

National Informatics Centre

Clarification on e-Invoicing for Government Supplies

(Date : 14.09.2023)

GST Policy Wing has issued the clarification on the applicability of the e-invoicing to the supplies made to the Government departments or agencies, through Circular No. 198/10/2023-GST dated: 17.07.2023.

Government departments or establishments / Government agencies / local authorities / PSUs, which are required to deduct tax at source as per provisions of section 51 of the CGST/SGST Act, are liable for compulsory registration in accordance with section 24(vi) of the CGST Act. Therefore, Government departments or establishments / Government agencies / local authorities / PSUs, registered solely for the purpose of deduction of tax at source as per provisions of section 51 of the CGST Act, are to be treated as registered persons under the GST law as per provisions of clause (94) of section 2 of CGST Act. Accordingly, the registered person, whose turnover exceeds the prescribed threshold for generation of e-invoicing, is required to issue e-invoices for the supplies made to such Government departments or establishments / government agencies / local authorities / PSUs, etc under rule 48(4) of CGST Rules.

It is advised hereby that the tax payers, notified for generation of e-invoices and supplying goods or services to government departments / agencies, need to generate B2B e-Invoices with the GSTIN of the Government department / agency.

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