



**AP AAAR: Denies ITC on invoice issued in April 2020 for supply pertaining to FY 2018-19; Confirms AAR**

Andhra Pradesh AAAR re-iterates findings of AAR holding appellant not eligible to claim ITC on the disputed invoice dated April 1, 2020 covering supply of services pertaining to the period from April 01, 2018 to March 31, 2019 on account of limitation prescribed in section 16(4) of CGST/APGST Act, 2017; Appellant claims that (i) delayed issuance of invoice cannot be a ground to deny ITC to buyer, (ii) AAR order is based on erroneous interpretation of section 16(4) as there is no condition u/s 16 that only invoices issued within due-date as per section 31 (2) r/w Rule 47 of CGST/APGST Rules, 2017 are eligible for credit (i.e. any invoice issued on 31st day of the supply of service is ineligible for credit); Tracing through aspects relating to invoicing, the AAAR examines if appellant is eligible to claim ITC under section 16 (4) basis tax invoice dated April 01, 2020 for monthly rental services extended from April 2018 to March 2019; Remarks that, “The availment of input tax credit is subject to satisfying certain conditions prescribed in the statute”; Clarifies, as the invoice pertains to FY 2018-19, vide Section 16(4), recipient is entitled to take ITC on the same before furnishing of return u/s 39 for the month of Sept 2019 following the end of FY to which such return relates or furnishing annual return whichever is earlier.