

ANALYSIS OF POINT OF TAXATION RULES, 2011



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Service tax will be paid on accrual basis except in certain specified cases.....

- Earlier service tax was payable on receipt of payment in respect of taxable services provided.
- But with the introduction of ***Point of Taxation Rules, 2011***, Service tax will be paid on accrual basis except in certain specified cases.



IMPORTANT PROVISIONS...

- A. DATE ON WHICH SERVICE TAX TO BE DEPOSITED
- B. DATE OF WHICH RATE OF SERVICE TAX TO BE TAKEN
- C. MEANING OF POINT OF TAXATION
- D. DATE FROM WHICH POINT OF TAXATION RULES, 2011 ARE APPLICABLE
- E. MEANING OF DATE OF PAYMENT



A. DATE ON WHICH SERVICE TAX TO BE DEPOSITED....

As Per Rule 6 of Service Tax Rules, 1994

- The service tax shall be paid to the credit of the Central Government,-
 - I. by the 6th day of the month, if the duty is deposited electronically through internet banking; and
 - II. by the 5th day of the month, in any other case,

immediately following the calendar month or quarter, as the case may be, in which the **service is deemed to be provided** as per the rules framed in this regard.

▪ **3rd Proviso of rule 6 of Service Tax Rules, 1994**, has been inserted w.e.f. 01.04.2012 vide NN 03/2012 ST dated 17.03.2012 and as per this proviso

- In case of export of services under Rule 3(1) of Export of Services Rules, 2005, payment is need not to be made as required under Rule 6 if payment in respect of export of services received within the time limit specified by RBI. Thus, service providers exporting taxable services are not required to pay service tax if payments in respect of export of services are received within the time limit specified by RBI.

- **4th Proviso of rule 6 of Service Tax Rules, 1994** has been inserted wef 01.04.2012 vide NN 03/2012 st dated 17.03.2012 and it provides option to pay service tax on receipt basis to **all individuals and partnership firms** as under:

S. No.	Case	Option To Pay Service Tax On Receipt Basis
1	In case of individuals and partnership firms whose aggregate value of taxable services provided from one or more premises is Rs.50 lakhs rupees or less in the previous financial year.	In this case individual and firms has option to pay tax on receipt basis in respect of service provided or to be provided up to Rs.50 lakh in current financial year.
2	In case of individuals and partnership firms whose aggregate value of taxable services provided from one or more premises is more than 50 lakh rupees in the previous financial year	In this case individual and firms has to pay tax on accrual basis as per Point of Taxation Rules, 2011.
3	In any other case	It covers all assessee other than individual and partnership firm and they have to pay tax on accrual basis as per Point of Taxation Rules, 2011.

B. DATE OF WHICH RATE OF SERVICE TAX TO BE TAKEN....

➤ Determination of date of rate of service tax – upto 31.03.2011 there were no provisions under Finance Act, 1994 and rules made there under.

➤ Provisions in respect of same are first introduced by inserting Rule 5B of Service Tax Rules, 1994 w.e.f. 01.04.2011 and now Finance Bill 2012 has introduced new section i.e. (Section 67A) for determination of same and it would be effective when the Finance Bill get the assent of President of India.

➤ These provisions are as under:

▪ **Section 67A.** The rate of service tax, value of a taxable service and rate of exchange, if any, shall be the rate of service tax or value of a taxable service or rate of exchange, as the case may be, **in force or as applicable at the time when the taxable service has been provided or agreed to be provided.**

▪ **Rule 5B - Date for determination of rate-** The rate of tax in case of **services provided, or to be provided,** shall be the rate prevailing at the **time when the services are deemed to have been provided** under the rules made in this regard.

▪ **POT Rules, 2011 provides provision to ascertain when a service shall be deemed to be provided. Accordingly rate of service tax shall be taken of the date when services shall be deemed to be provided as per POT Rules, 2011.**



C. MEANING OF POINT OF TAXATION...

- **Point of taxation** - means the point in time when a service shall be deemed to have been provided.



D. DATE FROM WHICH POINT OF TAXATION RULES, 2011 ARE APPLICABLE.....

- These rules came into force from 1st day of April, 2011.
- But the assessee has been given an option, under rule 9 of above said rules, to pay service tax on payment basis up to 30.06.2011.



E. MEANING OF DATE OF PAYMENT....

- **Rule 2A** has been inserted in POT, Rules, 2011 vide NN 04/2012 ST dated 17.03.2012 and it defines the date of payment as under:

Date of payment means earlier of following:

I. Dates on which the payment is **entered in the books of accounts**

or

II. Dates on which the payment is **credited to the bank account** of the person liable to pay tax.

However date of payment shall be the date of **credited to the bank account if the following conditions are satisfied:**

- There is a **change in effective rate of tax** or when a **service is taxed for the first time** during the period between such entry in books of accounts and its credit in the bank account; and*
- The credit in the bank account is **after four working days** from the date when there is change in effective rate of tax or a service is taxed for the first time; and*
- The payment is made by way of an **instrument which is credited** to a bank account.*

Note: Before the insertion of meaning of date of payment there was confusion that what should be taken as date of receipt of payment either date of receipt of cheque or date of entry in books of account or date of credit in bank account or date of deposit of cheque in bank. Now it is resolved.

Analysis of Rules.....



Point of Taxation Rules, 2011

S. No.	Rule	Particulars	Remarks
1	1	Short title and commencement	
2	2	Definitions	
3	2A	Date of payment	
4	3	Determination of point of taxation (Normal Provision)	
5	4	Determination of point of taxation in case of change in tax rate	
6	5	Payment of tax in case of new services	
7	6	Determination of point of taxation in case of continuous supply of service.	Merged with rule 3 w.e.f. 01.04.2012
8	7	Determination of point of taxation in case of reverse charge, associated enterprises	
9	8	Determination of point of taxation in case of copyrights, etc.	
10	8A	Determination of point of taxation in other cases	Inserted w.e.f. 1/04/2012
11	9	Transitional Provisions	

Rule 3 - Determination of Point of Taxation

I. Determination of Point of Taxation Under Normal Circumstances

As per rule 3 of POT Rules, 2011, **point of taxation** (point in time when a service shall be deemed to have been provided) under normal situation shall be earlier of the following dates:

i. Date of invoice or payment, whichever is earlier

(if the invoice is issued within the prescribed period of 30 days (up to 31.03.2012 it was 14 days) from the date of completion of the provision of service.)

ii. Date of completion of the provision of service or payment, whichever is earlier

(if the invoice is not issued within the prescribed period as above)

iii. Date of receipt of advance payment

Thus, it is evident from the above analysis that even though Govt. is saying service tax will be charged on accrual basis but if the assessee received payment in advance then service tax liability will arise on payment basis and service will be deemed to have been provided on the date when advance payment received.



II. Determination of Point of Taxation In Case Of Continuous Supply Of Services

Continuous Supply of Service - Rule 2 (c) of POT Rules, 2011

Continuous supply of service means any service which is provided, or to be provided **continuously or on recurrent basis, under a contract, for a period exceeding three months with the obligation for payment periodically or from time to time, or where the Central Government**, by a notification in the Official Gazette, prescribes provision of a particular service to be a continuous supply of service, whether or not subject to any condition.

Under above rules, the Central Government, vide NN 28/2011 st dated 01.04.2011, notifies the following services as continuous supply of service, for the purpose of the said rules:

- a. Commercial or Industrial Construction Services [Section 65(105) (zzq)]
- b. Complex Construction Services [Section 65(105) (zzzh)]
- c. Telecommunication Services [Section 65(105) (zzzx)]
- d. Internet Telecommunication Services [Section 65(105)(zzzv)]
- e. Services in Execution of Works Contract [Section 65(105)(zzzza)]

Therefore it is clear on the basis of above provision that in respect of services which has been notified by Central Govt. as continuous supply of service it is not necessary that these services provided or to be provided continuously for a period exceeding three months.

In case of continuous supply of services, date of completion of provision of service shall be deemed to be date of the completion of an event in terms of a contract, which requires the receiver of service to make any payment to service provider.

We can easily understand the same with help of following example:

ABC Ltd is entered into a contract of material handling with XYZ Ltd of Rs.1,00,00,000/- for handling of 10,000 MT material. As per contract agreement XYZ Ltd will make payment to ABC Ltd in the following manner:

S. No.	Completion of Activity	% of Payment	Amount (Rs.)
1	Mobilization of Equipment Advance	10%	10,00,000
2	Completion of 20% work (2000 MT Material Handling)	10%	10,00,000
3	Completion of 50% work (5000 MT Material Handling)	20%	20,00,000
4	Completion of 80% work (8000 MT Material Handling)	30%	30,00,000
5	Completion of 100% work (10,000 MT Material Handling)	30%	30,00,000
	Total	100%	100,00,000



ABC Ltd has completed the above work as under:

S. No.	Activity	Completion Date	Payment Received on	Invoice Issued on
1	Mobilization of Equipment	31.07.2011	30.08.2011	12.08.2011
2	Completion of 20% work (2000 MT Material Handling)	31.08.2011	12.09.2011	14.09.2011
3	Completion of 50% work (5000 MT Material Handling)	30.09.2011	12.10.2011	16.11.2011
4	Completion of 80% work (8000 MT Material Handling)	31.10.2011	30.10.2011	14.11.2011
5	Completion of 100% work (10,000 MT Material Handling)	30.11.2011	25.12.2011	15.12.2011

In this example point of taxation shall be determined as under:

S. No.	Completion Date	Payment Received on	Invoice Issued on	Point of Taxation	Due date for Deposit of Service Tax	Remarks
1.	31.07.2011	30.08.2011	12.08.2011	12.08.2011	05.09.2011 Or 06.09.2011 as the case may be	Invoice issued in 30 days and before receipt of payment
2.	31.08.2011	12.09.2011	14.09.2011	12.09.2011	05.10.2011 Or 06.10.2011 as the case may be	Invoice issued within 30 days and but payment received before issue of invoice
3.	30.09.2011	12.10.2011	16.11.2011	30.09.2011	05.10.2011 Or 06.10.2011 as the case may be	Invoice not issued in 30 days and payment received after completion of service
4.	31.10.2011	30.10.2011	14.11.2011	30.10.2011	05.11.2011 Or 06.11.2011 as the case may be	Invoice issued in 30 days but co received advance payment
5.	30.11.2011	25.12.2011	15.12.2011	30.11.2011	05.12.2011 Or 06.12.2011 as the case may be	Same as point no 3 above

Clarification By Circular No. 144/13/ 2011 – ST Dated 18.07.2011

Completion of service shall include not only the physical part of providing the service but also the completion of all other auxiliary activities that enable the service provider to be in a position to issue the invoice. Such auxiliary activities could include activities like measurement, quality testing etc which may be essential pre-requisites for identification of completion of service. The test for the determination whether a service has been completed would be the completion of all the related activities that place the service provider in a situation to be able to issue an invoice. However such activities do not include flimsy or irrelevant grounds for delay in issuance of invoice.



- **We can understand the clarification by circular No- 144/13/2011 dated 18.07.2011 with the help of following example:**
 - ABC Ltd has entered into a contract of erection and commissioning of super thermal power plant with XYZ Ltd and as per contract agreement ABC Ltd will issue monthly invoices in respect of material physically erected by it during a particular month. But the invoice should be supported by measurement books in the prescribed format duly signed by the engineers of both the companies, quality certificate issued by the engineer of XYZ Ltd and other related documents as per agreement.
 - Now during the month Oct, 2011, ABC Ltd has erected 1000 MT material but measurement book, quality certificate and other related documents has been prepared and signed on 07.11.2011.

ANALYSIS:

In the above case, even though physical work has been completed on 31.10.2011 but other auxiliary activities (i.e. preparation and signing of measurement book, quality certificate and other documents) has been completed on 07.11.2011 and only thereafter ABC Ltd can issue the invoice.

Thus, in this case date of completion of work shall be 07.11.2011 instead of 31.10.2011 and ABC Ltd can issue invoice up to 03.12.2011.



III. Miscellaneous Provisions of Rule 3

- Wherever the provider of taxable service receives a payment up to rupees one thousand in **excess** of the amount indicated in the invoice, the point of taxation to the extent of such excess amount, at the option of the provider of taxable service, shall be determined in accordance with the provisions of clause (a) of Rule 3 of POT Rules, 2011.
- Provided also that wherever the provider of taxable service receives an amount upto rupees one thousand in excess of the amount indicated in the invoice and the provider of taxable service has opted to determine the point of taxation based on the option as given in Point of Taxation Rules, 2011, no invoice is required to be issued to such extent. (6th proviso of Rule 4A of Service Tax Rules, 1994)
- Let's take an example. You have issued invoice of Rs. 10,000/- and received payment of Rs. 11,000/- and you have opted to determine point of taxation on the option as given in Point of Taxation Rules, 2011. Now as per newly inserted 6th proviso of Rule 4A you need not to issue fresh invoice to the extent of excess amount received i.e. Rs. 1,000/-.



Rule 4 - Determination of Point of Taxation in Case of Change in Tax Rate

Provisions of Rule 4 overrides rule 3

■ Thus provision of rule 4 shall be applicable only in respect of those services for which point of taxation shall be determined under rule 3.

Rule 4 of POT Rules, 2011 provides provisions for determination of POT in case of change in rate of tax. This rule determines various POT in given two situations:



I. In case a taxable service has been provided before the change of rate. POT and date of rate of service tax shall be determined as under:

S. No.	Date of completion of service	Date of invoice	Date on which payment recd.	Point of Taxation	Date of which rate of tax shall be taken
1	31.03.2012	14.04.2012	30.04. 2012	14.04.2012	14.04.2012 (12%) i.e., of the date when POT is determined
2	31.03.2012	30.03.2012	30.04.2012	30.03.2012	30.03.2012 (10%) i.e., of the date when POT is determined
3	31.03.2012	14.04.2012	30.03.2012	30.03.2012	30.03.2012(10%) i.e., of the date when POT is determined

Conclusion: If services have been provided prior to change in rate of tax then POT shall be determined of the **date of issue of invoice or payment** which comes before change of rate of tax. However if both the dates falls after the date of change of rate then earlier of them shall be taken to determine point of taxation.

II. In case a taxable service has been provided after the change of rate.

S. No.	Date of completion of service	Date of invoice	Date on which payment recd.	Point of Taxation	Date of which rate of tax shall be taken as per author before applicability of section 67A
1	15.04.2012	30.03.2012	30.04. 2012	30.04. 2012	30.04. 2012 (12%) i.e., of the date when POT is determined
2	15.04.2012	30.03.2012	31.03. 2012	30.03.2012	30.03.2012 (10%) i.e., of the date when POT is determined
3	15.04.2012	30.04.2012	31.03.2012	30.04.2012	30.04.2012(12%) i.e., of the date when POT is determined

Conclusion: If services have been provided after change in rate of tax then POT shall be determine of the date of issue of invoice or payment which comes after change of rate of tax. However if both the dates falls before the date of change of rate then earlier of them shall be taken to determine point of taxation.

On the basis of above provisions and analysis, it can be concluded that, in case change of tax rate, if payment is received after 4 working days from the date when there is change in effective rate of tax then date of payment will be the date of credit in bank account. Accordingly if this date will fall after 05.04.2012 and POT is the date of payment then service tax has to be deposited with higher rate of 12%. Therefore assessee is required to make all-out effort to deposit cheques received up to 31.03.2011 and get them cleared up to 05.04.2011.

III. Circular No. 155/6/ 2012 – ST dated 09.04.2012 - clarification in case of airline industry

This circular clarifies that in case of change in tax rate Rule 4 of Point of Taxation Rules, 2011 provides provisions.

If airlines receives payment and also issued invoice (i.e. tickets issued by airlines) before 01.04.2012

and

services to be provided on or after 01.04.2012

then rate of service tax shall be taken of 10% instead of 12%. Same is clear from our analysis in point no 2 of table 2. If the payment is received by agent of airlines then it is considered that payment is received by airlines and accordingly service tax rate shall be determined.



Note: This circulars gives clarification in case of airlines industry. However, same is applicable to all assesseees having similar facts.

Rule 5 - Payment of Tax in Case of New Services

Where a service is taxed for the first time, then—

- a) No tax shall be payable to the extent the invoice has been issued and the payment received against such invoice before such service became taxable;
- b) No tax shall be payable if the payment has been received before the service becomes taxable and invoice has been issued **within 14 days** of the date when the service is taxed for the first time.



ANALYSIS OF RULE 5

S. N o.	Particulars	Rule 5 (a)	Rule 5 (b)
1	Example	<p>a.) Invoice issued on 15.04.11 of Rs.10,00,000/-</p> <p>b.) Payment received on 20.04.11 of Rs.8,00,000/- and on 01.05.11 of Rs.2,00,000/-</p> <p>c.) Service is first time become taxable on 30.04.11</p>	<p>a.) Invoice raised on 20.04.11</p> <p>b.) Payment received on 15.04.11</p> <p>c.) Completion of service is on 06.04.11</p> <p>d.) Service is first time become taxable on 16.04.11</p>
2	Analysis	<p>i. In the above case invoice has been issued on 15.04.11 and against the same Rs.8 lac has been received before service first become taxable (i.e. on 30.04.11) therefore no service tax liability will arise on Rs.8lac.</p> <p>ii. However, Rs.2 lac has been received after service first become taxable (i.e. after 30.04.2011), therefore assessee has to deposit service tax on the same amount.</p>	<p>Here service tax is not payable because assessee has received payment before service become taxable and issued invoice within fourteen days of the date when the service is taxed for the first time.</p>
3	Conclusion	<p>In case of a service which is first time become taxable, assessee should make the necessary arrangement for the collection of invoice issued before the date service first time become taxable.</p>	<p>Under rule 5 (b), assessee should try to issue invoice within the time specified in above rule and collect the payment before service become taxable.</p>

W.e.f. 01.04.2012 Rule 5 has been amended as under:

Now reference to rule 6 in rule 5 has been omitted and in clause b of rule 5 invoice is required to be issued within 14 days of the date when the service is taxed for the first time while before this amendment same can be issued within the time limit given in Rule 4A of Service Tax Rules, 1994.

Rule 7 - Determination of Point of Taxation in Case of Reverse Charge, Associated Enterprises

Erstwhile rule 7 of POT Rules, 2011 provide for determination of POT in following cases:

1. Export of Services under rule 3 (1) of Export of Services Rules, 2005
2. Reverse Charges Mechanism U/s 68 (2) of Finance Act, 1994
3. Specified Services under rule 7(c) of said rules
4. Associated enterprises where the person providing the service is located outside India.

W.e.f. 01.04.2012 rule 7 of POT Rules, 2011 provide for determination of POT in following two cases only:

1. Reverse Charges Mechanism U/s 68 (2) of Finance Act, 1994
2. Associated enterprises where the person providing the service is located outside India.

And remaining two cases has been dealt with by following proviso of Rule 6 of Service Tax Rules, 1994:

1. Third proviso of rule 6 has been inserted and as per this proviso in case of export of services under Rule 3(1) of Export of Services Rules, 2005, payment is need not to be made as required under Rule 6 if payment in respect of export of services received within the time limit specified by RBI.

2. Fourth proviso of rule 6 has been inserted and it provides option to pay service tax on receipt basis to all individual and partnership firm up to Rs.50 lakh.



The point of taxation shall be determined in the following manner under Rule 7:

S. No	Particulars	Case 1	Case 2
1	Reverse Charges Mechanism U/s 68 (2) of Finance Act, 1994	Payment is made within a period of six months of the date of invoice	Payment is not made within a period of six months of the date of invoice
	Point of Taxation Shall Be	Date on which payment is made	<ol style="list-style-type: none"> Date of invoice or payment, whichever is earlier (if the invoice is issued within the prescribed period of 30 days (up to 31.03.2012 it was 14 days) from the date of completion of the provision of service.) Date of completion of the provision of service or payment, whichever is earlier (if the invoice is not issued within the prescribed period as above.) Date of receipt of advance payment POT is determined as per normal rules.
2	Associated Enterprises	Where the person providing the service is <u>located outside India</u>	Where the person providing the service is <u>located in India</u>
	Point of Taxation Shall Be	<ol style="list-style-type: none"> date of credit in the books of account of the person receiving the service or Date of making the payment whichever is earlier	Same as point no 1

Up to 31.03.2012, if the following 8 services provided by individuals or proprietary firms or partnership firms then these services shall be deemed to have been provided on the date on which payment is received:

- 1.Consulting Engineer's Services [Section 65(105)(g)]
- 2.Architect's Services[section 65(105)(p)]
- 3.Interior Decorator's Services [Section 65(105)(q)]
- 4.Practicing Chartered Accountant's Services[Section 65(105)(s)]
- 5.Practicing Cost Accountant's Services[Section 65(105)(t)]
- 6.Practicing Company Secretary's Services[Section 65(105)(u)]
- 7.Scientific or Technical Consultancy Services [Section 65(105)(za)]
- 8.Legal Consultancy Services [Section 65(105)(zzzzm)]

W.e.f. 01.04.2012 by NN 4/2012 dated 17.03.2012, rule 7 has been substituted as discussed above and along with that 4th Proviso of rule 6 of Service Tax Rules, 1994 has been inserted vide NN 3/2012 dated 17.03.2012 and it provides option to pay service tax on receipt basis to all individual and partnership firm up to Rs.50 lakhs in current financial year if aggregate value of taxable services provided from one or more premises is 50 lakhs rupees or less in the previous financial year.



1.Circular No.154/5/ 2012 dated – ST clarifying that for invoices issued on or before 31st March 2012, the point of taxation shall continue to be governed by the Rule 7 as it stands till the said date. Thus in respect of invoices issued on or before 31st March 2012 the point of taxation shall be the date of payment.

2.Circular No. 158/9/ 2012 – ST dated 08.05.2012 - clarifying that

i.In case of such 8 specified services provided by individuals or proprietary firms or partnership firms and in case of services wherein tax is required to be paid on reverse charge by the service receiver, if the payment is received or made, as the case maybe, on or after 1st April 2012, the service tax needs to be paid @12%.

ii.The invoices issued before 1st April 2012 may reflect the previous rate of tax (10% and cess). In case of need, supplementary invoices may be issued to reflect the new rate of tax (12% and cess) and recover the differential amount.



Rule 8 - Determination of Point of Taxation in Case of Copyrights, etc.

- In respect of royalties & payments pertaining to copyrights, trademarks, designs or patents,

where the *whole amount of the consideration for the provision of service is not ascertainable* at the time when service was performed,

and

subsequently the use or the benefit of these services by a person other than the provider gives rise to any payment of consideration

Then the service shall be treated as having been provided each time when a payment in respect of such use or the benefit is received by the provider in respect thereof, or an invoice is issued by the provider, whichever is earlier.



S. No.	Particulars	Case 1	Case 2
1	Provision	Whole amount of the consideration for the provision of service is not ascertainable at the time when service was performed	Whole amount of the consideration for the provision of service is ascertainable at the time when service was performed
2	Point of Taxation Shall Be	i.) Payment received by the provider of taxable service, or ii.) Date of issue of invoice by the provider of taxable service, whichever is earlier`	<ol style="list-style-type: none"> 1. Date of invoice or payment, whichever is earlier (if the invoice is issued within the prescribed period of 30 days (up to 31.03.2012 it was 14 days) from the date of completion of the provision of service.) 2. Date of completion of the provision of service or payment, whichever is earlier (if the invoice is not issued within the prescribed period as above.) 3. Date of receipt of advance payment POT is determined as per normal rules.

S. No.	Particulars	Case 1	Case 2
3	Example	<p>ABC Ltd (Indian Company) entered into an agreement with the XYZ Ltd (Japanese Company) for use of technology (Patented by Japanese Co.) for the production of luxury motor car in India. Now as per agreement ABC Ltd will pay US \$ 2,00,000 at the time of signing the contract and will pay 2% of turnover every month to XYZ Ltd.</p>	<p>ABC Ltd entered into an agreement with XYZ Ltd for use of trade of XYZ Ltd “ BINDAS” on the shirt produce by ABC Ltd. As per agreement ABC Ltd will pay to XYZ Ltd @ Rs.100 per shirt for use of trade mark “BINDAS”. ABC Ltd will make payment on monthly basis on shirts produced during a particular month.</p>
4	Analysis	<p>In the above case, technology will be used at the time of production of luxury motor car (the time when service will be performed) but payment is made lump sum at the time of signing the agreement and monthly payment will be made every month. Therefore, here POT shall be determined as per Rule 8 above.</p>	<p>In the above case, ABC Ltd is using trade mark at time of production of shirts and at that time consideration can be determined. Accordingly POT shall be determined as per normal rules.</p>

Rule 8A - Determination of Point of Taxation in Other Cases

- Where the point of taxation cannot be determined as per these rules as the date of invoice or the date of payment or both are not available, then
- Central Excise officer, may, require the concerned person to produce such accounts, documents or other evidence as he may deem necessary and after taking into account such material and the effective rate of tax prevalent at different points of time, shall, by an order in writing, after giving an opportunity of being heard, determine the point of taxation to the best of his judgment.



Rule 9 - Transitional Provisions

Nothing contained in this sub-rule shall be applicable,-

- i.where the provision of service is completed; or
- ii.where invoices are issued
prior to the date on which these rules come into force.

Provided that services for which provision is completed on or before 30th day of June, 2011 or where the invoices are issued upto the 30th day of June, 2011, the point of taxation shall, at the option of the taxpayer, be the date on which the payment is received or made as the case may be.



Thank You.....



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