

**GIB/TN/CHENNAI PORT/26.09.2019/AAR-238**

**Advance Ruling Category :** Input Tax Credit

**State :** Tamil Nadu

**Order No.:** GIB/TN/CHENNAI PORT/26.09.2019/AAR-238

**Name of Entry :**  
Chennai Port Trust

**Date :** 26-09-2019

**Breif Issue :**

**Issue & Fact of the Case:**

Admissibility of input tax credit of tax paid or deemed to have been paid and when the time of supply can be considered to occur with respect to providing continuous supply of services and also determination of value of supply of services?

The applicant is engaged in supply of port services and incidental supply of goods like disposal of discarded assets , is registered under GST act. The applicant is having rentable lands and buildings rented and licenced to government agencies. In such situation the applicant does not issue a tax invoice containing the particulars mentioned in section 31 of CGST Act ,2017 but issues a reminder letter to pay monthly fee based on expired licence agreement .

Time of supply does not occur since the periodical reminders letters issued by the applicant cannot be constructed as invoice for the purpose of act as it does not show all particulars mentioned in section 31(2) and the particulars prescribed in rule 46 of CGST rules 2017. And the date on which the licensee shows the receipt of services in his books of accounts as per 13(2)(c) does not possible as the applicant does not have books of accounts of the licensee.

**Decision of Advance Ruling Authority :**

**Decision:-**

The provision regarding continuous supply of services after expiry of contract ,if such RCA's are issued within 30 days after the end of recurrent period specified in the agreement ,the time of supply as determined by section 13(2)(b),as the earliest of the date of provision of service which is the end of recurrent period specified in the agreement after which the rent is to be paid and the date of receipt of payment whichever is earlier.

If the rent invoice is issued before the due date of payment as specified in the agreement ,the time of supply as determined by section 13(2)(b) shall be the date of provision which is the end of recurring period specified in the agreement after which the rent is to be paid, in the scenario of licence of renting

a immovable property .