

## Consumer Taxes

TVQ. 83-1/R1                      **The Concept of “Invoice”**  
Date of publication:              **June 29, 2023**

Reference(s):                      *An Act respecting the Québec sales tax (CQLR, c. T-0.1), sections 1, 16, 82 and 83*

*This version of interpretation bulletin TVQ. 83-1 replaces that of September 30, 1992. It was modified to include electronic invoices and make stylistic changes.*

This bulletin clarifies the concept of “invoice” as used in determining on what date the consideration for a taxable supply becomes due.

### APPLICATION OF THE ACT

#### General rule relating to the time of taxation

1. Section 82 of the *Act respecting the Québec sales tax (AQST)* states that the tax provided for in section 16 of the AQST in respect of a taxable supply is payable by the recipient on the earlier of the day the consideration for the supply is paid and the day the consideration for the supply becomes due.
2. In general, in accordance with the first paragraph of section 83 of the AQST, the consideration for a taxable supply is deemed to become due on the earliest of
  - (1) the earlier of the day the supplier first issues an invoice for the consideration and the date of that invoice;
  - (2) the day the supplier would, but for an undue delay, have issued an invoice for the consideration; and
  - (3) the day the recipient is required to pay the consideration to the supplier pursuant to an agreement in writing.

#### The concept of “invoice”

3. In general, an invoice is a paper or electronic document that provides an itemized statement of property sold or services performed, as well as the terms and conditions of payment.

4. Section 1 of the AQST defines “invoice” as including a statement of account, a bill and any other similar record, regardless of its form or characteristics, and a cash register slip or receipt.

5. With regard to the application of section 83 of the AQST, an invoice must evidence the obligation for a recipient of a supply to pay the consideration for that supply and may actually evidence the recipient’s payment, where such is the case. For an invoice to exist, therefore, an agreement relating to the supply of property or a service must previously have been entered into.

#### **Documents that are not invoices**

6. An estimate of the repairs to be made to an automobile. No agreement exists between the parties at this point as to the repairs to be made. Consequently, there is no obligation to pay the amount of the garage operator’s estimate.

7. A notice of renewal or of renewal of a subscription in order to obtain property or a service. Thus, a notice for renewing one’s subscription to a magazine does not constitute an invoice, rather it merely constitutes an offer to renew one’s obligations. The subscriber is free to act upon it or not.

8. A notice of annual dues which a professional corporation sends to its members, where the members are not required to act thereupon. This represents an offer by the corporation inciting members to renew their membership in the corporation.

#### **Special billing measures in some sectors of activity**

9. This interpretation bulletin does not include the special mandatory billing provisions set out in divisions XXII and following of Chapter VI of Title I of the AQST.