

| Goods & Services Tax | One Nation One Tax | *Place of Supply*

- Location of the supplier
- Place of supply

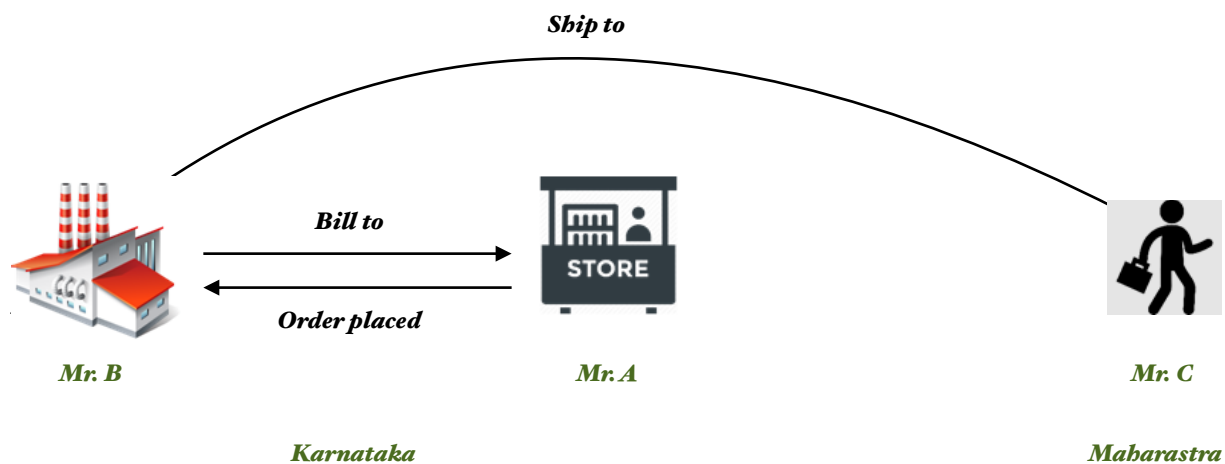
In absence of any such places, the location of the usual place of residence of the supplier would be treated as location of the supplier

### Place of Supply:

#### a) Place of supply in case of goods:

- Location of the goods where movement of goods terminates for delivery to recipient.
- Location of the principle place of business of the person on whom the bill is drawn in case of a "bill to ship to" transaction.

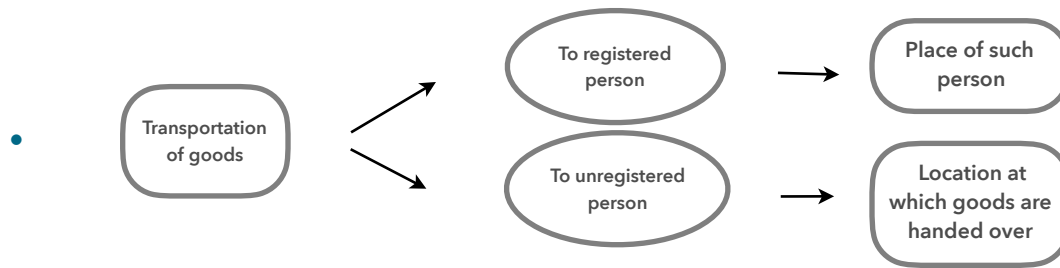
**Illustration:** On directions of *Mr. A (Karnataka)*, *Mr. B (Karnataka)* send goods to *Mr. C (Maharashtra)*. As per the provisions of the law, the principle place of business of *Mr. A* would be the **place of Supply**. Since the location of the supplier and the place of supply is both within the same State (Karnataka) the transaction would be treated as **intra-State** supply.



- Location of site in case where goods are assembled/installation at such site.
- Location where the goods are made available to the recipient in case there is no movement of goods involved.
- In case of imports, the place of supply is the location of the importer.
- In case of exports, the place of supply is the location outside India.

#### b) Place of supply in case of services:

- Location of the recipient of services. (Including exports)
- In case of services relating to immovable property, such as, architects, interior decorators, surveyors etc., the location of such immovable property would be the place of supply.
- Location where service is performed in case of performance based services such as restaurant and catering services, personal grooming, health services etc.
- Location of the event in case of services relating to such events. Example: Admission to cultural events, sports and artistic events etc.

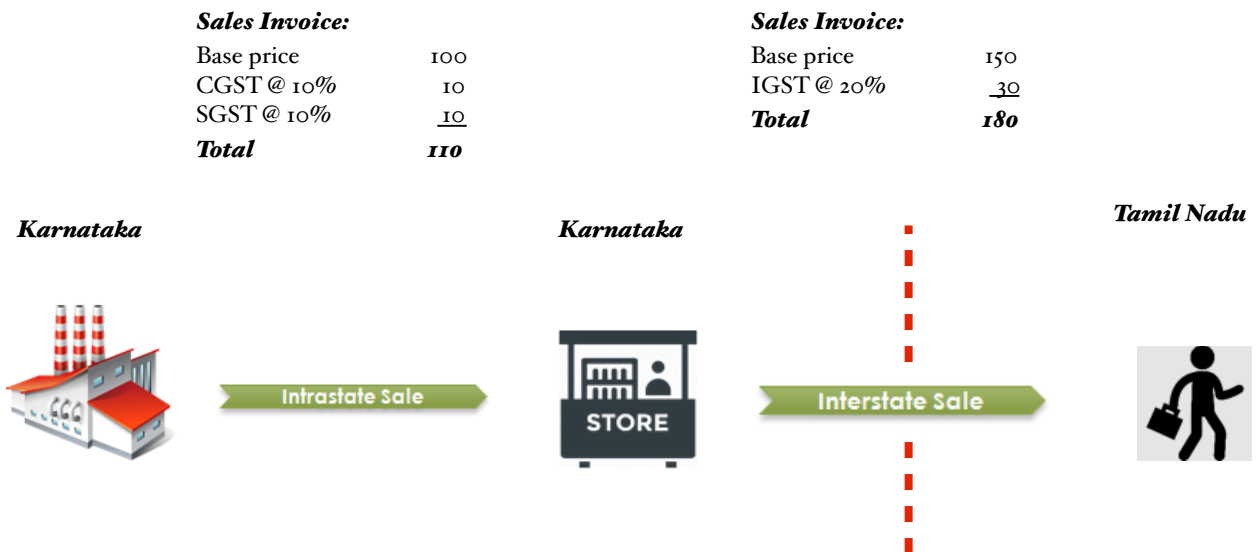


### *Taxability of inter-State and intra-State transactions:*

**a) Intra-State supply:** CGST & SGST will be simultaneously levied on all intra-State supply of goods and/or services.

**b) Inter-State supply:** IGST will be levied at one rate on all inter-State supply of goods and/or services.

An example illustrating the taxability of inter-State and intra-State supply is given below:



### *Conclusion:*

Determination of nature of supply under GST can get a little tricky, however, as per the provisions of the law, there is no penalty or interest liable on misclassification of inter-State supply as intra-State supply or vice versa and hence the burden on determination of nature of supply is reduced on businesses.

## Offices:

### Bangalore (Head Office)

#4/02, 15th Cross, South End,  
Jayanagar 2nd Block,  
Bangalore - 560 011

### Hyderabad

Regus Business Center,  
Room No. 149, Level 1, Mid Town Plaza,  
Road No. 1, Banjara Hills,  
Hyderabad - 500 034

### Chennai

Level 6, 10/11,  
Doctor Radha Krishnan Salai, Mylapore,  
Chennai - 600 004

### Contact us

**Phone:** 080-42088991 / 42088992

**E - Mail:** [gst@tsmt.in](mailto:gst@tsmt.in)

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