

Determination of POT -viz-a-viz Change in Effective Rate of Tax

Provision of Service	Situation	Description
Taxable Service provided before the change in effective rate of tax	1	When Invoice has been issued and Payment received after the change in effective rate of tax - Point of Taxation shall be date of receipt payment or issuance of Invoice whichever is earlier.
	2	When Invoice has been issued prior to the change in effective rate of tax but payment is received after the change in effective rate of tax - Point of Taxation shall be the date of issuance of Invoice.
	3	When the payment is received before the change in effective rate of tax but the Invoice is issued after the change in effective rate of tax - Point of Taxation is date of Payment.
Taxable Service provided after the change in effective rate of tax	4	When the payment is received after the change in effective rate of tax but the Invoice has been issued prior to the change in effective rate of tax - the Point of Taxation is date of Payment.
	5	When Invoice has been issued and payment has been received before the change in effective rate of tax - Point of Taxation shall be date of receipt payment or issuance of Invoice whichever is earlier.
	6	When the Invoice has been raised after the change in effective rate of tax but the payment has been received before the change in effective tax rate - Point of Taxation shall be the date of issuance of Invoice.

Practical Example

Provision of Service	Situation	Invoice Date	Payment Date	POT Date
Taxable Service provided before the change in effective rate of tax (i.e. prior to 1 st June 2015) e.g. 22.05.2015	1	04.06.2015	06.06.2015	04.06.2015
	2	25.05.2015	04.06.2015	25.05.2015
	3	04.06.2015	25.05.2015	25.05.2015
Taxable Service provided after the change in effective rate of tax (i.e. on or after 1 st June 2015) e.g. 02.06.2015	4	25.05.2015	04.06.2015	04.06.2015
	5	26.05.2015	25.05.2015	25.05.2015
	6	04.06.2015	28.05.2015	04.06.2015