

## CHAPTER 9: TAX INVOICE, DEBIT AND CREDIT NOTES

- 1) **Tax invoice must be issued by \_\_\_\_\_.**
  - a) Every trader
  - b) Every taxable person
  - c) **Registered persons not paying tax under composition scheme**
  - d) All the above.
  
- 2) **A registered person supplying taxable goods shall issue a tax invoice showing:**
  - a) The description
  - b) Quantity and value of goods
  - c) The tax charged thereon
  - d) All the above.
  
- 3) **A registered person supplying taxable goods shall issue invoice \_\_\_\_\_ where the supply involves movement of goods.**
  - a) Before or at the time of removal of goods for supply to the recipient
  - b) Within 30 days after the removal of goods
  - c) Within 45 days after the removal of goods
  - d) At any time as per wish of the supplier.
  
- 4) **Where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued -**
  - a) Before or at the time of supply
  
  - b) 6 months from the date of removal
  - c) Before or at the time of supply, or within 6 months from the date of removal, whichever is earlier.
  - d) Before or at the time of supply, or within 6 months from the date of removal, whichever is later.
  
- 5) **Where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued :**

- a) Before / at the time of supply  
b) Months from the date of removal  
c) Earlier of a) or b)  
d) None of the above.
- 6) Priya Industries Ltd., Delhi, entered into a contract with Virat Entrepreneurs, Delhi, for supply of spare parts of a machine on 7<sup>th</sup> September. The spare parts were to be delivered on 30<sup>th</sup> September. Priya Industries Ltd. removed the finished spare parts from its factory on 29<sup>th</sup> September. Determine the date by which invoice must be issued by Priya Industries Ltd. under GST Law.
- a) On or before 7<sup>th</sup> September  
b) On or before 29<sup>th</sup> September  
c) On or before 30<sup>th</sup> September  
d) On or before 29<sup>th</sup> October.
- 7) A bill of supply can be issued in case of inter-State and intra-State :
- a) Exempted supplies  
b) Supplies by composition suppliers  
c) Either a) or b)  
d) Both a) and b)
- 8) An acknowledgement must be given on receipt of advance payment in respect of supply of goods or services :
- a) Yes, in the form of a provisional invoice;  
b) Yes, as a receipt voucher;  
c) Yes, the invoice must be raised to that extent;  
d) None of the above.
- 9) A continuous supply of goods requires one of the following as a must -
- a) The goods must be notified by the Commissioner in this behalf;  
b) The contract for supply lasts for a minimum period of 3 months;  
c) The supply is made always by means of a wire, cable, pipeline or other conduit;  
d) Supplier invoices the recipient on a regular or periodic basis.
- 10) The recipient must issue an invoice in the following cases :
- a) The supplier fails to issue an invoice;  
b) The supplier is unregistered;

- c) The goods or services received notified for tax on reverse charge basis;  
d) All of the above.
- 11) A payment voucher need not be raised if the supplier is an unregistered person.**  
a) True, as the recipient is required to issue an invoice in that case;  
b) True, if the unregistered person does not require it;  
c) False, a payment voucher is the only document to evidence the supply;  
d) False, payment voucher should be issued in addition to raising an invoice for the inward supply.
- 12) The time limit for issue of tax invoice in case of continuous supply of goods :**  
a) At the time of issue of statement of account where successive accounts are involved;  
b) At the time of receipt of payment, if payments are received prior to issue of accounts;  
c) On a monthly basis;  
d) As and when demanded by the recipient.
- 13) If Supply of Services has ceased under a contract before the completion of supply :**  
a) Invoice has to be issued within 30 days on the from the date of cessation;  
b) Invoice has to be issued at the time of cessation to the extent of the supply effected;  
c) Invoice has to be issued for the full value of the contract after deducting a percentage thereof as prescribed;  
d) No invoice need to be issued.
- 14) The tax invoice should be issued \_\_\_\_\_ the date of supply of taxable service.**  
a) Within 30 days from  
b) Within 1 month from  
c) Within 15 days from  
d) Within 60 days from.
- 15) In case of taxable supply of services, invoice shall be issued within a period of \_\_\_\_\_ from the date of supply of service.**  
a) 30 days  
b) 45 days  
c) 60 days  
d) 90 days.
- 16) In case of taxable supply of services, by an insurer, invoice shall be issued within a period of \_\_\_\_\_ from the date of supply of service.**

- a) 30 days
  - b) 45 days
  - c) 60 days
  - d) 90 days.
- 17) In case of continuous supply of services, where due date of payment is ascertainable from the contract, invoice shall be issued :**
- a) Before or at the time when the supplier of service receives the payment
  - b) On or before the due date of payment
  - c) Either a) or b)
  - d) None of the above.
- 18) In case of continuous supply of services, where due date of payment is not ascertainable from the contract, invoice shall be issued :**
- a) Before or at the time when the supplier of service receives the payment
  - b) On or before the due date of payment
  - c) Either a) or b)
  - d) None of the above.
- 19) A person who has applied for registration \_\_\_\_\_.**
- a) Can provisionally collect tax till his registration is approved, on apply for registration, if he has applied for registration within prescribed time;
  - b) Can neither collect tax nor claim input tax credit;
  - c) Can issue 'revised invoice' and collect tax within 1 month of grant of registration, subject to specified conditions;
  - d) All of the above.
- 20) A credit note is issued by \_\_\_\_\_ and it is a document accepted for GST purposes :**
- a) Supplier, for reducing the tax or taxable value;
  - b) Recipient, for reducing the tax or taxable value;
  - c) Supplier, for increasing the tax or taxable value;
  - d) Recipient, for increasing the tax or taxable value.
- 21) Where a tax invoice has been issued for supply of any goods or services or both and the taxable value or tax charged in that tax invoice is found to be less than the taxable value or tax payable in respect of such supply, the registered person, who has supplied such**

goods or services or both, shall issue to the recipient \_\_\_\_\_ containing such particulars as may be prescribed.

- a) Debit note
- b) Credit note
- c) Receipt voucher
- d) Payment voucher.

**22) For an increase in the tax payable or taxable value, a debit note for GST purposes :**

- a) Should be issued by the supplier
- b) Should be issued by the recipient;
- c) May be issued by the supplier;
- d) May be issued by the recipient.

**23) The last date for declaring the details of a Credit Note issued on 30.01.2019 for a supply made on 20.09.2018 is :**

- a) 31.12.2019 being: Actual date for filing annual return.
- b) 20.07.2019
- c) 20.09.2019
- d) 20.10.2019

**24) The receipt voucher must contain :**

- a) Details of goods or services;
- b) Invoice reference;
- c) Full value of supply;
- d) None of the above.

**25) The prescribed time period for the issuance of a Debit/Credit Note in respect of a Financial Year will be :**

- a) Within 31<sup>st</sup> March of the current financial year
- b) Within 30<sup>th</sup> April of the succeeding financial year
- c) Within 30<sup>th</sup> September of the succeeding financial year
- d) Within 31<sup>st</sup> December of the succeeding financial year.

**26) The impact of the issuance of a debit note by a supplier in his value of supplies will :**

- a) Be decrease
- b) Be an increase
- c) Be of no Impact

d) Any of the above subject to the nature of the Debit Note Issued.

**27) The impact of the issuance of a credit note by a supplier in his value of supplies will :**

- a) Be decrease
- b) Be an increase
- c) Be of no Impact
- d) Any of the above subject to the nature of the Debit Note Issued.

**28) Suppose, one dealer issued a tax invoice showing more taxable value or charging more tax than the actual such values. What is the remedy?**

- a) To issue a Credit Note for the excess taxable value / tax on or before 30<sup>th</sup> September or the date of the filing of the Annual Return whichever is earlier.
- b) To issue a Debit Note for the excess taxable value / tax on or before 30<sup>th</sup> September or the date of the filing of the Annual Return whichever is earlier.
- c) To issue a Credit Note for the excess taxable value / tax within 30 days of such detection.
- d) To issue a Debit Note for the excess taxable value / tax within 30 days of such detection.

**29) Suppose, one dealer issued a tax invoice showing less taxable value or charging less tax than the actual such values. What is the remedy?**

- a) To issue a Debit Note for the excess taxable value / tax on or before 30<sup>th</sup> September or the date of the filing of the Annual Return whichever is earlier.
- b) To issue a Credit Note for the excess taxable value / tax within 30 days of such detection.
- c) To issue a Debit Note for the excess taxable value / tax within 30 days of such detection.

**30) A registered person may not issue a tax invoice if the value of the goods or services or both supplied is less than \_\_\_\_\_ subject to such conditions and in such manner as may be prescribed.**

- a) Rs. 200
- b) Rs. 500
- c) Rs. 1000
- d) Rs. 2,000

**31) A registered person who is liable to pay tax under reverse charge basis shall issue a \_\_\_\_\_ at the time of making payment to the supplier..**

- a) Credit note
- b) Debit note
- c) Receipt voucher

d) Payment voucher.

**32) A registered person, Mr. X supplies goods worth Rs. 150 to Mr. Y, an unregistered person. Is it mandatory to issue tax invoice separately?**

- a) Yes
- b) No
- c) No, even if Mr. Y asks for it
- d) None of the above

**33) \_\_\_\_\_ shall accompany transport of goods when e-way bill is not required.**

- a) Delivery Challan
- b) Tax Invoice
- c) Bill of Supply
- d) (b) or (c)

**34) Which document is to be issued by the consignor instead of tax invoice for transportation of goods for job work?**

- a) E-way Bill
- b) Delivery Challan
- c) Debit Note
- d) Receipt Voucher

**35) Ticket issued in case of passenger transportation service is a tax invoice. The statement is \_\_\_\_\_.**

- a) True
- b) False

**36) Delivery Challan shall be prepared in—**

- a) Duplicate
- b) Triplicate
- c) Original only
- d) (a) or (b), depends on consignor

**37) Goods may be transported without issue of invoice in case of**

- a) supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known,
- b) transportation of goods for job work,
- c) transportation of goods for reasons other than by way of supply
- d) All of the above

**38) HSN Code is \_\_\_\_\_ code?**

- a) 8 digit
- b) 6 digit

- c) 2 digit
  - d) 10 digit
- 39) Tax Invoice shall be prepared in \_\_\_\_\_ in case of supply of goods and in \_\_\_\_\_ in case of supply of services.
- a) Duplicate, Duplicate
  - b) Duplicate, Triplicate
  - c) Triplicate, Duplicate
  - d) Triplicate, Triplicate
- 40) The serial number of invoices issued during a tax period shall be furnished in
- a) GSTR-1
  - b) GSTR-3B
  - c) GSTR-2
  - d) All of the above
- 41) Details of advances against which supply is not made during the month of receipt of advance shall be reported in \_\_\_\_\_ of \_\_\_\_\_.
- a) Table 9, GSTR-1
  - b) Table 6, GSTR-1
  - c) Table 12, GSTR-1.
  - d) Table 11, GSTR-1
- 42) Details of advances need not to be reported if the tax invoice is issued
- a) in same tax period
  - b) in any tax period
  - c) within 30 days
  - d) within 6 months
- 43) Credit Note with GST cannot be issued on account of
- a) Sales return
  - b) Purchases return
  - c) Renegotiation of prices
  - d) Discrepancy in taxable value
- 44) Flow of debit notes & credit notes with GST is a \_\_\_\_\_ flow from supplier.
- a) Multi-directional
  - b) Uni-directional
  - c) Omni-directional
  - d) None of the above
- 45) Debit/Credit Notes should be

- a) Financial year wise
  - b) Month wise
  - c) Tax period wise
  - d) None of the above
- 46) Is it mandatory to indicate the word "Revised Invoice" on revised tax invoice?**
- a) Yes
  - b) No
  - c) Yes, but if the value exceeds Rs. 5000
  - d) Yes, but if the value exceeds Rs. 500
- 47) Debit note includes**
- a) Tax Invoice
  - b) Refund Voucher
  - c) Receipt Voucher
  - d) Supplementary Invoice
- 48) Consolidated revised tax invoice may be issued separately in respect of**
- i) Supplies made to unregistered persons
  - ii) All Inter-State supplies
  - iii) All Intra-State supplies
  - iv) Inter-state supplies to all recipients located in a State, if the value of supply  $\leq$  2,50,000
- a) (i) & (ii)
  - b) (iv) only
  - c) (iii) & (iv)
  - d) (i) & (iv)
- 49) The \_\_\_\_\_, as the case may be, would trigger the liability to raise the invoice, and the supplier should not wait until the goods reach the destination.**
- a) Removal
  - b) Dispatch or collection
  - c) Transfer
  - d) Sale
- 50) Tax invoice shall be issued in case \_\_\_\_\_ period has expired from the date of sending the goods on approval.**
- a) 6 months
  - b) 1 year
  - c) 2 years
  - d) 1.5 years

**ANSWER**

1	C	12	A	23	D	34	B	45	A
2	D	13	B	24	A	35	A	46	A
3	A	14	A	25	C	36	B	47	D
4	C	15	A	26	B	37	D	48	D
5	C	16	B	27	A	38	A	49	B
6	B	17	B	28	A	39	C	50	A
7	D	18	A	29	B	40	A		
8	B	19	C	30	A	41	D		
9	D	20	A	31	D	42	A		
10	B	21	A	32	B	43	C		
11	D	22	A	33	D	44	B		