
E-INVOICING MANDATED FOR TAXPAYERS HAVING AGGREGATE TURNOVER EXCEEDING INR 5 CR.

CBIC vide **Notification No. 10/2023 – Central Tax** dated 10th May 2023, has mandated e-invoicing by registered persons having aggregate turnover exceeding Rs. 5 crore, w.e.f. 1st August 2023.

Background:

E-invoicing is an electronic authentication mechanism under GST laws. Rule 48(4) of CGST Rules prescribes that registered persons having aggregate turnover exceeding prescribed limit in a financial year are mandated to report specified particulars of GST invoices (created on Accounting/Billing/ERP Systems) on the Invoice Registration Portal ('IRP') and obtain an Invoice Reference Number ('IRN'). E-Invoicing was initially mandated for taxpayers with aggregate turnover of more than Rs. 500 crore. The prescribed limit which now stands at Rs. 5 crore has been reduced in a phased manner through subsequent notifications issued by the Board.

VA Comments:

The instant notification is aimed to widen the ambit of e-invoicing in order to curb the menace of fake invoicing and resultant misuse of input tax credit. However, the said move will increase the burden on small enterprises which are already burdened with numerous tax compliances.

For any further information/ clarification, please feel free to write to:

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