

CHAPTER VII
TAX INVOICES, CREDIT AND DEBIT NOTES

28. Tax Invoices for VAT Dealers

- (1) Where a registered dealer effects sale to another registered dealer, the dealer making the sale shall issue a Tax Invoice.
- (2) All Tax Invoices and Retail Invoices issued against sales made by a registered dealer shall indicate the Tax charged, at each rate of tax separately.
- (3) Tax Invoice/Retail Invoice issued by a registered dealer shall be signed by the dealer himself or by his authorized representative.
- (4) Where such Tax Invoices are generated electronically, they shall also be signed by the dealer himself or by his authorized representative.
- (5) Notwithstanding anything when goods sold contained in this rule, a registered dealer shall issue a Tax Invoice and also for such goods listed in Part-E of the Schedule-II. However, in case of sales of exempted goods the dealer shall issue "sale invoice" in any format.
- (6) If a registered Dealer has more than one place of business from where sales are effected by him, he shall maintain and issue separate serially numbered Tax Invoice assigning separate prefix thereon, for each such place of business.
- (7) On demand, another copy of the Tax Invoice, marked as "Copy of the Tax Invoice" shall be issued to the buyer.

Provided that the seller may, on demand issue extra copies other than those stated in this rule, to the buyer, on demand, which shall be marked "Extra Copy".

- (8) A Tax Invoice specified under Section 60 of the Act shall contain the following particulars:
 - (a) The words "Tax Invoice" written in bold and in a prominent place.
 - (b) Commercial name, address, place of business and TIN of the VAT dealer making a sale.
 - (c) Commercial name, address, place of business and TIN of the purchasing VAT dealer.
 - (d) The serial number of the invoice (printed or computer generated) and date on which invoice is issued.
 - (e) The date of delivery of the goods.
 - (f) The description of the goods supplied.
 - (g) The quantity or volume of the goods sold.
 - (h) The total value of the goods sold and tax related thereto inclusive of the value of the goods sold and the statement that VAT is included in the value at the appropriate rate.
 - (i) The rate of tax for each category of goods and amount of tax charged therein.
 - (j) The name and address of the printers along with first and last serial no. of Tax Invoices printed and supplied by him to the dealer.
 - (k) Signature of the selling dealer or the person authorized by the dealer in this behalf.
 - (l) Vehicle number (Where the goods are carried in a vehicle).
 - (m) Name of the person carrying the goods (where the goods are carried in a vehicle).
- (9) Notwithstanding anything contained in sub-rule (1) the gate pass cum invoice which a dealer registered under the Central Excise Act 1944, (Central Act 1 of 1944) or rules made there under is obliged to issue shall be deemed to have been issued under this Act provided such gate passes cum invoices contain all the particulars mentioned in clauses (a) to (m) of sub-rule (8).
- (10) A VAT dealer who has not received a tax invoice may require a VAT dealer, who has supplied the goods, to provide a tax invoice in respect of the sale.
- (11) Input tax credit can be claimed only against an original tax invoice.
- (12) The VAT dealer making a taxable sale shall retain one copy of the tax invoice.
- (13) Where a purchasing VAT dealer loses the original tax invoice, the seller shall provide a copy clearly marked "copy in lieu of lost tax invoice" containing the following certificate.

" I hereby declare that this is the duplicate of the tax invoice bearing No._____, dated _____ Issued to _____ bearing TIN_____." Date: Signature:

- (14) A request for a tax invoice under sub-rule (7) of this rule shall be made within thirty days after the date of the sale.

- (15) A VAT dealer who receives a request under sub-rule (7) of this rule shall comply with the request within fourteen days after receiving that request.
- (16) The Prescribed Authority may require a registered VAT dealer, using the machine printed / computerized serial no., to furnish information stating therein, the details of tax invoice being used during a period.

Explanation – The sale price or the purchase price as the case may be shall exclude the VAT charged, (Refer definition under Section 2(xlii) and 2(xlviii) of the Act for the definition of "Purchase Price" and "Sale Price" respectively).

29. Retail Invoice

- (1) Where a registered dealer effects sales to an unregistered dealer, he shall issue a Retail Invoice.
- (2) All Retail Invoices issued against sales made by a Registered Dealer shall indicate the tax charged at each rate of tax separately.
- (3) Retail Invoice issued by a registered dealer shall be signed by the dealer himself or is authorized representative.
- (4) Where such Retail Invoices are generated electronically, they shall also be signed by the dealer himself or by his authorized representative.
- (5) Notwithstanding anything contained in this rule, a registered dealer shall issue a Retail Invoice and also for such goods listed in Part-E of the Schedule-II. However, in case of sales of exempted goods the dealer shall issue "sale invoice" in any format.
- (6) If a registered dealer has more than one place of business from where sales are effected by him, he shall maintain and issue separate serially numbered Tax/Retail Invoice assigning separate prefix thereon for each such place of business.
- (7) On demand, another copy of the Retail Invoice, marked, as "Copy of the Retail Invoice" shall be issued to the buyer. For this purpose, the procedure in sub-rule 14 & 15 of Rule 28 shall apply.
Provided that the seller may, on demand issue extra copies other than those already stated in rules, to the buyer, on demand, which shall be marked "Extra Copy".
- (8) Notwithstanding anything contained in this rule, a registered dealer shall issue a Retail Invoice even when goods sold by him are exempt from tax, and also for such goods listed in Part-E of the Schedule-II.
- (9) An Invoice specified under sub-section 6 of Section 60 of the Act shall contain the following particulars:
 - (a) The words "Retail Invoice" or "Cash Memorandum" or "Bill" written in bold in a prominent place.
 - (b) Commercial name, address, place of business and TIN of the VAT dealer making a sale.
 - (c) The serial number of the Invoice (printed or computer generated) and date on which invoice is issued.
 - (d) In the circumstances, where the sale is in course of Export out of the territory of India, the name, address, registration number if any of the purchasing dealer/or of foreign buyer and the type of statutory Forms, if any against which sale has been made.
 - (e) The date of delivery of the goods.
 - (f) The description of the goods supplied.
 - (g) The quantity or volume of the goods sold inclusive of Tax.
 - (h) The total value of the goods sold and tax related thereto, including tax calculated and payable on M.R.P. or the VAT inclusive value of the goods sold and the statement that VAT is included in the value at the appropriate rate.
 - (i) Signature of the selling dealer or the person authorized by the dealer in this behalf.
 - (j) The name and address of the printers along with first and last serial no. of Tax Invoices printed and supplied by him to the dealer.
- (10) Notwithstanding anything contained in sub-rule (1) the gate pass cum invoice which a dealer registered under the Central Excise Act 1944, (Central Act 1 of 1944) or rules made there under is obliged to issue shall be deemed to have been issued under this Act provided such gate passes cum invoices contain all the particulars mentioned in clauses (a) to (j) of sub-rule (9).

- (11) Only an original copy of a retail invoice shall be valid to set up a claim of input tax for the purposes of sub-section (4) of Section 18. The original copy shall bear the words "Valid for input tax" on it.
- (12) Before making use of any new series of invoices and delivery notes, the dealer shall inform the circle assessing authority of their serial numbers.

30. CREDIT AND DEBIT NOTES

- (1) Where a tax invoice has been issued and the amount shown as tax charged in that tax invoice exceeds the tax payable in respect of the sale, the VAT dealer making the sale shall issue to the buyer a credit note; containing the particulars specified in sub-rule (4) of this rule.
- (2) Where the tax invoice has been issued in respect of any sale, and the tax charged in the Tax Invoice in respect of that sale is found to be less than the amount of tax payable under this Act, the VAT dealer making the sale, shall issue to the buyer a debit note; containing the particulars specified in sub-rule (5) of this rule.
- (3)
 - (a) Credit and debit notes in respect of sales or purchase return; subject to clause (b) of this sub-rule, shall be issued only when the goods have been returned within a period of six months from the date of original sale or purchase.
 - (b) Credit and debit notes in respect of any annual discounts and any price adjustments shall be issued, as and when the accounts are settled between the seller and the buyer; provided such settlement is made within the three months from the end of the year, and they are supported by proper documentary evidence.
- (4) The Credit Notes shall contain: -
 - (a) The words "credit note" in a prominent place.
 - (b) The commercial name, address, place of business and the VAT taxpayer identification number and of the VAT dealer making the sale.
 - (c) The commercial name, address, place of business and the VAT tax payer identification number of the receiving VAT dealer.
 - (d) The date on which the credit note was issued;
 - (e) The rate of tax;
 - (f) The sale price shown on the tax invoice, the revised amount of the sale price, the difference between those two amounts and the tax charged that relates to that difference;
 - (g) A brief explanation of the circumstances giving rise to the issuing of the credit note; and
 - (h) Information sufficient to identify the taxable sale to which the credit note relates.
 - (i) Proof of transport of the goods in respect of sales returns.
- (5) The Debit Notes shall contain: -
 - (a) The words 'debit note' in a prominent place
 - (b) The commercial name, address, place of business and the tax identification number of the VAT dealer making the sale;
 - (c) The commercial name, address, place of business and the taxpayer identification number of the purchasing VAT dealer.
 - (d) The date on which the debit note was issued;
 - (e) The rate of tax;
 - (f) The sale price shown on the tax invoice, the revised amount of the sale price, the difference between those two amounts and the tax charged that relates to that difference;
 - (g) A brief explanation of the circumstances giving rise to the issuing of the debit note;
 - (h) Information sufficient to identify the taxable sale to which the debit note relates.
 - (i) Proof of transport of the goods in respect of sales returns.