

Update under GST regarding e-invoice & Goods transport agency exercising option to pay GST itself

1. Reduction in monetary limit for generation of e-invoice

CBIC vide a notification No. 10/2023- Central Tax dated 10-05-2023 has made the amendment relating to GST e-invoice applicability limit. **The limit has been reduced to Rs. 5 crore from the present limit of Rs. 10 crore effective from 01-08-2023.**

Taxpayer whose aggregate turnover has crossed Rs 5 crore in any of the preceding financial years starting from FY 2017-18 to FY 2022-23 shall be required to generate e-invoice from the effective date as above.

2. Goods Transport Agency exercising option to pay GST itself

Under GST, Goods Transport Agencies (GTA) has the option to collect and pay the GST on forward charge basis. If the option is not exercised by GTA, the liability to pay tax is on service recipient under reverse charge mechanism.

To exercise the option to collect and pay GST under forward charge, the GTA is required to make a declaration in Annexure V on or before the 15th March of the preceding Financial Year.

Vide a Notification No. 05/2023- Central Tax (Rate) dated 09-05-2023, CBIC has extended the deadline to exercise the option by GTA to 31-05-2023 for the FY 2023-24.

It has also been provided that a GTA who commences new business or crosses threshold for registration during any Financial Year, may exercise the option to itself pay GST on the services supplied by it during that Financial Year by making a declaration in Annexure V before the expiry of forty-five days from the date of applying for GST registration or one month from the date of obtaining registration whichever is later.

<https://taxinformation.cbic.gov.in/content-page/explore-notification>