

INVOICE TO BE PREPARED ONLY ON GOVT PORTAL

Going forward, businesses will be required to generate full electronic-tax invoice or e-invoice recording entire value of sales.

GST officers are working on a system where businesses above a certain turnover threshold will have to generate 'e-invoice' on government or GST portal for every sale, thereby effectively reducing the room for tax evasion.

To start with, businesses above a specified threshold will just get a unique number for every electronic invoice or e-invoice generated. This number can be matched with the invoices reported in the sales return and taxes paid, an official said.

Going forward, businesses will be required to generate full electronic-tax invoice or e-invoice recording entire value of sales.

The official said that businesses beyond a turnover threshold would be provided a software which will be linked to GST or a government portal for generating e-invoice. The threshold can also be fixed on the basis of the value of invoice.

E-invoice generation method will be similar to the one being followed for e-way bill on the 'ewaybill.nic.in' portal or payment of Goods and Services Tax on the GSTN portal.

The proposed system of e-invoice will eventually replace the requirement of generation of e-way bill for movement of goods, as invoices would be generated through a centralised government portal. Currently, e-way bill is required for moving goods exceeding Rs 50,000.

The official further said that once full e-tax invoice starts getting generated, it would significantly ease burden of return filing by businesses as invoice wise data would be auto-populated in the return forms.

An officers committee, comprising central, state tax officials and GST Network Chief Executive, has been set up to look into the feasibility of introducing e-invoice system to streamline generation of invoices and easing compliance burden. The committee will finalise an interim report next month.

Source: Business Line