the purpose of this subsection, if any of the two following non-contradictory conditions are satisfied	Person receiving such service shall be deemed to be in taxable territory (TT)
(i) The address presented by the recipient via internet in TT	
(ii) Debit/Credit Cards, smart card/other cards has been issued in TT	
(iii) The billing address of the recipient is in TT	
(iv) The internet protocol address of the devise used by recipient is in TT	

Supplier or Recipient located outside India

Situations

- (v) Bank account of recipient used for payment is in TT
- (vi) Country code of the subscriber identity module (SIM) card used by the recipient is in TT
- (vii) Location of the fixed land line through which service is received by the recipient is in TT

Central Govt may notify the service or circumstances in which the place of supply would be the place of effective use and enjoyment of service.



**A fine is a Tax for doing
wrong.**

**A tax is a Fine for doing
well.**



Thank You

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