

## **E-INVOICING, A GAME-CHANGER FOR GST**

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### All you wanted to know about how e-invoicing works

The GST Council, on September 29, 2019, has approved the introduction of ‘E-invoicing’ or ‘electronic invoicing’ for business to business (B2B) transactions from January 1, 2020. Once implemented, it can help arrest tax evasion as it enables pre-populating of GST returns with the e-invoice details. Return filing will also become simpler with reconciliation becoming easier.

The e-invoice schema and template, as approved by the GST Council, are available in the GSTN website at <https://www.gstn.org/e-invoice/>

### **Check on tax evasion**

E-invoicing, if well implemented, reduces the compliance requirements to a great extent for it propels pre-populating of various returns such as GSTR 1 and e-way bills.

In addition, it standardises the invoice format ensuring interoperability of the data, eliminates fake invoices, provides complete trail of B2B transactions and enables system level matching of ITC and output tax.

As the system evolves, intercommunication of the transactions between the buyers’ and sellers’ software, e-way bill system and the banking systems is also mooted. This captures the complete transaction trail and can arrest tax evasion significantly. [How to use it?](#)

**Source: Business Line**