GST AND GOODS TRANSPORT AGENCY

Goods transport agency : Goods transport agency" or GTA means any person who provides service in relation to transport of goods by road and issues consignment note, by whatever name called. A consignment note is an essential condition to be considered as a GTA.

Consignment note: A consignment note is a document issued by a goods transportation agency against the receipt of goods for the purpose of transporting the goods by road in a goods carriage.

Registration requirements: IF Transports,

a) Exclusivey goods on which RCM applicable (even turnover more than Rs. 20/10 Lacs limit)	-	NO REGISTRATION
b) Turnover less than Rs. 20/10 Lacs Limit (including RCM based and service to unregistered)	-	NO REGISTRATION
c) All other cases	-	REGISTER

Rate of Tax: Options available to GTA - **12% with ITC or 5% without ITC** AND **5% with ITC** by Consignor/consignee at RCM Basis.

Exemptions:
The following services provided by GTA by way of transport in a goods carriage are exempt from payment of tax:
(a) agricultural produce
(b) goods, where consideration charged for the transportation of goods on a consignment transported in a single carriage does not exceed Rs. 1,500
(c) goods, where consideration charged for transportation of all such goods for a single consignee does not exceed Rs. 750
(d) milk, salt, and food grain including flour, pulses, and rice
(e) organic manure
(f) newspaper or magazines registered with the Registrar of Newspapers
(g) relief materials meant for victims of natural or man-made disasters, calamities, accidents, or mishaps
(h) defence or military equipment etc

Reverse Charge Mechanism:
A person paying to GTA will pay GST under RCM. (Consignor / Consignee)
The categories on which RCM applicable, include:
(a) any factory registered under or governed by the Factories Act, 1948 (63 of 1948)
(b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India
(c) any co-operative society established by or under any law
*(d) any person **registered** under the CGST Act, the Integrated GST (IGST) Act, the State GST (SGST) Act, or the Union Territory GST (UTGST) Act*
(e) anybody corporate established, by or under any law
(f) any partnership firm whether **registered or not** under any law including association of persons
(g) any casual taxable person

Input Tax Credit:
-A person (consignor/consignee) paying GST under RCM will pay GST at the rate of 5% and will take ITC on the same.
-A GTA paying GST at the rate of 5%. No one will get the ITC. **OR** A GTA paying GST at the rate of 12%, GTA will get the ITC. (Option to opt in beginning of the Financial Year)

CGST/SGST/IGST Aplicability:
It depends on place of supply and The place of supply of services by way of transportation of goods, including by mail or courier to—
(a) a registered person, shall be the location of such person
(b) a person other than a registered person, shall be the location at which such goods are handed over for their transportation.

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