

## **Place of Supply:**

- Place of supply is required for determining the right tax to be charged on the invoice, whether IGST or CGST and SGST/UTGST will apply.
- IGST is charged in case of an interstate transaction.
- CGST and SGST is charged in case of an intra-state transaction.
- CGST and UTGST is charged in case of an intra-UT transaction.

### **Examples:**

Goods supplied from UP to Haryana – Inter State

Goods supplied form UP (Agra) to UP (Aligarh) – Intra State

### **Provisions regarding place of supply under IGST Act, 2017:**

A distinction has been made between B2B (Business to Business) & B2C (Business to Consumer) transactions.

B2B transactions are wash transactions since the ITC is availed by the registered person (recipient) and no real revenue accrues to the Government.

### **Place of supply of goods other than import and export [Section-10]:**

- 1. movement of goods** - location of the goods at final delivery to the recipient
- 2. goods delivered to the recipient on the direction of the third person** - principal place of business of such third person
- 3. no movement of goods** - location of such goods at the time of delivery to the recipient
- 4. goods assembled or installed at site** - the place where the goods are assembled or installed
- 5. goods supplied on-board a conveyance like a vessel, aircraft, train or motor vehicle** - the place where such goods are taken on-board the conveyance

### **Place of supply of goods in case of Import & Export [Section-11]**

- 1. Import** - Location of importer
- 2. Export** - Location outside India

## **Place of supply of services in case of Domestic Supplies [Section12]**

### **1. Immovable property:**

- **related to services, including hotel accommodation - Location at which the immovable property is located**
- **if located outside India - Location of the recipient**

### **2. Restaurant and catering services, personal grooming, fitness, beauty treatment and health service - Location where the services are actually performed**

### **3. Training and performance appraisal:**

**B2B: Location of such Registered Person**

**B2C: Location where the services are actually performed**

### **4. Admission to an event or amusement park - Place where the event is actually held or where the park or the other place is located**

### **5. Organisation of an event:**

**B2B: Location of such Registered person**

**B2C: Location where the event is actually held**

**If the event is held outside India: Location of the recipient**

### **6. Transportation of goods, including mails:**

**B2B: Location of such Registered Person**

**B2C: Location at which such goods are handed over for their transportation**

### **7. Passenger transportation:**

**B2B: Location of such Registered Person**

**B2C: Place where the passenger embarks on the conveyance for a continuous journey**

### **8. Services on board a conveyance - Location of the first scheduled point of departure of that conveyance for the journey**

### **9. Banking and other financial services - Location of the recipient of services on the records of the supplier**

**if the location of the recipient of services is not available - Location of the supplier of services**

### **10. Insurance services**

**B2B: Location of such Registered Person**

**B2C: Location of the recipient of services on the records of the supplier**

**11. Advertisement services to the Government -**

**place of supply shall be taken as located in each of such States**

**Proportionate value in case of multiple States**

**12. Telecommunication services:**

**Services involving fixed line, circuits, dish etc., - place of supply is the location of such fixed equipment.**

**In case of mobile/Internet post-paid services - it is the location of billing address of the recipient.**

**In case of sale of pre-paid voucher - the place of supply is the place of sale of such vouchers.**

**In other cases - it is the address of the recipient in records**

**Default Rule for the services other than the 12 specified services:**

**1. B2B: Location of such Registered Person**

**2. B2C:**

**(i) Location of the recipient where the address on record exists**

**(ii) Location of the supplier of services in other cases**

**Place of supply of services in case of cross-border supplies:  
(Section 13)**

**1. Services supplied for goods that are required to be made physically available - The location where the services are actually performed**

**From a remote location by way of electronic means - The location where the goods are situated**

**2. Services supplied to an individual and requiring the physical presence of the receiver**

**The location where the services are actually performed**

**3. Immovable property-related services, including hotel accommodation**

**Location at which the immovable property is located**

#### **4. Admission to or organisation of an event**

**The place where the event is actually held**

**5. If the above said three services are supplied at more than one locations. i.e. Goods & individual related, Immovable property-related, Event related:**

***5.1 At more than one location, including a location in the taxable territory- Its place of supply shall be the location in the taxable territory where the greatest proportion of the service is provided***

***5.2 In more than one State-***

***Its place of supply shall be each such State in proportion to the value of service***

**6. Services supplied by a banking company, or a financial institution, or an NBFC to account holders - Location of the supplier of services**

**7. Intermediary services - Location of the supplier of services**

**8. Services consisting of hiring of means of transport, including yachts but excluding aircrafts and vessels, up to a period of one month- Location of the supplier of services**

**9. Transportation of goods other than by way of mail or courier – Place of destination of such goods**

**10. Passenger transportation – Place where the passenger embarks on the conveyance for a continuous journey**

**11. Services provided on-board a conveyance – First scheduled point of departure of that conveyance for the journey**

**12. Online information and database access or retrieval services - Location of the recipients of services**

**For the rest of the services other than those specified above, a default provision has been prescribed as under:**

**Location of the recipient of service**

**If not available in the ordinary course of business: The location of the supplier of service**

