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GST – Tables / Charts / diagrams

Table 21 - Income-tax Vs. GST

Provisions	Income-tax	GST
Marks for examination	New course (Intermediate) 60 Old course (IPC) 50	New course (Intermediate) 40 Old course (IPC) 50
Nature of tax	Direct tax	Indirect tax (based on the mechanism of "value addition")
National tax?	One single Tax (truely called "National tax")	State wise / UT-wise Tax (falsely called "National tax")
Website	www.incometaxindia.gov.in	**www.gst.gov.in** (called Common Portal)
Independent management company	No such company.	There is a company called "GSTN".
Paperless working	Income-tax department is partially paperless. Even today, entire working is not paperless.	GST is completely paperless. Entire working is through Common Portal.
Constitutional authority	Article 246 - Entry 82 of List-I (i.e. Union List) of Schedule – VII of the Constitution	Article 246A and 269A of the Constitution
Regulatory / Recommending bodies	CBDT	• CBEC • GST Council constituted under Article 279A of the Constitution
Tax on what?	Tax on income of a person	Tax on the "supply" of goods/services/both made or agreed to be made by a person
Levied and collected by which Govt.?	By Central Govt.	IGST: By Central Govt. (but approximately 50% of IGST is transferred to the destination State) CGST: By Central Govt. SGST: By respective State Govt. UTGST: By Central Govt. (but transferred to UTGST)
Single tax / dual tax?	Single tax – Only Central Govt. is charging tax	Dual tax – Both Central Govt. and State Govt. / UT Govt. are charging tax on the same transaction
Source based/ destination based tax	Being a direct tax, there is no such concept	Destination based tax
Coding system	No such concept	• HSN coding system for goods • SAC coding system for services
Key authority	Assessing Officer (AO)	Proper Officer (PO)

<table>
<tr><th>Provisions</th><th>Income-tax</th><th colspan="2">GST</th></tr>
<tr><td>Different types of persons</td><td>• Person
• Assessee</td><td colspan="2">• Person
• Registered person
• Taxable person
• CTP
• NRTP
• Supplier
• Recipient
• Principal
• Agent
• Intermediary
• Agriculturist
• ECO</td></tr>
<tr><td>Sources of law – Acts</td><td>• Income-tax Act, 1961
• Annual Finance Act</td><td colspan="2">• CGST Act, 2017
• UTGST Act, 2017
• [IGST Act, 2017
• GST (Compensation to States) Act, 2017
• Respective SGST Act, 2017</td></tr>
<tr><td>Sources of law – Rules</td><td>Income-tax Rules, 1962</td><td colspan="2">• CGST Rules, 2017
• UTGST Rules, 2017
• IGST Rules, 2017
• GST Compensation Cess Rules, 2017
• Respective SGST Rules, 2017</td></tr>
<tr><td>Sources of law – Others</td><td>• Notifications
• Circulars / office-letters / Instructions / Trade notices / orders / clarifications / Press Notes
• Case laws</td><td colspan="2">• Notifications
• Circulars / office-letters / instructions Trade notices / orders / clarifications / Press Notes
• Case laws</td></tr>
<tr><td rowspan="4">Application of law</td><td rowspan="4">Whole of India</td><td>IGST</td><td>Whole of India (called “Taxable territory”)</td></tr>
<tr><td>CGST</td><td>Whole of India (called “Taxable territory”)</td></tr>
<tr><td>SGST</td><td>Whole of the respective States (called “Taxable territory”)</td></tr>
<tr><td>UTGST</td><td>Whole of the respective UTs (called “Taxable territory”)</td></tr>
<tr><td rowspan="4">Charging section</td><td rowspan="4">Section 4 of Income-tax Act, 1961</td><td>IGST</td><td>Section 5 of IGST Act, 2017</td></tr>
<tr><td>CGST</td><td>Section 9 of CGST Act, 2017</td></tr>
<tr><td>SGST</td><td>Sections of respective SGST Acts, 2017</td></tr>
<tr><td>UTGST</td><td>Section of UTGST Act, 2017</td></tr>
<tr><td>Most important definitions / concepts</td><td>“Income”</td><td colspan="2">• “Supply”
• “Goods”
• “Service”</td></tr>
<tr><td>Taxable event (i.e. tax is levied upon?</td><td>Earning of “Income”</td><td colspan="2">Providing or agreeing to provide “supply of goods/services/both”</td></tr>
<tr><td>Who is liable to pay tax?</td><td>Normally, the income-earner (called “assessee”) is liable to pay tax.</td><td colspan="2">• Normally the supplier is liable to pay tax</td></tr>
</table>

<table>
<tr><th>Provisions</th><th colspan="2">Income-tax</th><th>GST</th></tr>
<tr><td></td><td colspan="2"></td><td>• In some cases, the recipient is liable to pay tax
• In some cases, the ECO is liable to pay tax.</td></tr>
<tr><td>RCM</td><td colspan="2">Normally, the income-earlier is paying tax. But, sometimes the income-payer is paying tax under some specific provisions of Income-tax Act, 1961.
For example – CDT is paid by a company declaring dividend. In a way, this is RCM concept.</td><td>Normally, the supplier is paying GST. However, in some situations, the recipient is paying GST.</td></tr>
<tr><td>ECO</td><td colspan="2">No such system</td><td>In some situations, the ECO is liable to pay tax.</td></tr>
<tr><td rowspan="25">Brief procedure for computation of tax liability</td><td colspan="2">• Initially we compute total income as under:</td><td rowspan="25">• GST is an ad valorem tax. Hence, initially we determine the “value of supply” u/s 15 of CGST Act.

• Thereafter we compute output tax. The output tax = Value of supply X Tax-rate

• Then we deduct input tax credit (ITC).

• The balance tax is paid to Govt. through money payment.</td></tr>
<tr><td>Taxable income from salary</td><td>XXX</td></tr>
<tr><td>Taxable income from House-Property</td><td>XXX</td></tr>
<tr><td>Taxable income from B/P/V</td><td>XXX</td></tr>
<tr><td>Taxable income from CG</td><td>XXX</td></tr>
<tr><td>Taxable income from OS</td><td>XXX</td></tr>
<tr><td>Gross Total Income</td><td>XXX</td></tr>
<tr><td>Less: Deductions under Chapter VI-A</td><td>XXX</td></tr>
<tr><td>Total Income</td><td>XXX</td></tr>
<tr><td>Rounded off (in the nearest multiple of Rs. 10/-)</td><td>XXX</td></tr>
<tr><td colspan="2">• Thereafter, we compute tax liability as under:</td></tr>
<tr><td>Total Basic Tax</td><td>XXX</td></tr>
<tr><td>Less: Rebate u/s 87A</td><td>XXX</td></tr>
<tr><td>Add : Surcharge</td><td>XXX</td></tr>
<tr><td>Less: Marginal relief of surcharge (MRS)</td><td>XXX</td></tr>
<tr><td>Basic tax + Surcharge</td><td>XXX</td></tr>
<tr><td>Add: EC</td><td>XXX</td></tr>
<tr><td>Add: S&HEC</td><td>XXX</td></tr>
<tr><td>Tax before Relief</td><td>XXX</td></tr>
<tr><td>Less: Relief u/s 89</td><td>XXX</td></tr>
<tr><td>Tax liability</td><td>XXX</td></tr>
<tr><td>Less: Advance-tax, TDS,TCS</td><td>XXX</td></tr>
<tr><td>Tax payable</td><td>XXX</td></tr>
<tr><td>Rounded off (in the nearest multiple of Rs. 10/-)</td><td>XXX</td></tr>
<tr><td colspan="2"></td></tr>
<tr><td>Types of taxes levied by Govt.</td><td colspan="2">• Basic income tax
• Surcharge
• Education Cess (EC)
• Secondary &Higher Edu. Cess (SHC)</td><td>• CGST + SGST / UTGST, IGST
• Compensation Cess (CC)</td></tr>
<tr><td>Tax Rates</td><td colspan="2"></td><td>Differential tax rates linked with type of goods or service supplied.</td></tr>
</table>

<table>
<tr><th>Provisions</th><th>Income-tax</th><th>GST</th></tr>
<tr><td></td><td>• Basic tax rates are linked with the nature of income (casual income u/s 115BB, long-term capital gain u/s 112, STCG u/s 111A, dividend income u/s 115BBDA, undisclosed income u/s 115BBE, normal income, etc.)
or
linked with the status of assessee (like individuals, HUF, Company etc.).

• Rates of surcharge are linked with the amount of total income and the status of assessee (like individual, HUF, Company, etc.)

• EC is 2%

• SHEC is 1%.</td><td><u>Tax Rates under GST</u>
<table>
<tr><th>CGST</th><th>SGST/UTGST</th><th>IGST</th></tr>
<tr><td>Nil Rate</td><td>Nil Rate</td><td>Nil Rate</td></tr>
<tr><td>0.125%</td><td>0.125%</td><td>0.250%</td></tr>
<tr><td>1.50%</td><td>1.50%</td><td>3%</td></tr>
<tr><td>2.50%</td><td>2.50%</td><td>5%</td></tr>
<tr><td>6%</td><td>6%</td><td>12%</td></tr>
<tr><td>9%</td><td>9%</td><td>18%</td></tr>
<tr><td>14%</td><td>14%</td><td>28%</td></tr>
</table></td></tr>
<tr><td>Who decides tax rates?</td><td>Central Govt. (through Annual Finance Act)</td><td>Govt. is notifying on the basis of recommendation of GST Council.</td></tr>
<tr><td>Concept of input tax credit?</td><td>No such concept</td><td>Yes there is a concept of ITC. Hence following special provisions have also been prescribed to ensure continuous, complete, seamless flow of credit --
• Manner of utilisation of ITC
• Transfer of credit</td></tr>
<tr><td>Concessional provisions</td><td>• Various incomes are fully or partly exempted u/s 10, 10AA, 11 to 13, 13A, 13B.

• Many deductions are allowed under Chapter VI-A (i.e. section 80C to 80U).</td><td>• No GST on the supplies included in Schedule-I (i.e. Negative list).

• No GST on the supplies exempted u/s 11 of CGST Act, 2017.

• No GST on goods / services having Nil rate of tax.

• No GST on non-taxable supplies.

• No GST on zero-rated supply.</td></tr>
<tr><td>Relief provisions for small tax-payers</td><td>• An individual assessee is not liable to pay tax on total income upto Rs. 250000/ 300000 / 500000.

• Thereafter, tax is charged at the slab rates on progressive basis.</td><td>• Very small persons (i.e. the persons having aggregate turnover upto Rs. 20 lakh / 10 lakh in current financial year), are not liable for registration and therefore no GST.

• Small persons (i.e. the persons having turnover upto Rs. 75 lakh / 1 crore) can take benefit of optional Composition Scheme.</td></tr>
<tr><td>Registration Number</td><td>10 digit alpha-numeric PAN</td><td>15 digit PAN based GSTIN</td></tr>
<tr><td>Maintenance of accounts, records and documents</td><td>Required u/s 44AA only</td><td>Several accounts, records and documents are required.</td></tr>
</table>

Provisions	Income-tax	GST
Manner of payment of tax	Money payment only.	Money payment or payment through utilisation of ITC
Payment of tax	• Advance-tax • TDS • TCS • Self-assessment • Payment of demand	• TDS • TCS • Monthly / Quarterly payment by due date • Payment of demand
Revision of documents / Returns allowed?	Revision of any document / Return allowed.	Revision of any document / Return is not allowed.
Taxability period	Income of previous year is taxed in the assessment year.	We have to ascertain Time of Supply (TOS) and pay tax according to TOS.
Relevance of PAN	Entire income-tax is PAN based	GST is PAN based. However, there is a concept of "distinct persons".
Documents	Certain documents are required to be kept and maintained u/s 44AA.	Several documents are required to kept and maintained. **<u>Documents under GST</u>** 1 Invoice (Tax Invoice) 2 Revised Tax Invoice 3 Daily consolidated invoice 4 Bill of Supply 5 Receipt Voucher 6 Refund Voucher 7 Invoice of RCM 8 Payment Voucher of RCM 9 Credit Note 10 Debit Note (Supplementary Invoice) 11 Any other document in lieu of Invoice
Filing of Return	Annual Income-tax Return (ITR)	Monthly / Quarterly / Final / Annual Return (GSTR)

Table 22 – Present status of different types indirect taxes

Product	Number of goods	Taxes
(1)Petroleum crude, (2)High speed diesel, (3)Motor spirit (petrol) (4)Natural gas (5)ATF	**5**	CED+VAT/CST
(6)Alcoholic liquor for human consumption	**1**	SED+VAT/CST
(7)Opium, (8)Indian hemp, (9)Narcotics	**3**	SED+GST
(10)Tobacco/tobacco products	**1**	CED+GST
(11) Any other goods	Any other	GST
CED = Central Excise Duty / SED = State Excise Duty / VAT = Valued Added Tax / CST = Central Sales Tax		

Table 23 – Forward charge Vs. Reverse Charge

Provision	Forward charge	RCM
Mechanism	Supplier shall compute the tax on the value of outward supply made by him, collect such tax from the recipient and pay to Govt.	The recipient shall compute the tax on inward supply taken by him and pay such tax to Govt.
Who will pay tax to Govt.?	Supplier	Recipient
Who will bear the burden of tax?	Recipient	Recipient
Determination of TOS	Section 12(2) and 13(2)	Section 12(3) and 13(3)
Who will be liable for registration?	Supplier	Recipient
Can the recipient claim ITC?	Yes	Yes
Compulsion of registration	Registration is not required if the Aggregate Turnover upto Rs. 20 lakh / 10 lakh.	Mandatory registration u/s 24 irrespective of turnover.
Mode of payment of tax	ECL or ECrL. Hence, the tax payable under Forward Charge can be paid by utilisation of ITC or by money payment.	ECL. Hence the tax payable under RCM can be paid only by money payment and not by utilisation of ITC.
Due date of payment?	Last date by which the Supplier is liable to file Return u/s 39 (i.e. monthly / quarterly).	Last date by which the Recipient is liable to file Return u/s 39 (monthly / quarterly)
Issue of invoice	Supplier shall issue Invoice.	The Supplier shall issue invoice. But if the Supplier is unregistered, the Recipient shall issue invoice (self-invoicing).
Issue of payment voucher	Not required	The Recipient shall issue payment voucher
Return	Normal	Normal

Table 24 - Treatment of E-Commerce Transactions

Situation	Supply of goods	Supply of services
Supply by ECO on his own behalf (i.e. his own goods/services)	Section 9(1)/(2)/(3)/(4) shall apply. Section 9(5) shall not apply. The ECO (because he is actual Supplier) or the Recipient shall be liable to pay tax.	Section 9(1)/(2)/(3)/(4) shall apply. Section 9(5) shall not apply. The ECO (because he is actual Supplier) or the Recipient shall be liable to pay tax.
Supply by other person through ECO	Section 9(1)/(2)/(3)/(4) shall apply. Section 9(5) shall not apply. The actual Supplier (i.e. the person who is supplying goods through ECO) or the Recipient shall be liable to pay tax.	***If section 9(5) is applicable (i.e. notified services):*** The ECO shall be liable to pay tax. ***If section 9(5) is not applicable (i.e. services other than notified):*** Section 9(1)/(2)/(3)/(4) shall apply. The actual Supplier (i.e. the person who is supplying services through ECO) or the Recipient shall be liable to pay tax.

Table 25 - Computation of Transaction Value

Component	(+) / (-)
Price actually paid or payable	(+)
Any taxes, duties, cesses, fees and charges levied under any law for the time being in force **if charged separately by the supplier**	(+)
CGST, SGST, UTGST, IGST, Compensation Cess charged by the supplier	(-)
Obligation of supplier but discharged by the recipient	(+)
Incidental expenses [including commission and packing] charged by the supplier from the recipient	(+)
Any amount charged for anything done by the supplier in respect of the supply of goods/services/both at the time of, or before delivery of goods or supply of services, *Example – Charges for packing, designing, labelling, weightment, inspection of buyer's site, installation, testing and commissioning, etc.*	(+)
Interest, late fee or penalty for delayed payment of any consideration for any supply	(+)
Subsidy received from Central Govt. or State Govt.	(-)
Subsidy received from any source (other than Central Govt. or State Govt.) and directly linked with the price	(+)
Subsidy received from any source (other than Central Govt. or State Govt.) and directly not linked with the price	(-)
Any discount given before or at the time of the supply if such discount has been duly recorded in the invoice issued in respect of such supply.	(-)
Any discount given after the supply, if all of the 3 conditions are satisfied — (i) such discount is established in terms of an agreement entered into at or before the time of such supply, (ii) The discount is specifically linked to the relevant invoices; and (iii) The input tax credit as is attributable to the discount on the basis of document issued by the supplier has been reversed by the recipient of the supply.	(-)
(+) denotes "Include" and (-) denotes "Exclude"	

Table 27 – Credit Note Vs. Debit Note

Provisions	Credit Note	Debit Note / Supplementary invoice
Definition section	Section 2(37)	Section 2(38)
Meaning	"Credit note" means a document issued by a registered person u/s 34(1).	"Debit note" means a document issued by a registered person u/s 34(3).
Who issues?	Supplier	Supplier
Why issued?	• Value had been over-invoiced • Tax had been over-invoiced • Deficient supply • Sales-return	• Value had been under-invoiced • Tax had been under-invoiced
Declaration in GSTR-2 required?	Yes	Yes

Table 26 – Different documents

Provisions	Invoice (Self-invoicing in case of RCM)	Revised Invoice/ Credit Note / Debit Note	Bill of supply	Receipt voucher	Refund voucher	Payment voucher	Delivery challan
Rule No.	46	53	49	50	51	52	55
Issued by	Supplier (In case of RCM, the Recipient shall prepare Invoice)	Supplier	Supplier	Supplier	Supplier	Recipient	Supplier
Name, address and GSTIN of the supplier	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Serial number	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Date of issue	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If the recipient is registered	Name, address and GSTIN or UIN of the recipient	Same	Same	Same	Same	Same	Same
If the recipient is unregistered	*(a) If the value of supply is Rs. 50,000 or more* – Name and address of the recipient and the address of delivery, along with the name of the State and its code. *(b) If the value of supply is less than Rs. 50,000* – The recipient may request for inclusion of the details described in point number (e) in the Tax Invoice.	Name and address of the recipient [and the address of delivery, along with the name of the State and its code].	Name and address of the recipient	Name and address of the recipient	Name and address of the recipient	-- [The Recipient paying tax under RCM is compulsorily required to be registered u/s 24. Hence, he can never be unregistered].	Name and address of the recipient

Provisions	Invoice (Self-invoicing in case of RCM)	Revised Invoice/ Credit Note / Debit Note	Bill of supply	Receipt voucher	Refund voucher	Payment voucher	Delivery challan
HSN Code / SAC for goods/services	Yes		Yes				Yes
Description of goods/services	Yes		Yes	Yes	Yes	Yes	Yes
Quantity and Unit / Unique Quantity Code in case of goods	Yes						Yes (mention provisional quantity, where the exact quantity being supplied is not known)
Value	(a) Total value of supply of goods/services/both (b) Taxable value of the supply of goods/services/both taking into account discount or abatement, if any	Value of the supply	Taxable value of the supply of goods/services/both taking into account discount or abatement, if any	Amount of advance taken	Amount of refund	Amount paid	value of the supply
Rate of CGST, SGST, IGST, UTGST or Cess	Yes	Yes		Yes	Yes	Yes	Yes
Amount of CGST, SGST, IGST, UTGST or Cess	Yes	Yes		Yes	Yes	Yes	Yes
Place of supply (POS) along with the name of the State, in the case of a supply in the course of inter-State	Yes			Yes		Yes	Yes

Provisions	Invoice (Self-invoicing in case of RCM)	Revised Invoice/ Credit Note / Debit Note	Bill of supply	Receipt voucher	Refund voucher	Payment voucher	Delivery challan
trade or commerce							
Address of delivery where the same is different from the place of supply (POS)	Yes						
Whether the tax is payable by recipient on RCM	Yes			Yes	Yes		
Cross-reference		Serial number and date of the corresponding Invoice / Bill of supply earlier issued.			Serial number and date of Receipt Voucher earlier issued under Rule 50		
Signature/digital signature of the supplier/his authorised representative	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Other		The words "Revised Invoice", wherever applicable, indicated prominently					
Other		Nature of the document *[Note: It seems that the person has to mention "Revised Invoice", "Credit Note" or "Debit Note", as the case may be]*					
Total number of information	**15**	**12**	**9**	**12**	**12**	**10**	**13**

Table 28 – Filing of Returns

Person	Regular Returns	Annual Return
Normal	GSTR-1, GSTR-2, GSTR-3, GSTR-3B	GSTR-9
Composition Person	GSTR-4	GSTR-9A
CTP	GSTR-1, GSTR-2, GSTR-3, GSTR-3B	No
NRTP	GSTR-5	No

Table 29 – Contents of different Returns

(Only indicative contents are given. This part is not so relevant for examination)

Section	GST-1	GSTR-2	GSTR-3	GSTR-4	GSTR-3B
Initial detail	Year	Year	Year	Year	Year
	Tax period (Month)	Tax period (Month)	Tax period (Month)	Tax period (Quarter)	Tax period (Month)
Basic details	GSTIN	GSTIN	GSTIN	GSTIN	GSTIN
	Legal Name and Trade Name	Legal Name and Trade Name	Legal Name and Trade Name	Legal Name and Trade Name	Legal Name and Trade Name
Outward supply	B2B outward supply		Outward supplies	Outward supplies	GSTR-3B is a simplified Return in lieu of GSTR-3. It requires consolidated summary of outward supply, inward supplies liable to RCM, eligible ITC, TDS / TCS credit, payment of tax, etc. It does not require invoicewise details.
	B2C outward supply				
	Zero rated and deemed export				
	B2C outward supply				
	Nil rated, exempted and non-GST outward supply				
Inward supplies		B2B inward supply	Inward supplies attracting RCM and import of services	Inward supplies	
		Inward supply of RCM			
		Imports			
		Inward supplies received from Composition Persons, Nil rated, exempted and non-GST inward supplies			

Section	GST-1	GSTR-2	GSTR-3	GSTR-4	GSTR-3B
Amendments relating to earlier periods	Amendments related to outward supplies of earlier tax periods			Amendments relating to outward supplies of earlier tax periods	
		Amendments related to inward supplies of earlier tax periods		Amendments relating to inward supplies of earlier tax periods	
Advances	Advances received / adjusted	Advances paid / adjusted		Advances paid / adjusted	
ISD credit		ISD credit			
ITC		ITC reversal and reclaim	ITC		
Mis-matches		Addition / reduction in Output tax due to mis-matches	Addition/ reduction in output tax due to mis-matches		
Tax liability			Total tax liability	Tax payable and paid	
TDS / TCS		TDS/TCS credit	TDS/TCS credit	TDS	
Interest			Interest	Interest	
Late fee			Late fee	Late fee	
Refund			Refund from ECL	Refund from ECL	
Debit entries			Debit entries in ECL and ECrL	Debit entries in ECL	
HSN Summary	HSN summary of outward supplies	HSN summary of inward supplies			
Extra-details	Serial numbers of documents				

Table 30 – Regular tax payer Vs. Composition Person

Provisions	Regular tax payer	Composition person
Relevant section of CGST Act	9	10
Relevant section of IGST Act	5	No provision
Situation	Any person not opting for "composition scheme"	Person who has opted for payment of tax under Composition Scheme
Maintenace of books and records	All statutory books and records to be maintained	Limited books and records to be maintained
Tax on outward supply	As applicable to the goods / sevices supplied by him	@ 1%, 2% or 5% of turnover in State / UT.
Tax on inward supply	Yes.. He will pay tax on inward supply	Yes.. He will pay tax on inward supply
Is RCM applicable on inward supply?	Yes	Yes
ITC of input tax allowed	Yes	No
Return to be furnished	All Returns + Annual Return	Quarterly Return + Annual Return
Document to be issued for outward supply	Invoice	Bill of supply
Document to be issued for inward supply covered under RCM	Invoice of RCM	Invoice of RCM
Intra-state inward supply allowed?	Yes	Yes
Inter-state inward supply allowed?	Yes	Yes
Intra-state outward supply allowed?	Yes	Yes
Inter-state outward supply allowed?	Yes	No
Display of R/C and GSTIN	Every registered person shall display his R/C in a prominent location at his PPoB and at every APoB. Further, the GSTIN shall be displayed on the name board exhibited at the entry of his PPoB and every APoB.	Same
Display on notice board or signboard	No	He shall mention the words **"Composition taxable person"** on every notice board or sign board displayed at a prominent place at his principal place of business and at every additional place or places of business.
Display on Bill of Supply	No	He shall mention **"Composition Taxable Person, not eligible to collect tax on supplies"** at the top of the "Bill of Supply" issued by him,

Table 31 - Backdated provisions for persons liable for registration

If a person liable for registration, applies for registration within 30 days from the date on which he becomes liable for registration and registration is granted to him, the following provisions shall apply–

Section	Rule	Provision
25	10	The registration shall be effective from the date on which becomes liable for registration.
10	3(2)	The Composition Scheme (if opted by him) shall also be effective from the date on which he becomes liable for registration.
18(1)(a)	40	ITC of inputs held in stock and inputs contained in semi-finished goods / finished goods held in stock, on the day immediately preceding the date from which he becomes liable to registration, shall be allowed.
31(3)(a)	53	The **“Revised Invoice”** shall be issued against the Invoice already issued during the period beginning with the effective date of registration (i.e. the date on which the person became liable for registration) till the date of issuance of certificate of registration (R/C).
40	--	Every registered person who has made outward supplies in the period between the date on which he became liable for registration till the date on which registration has been granted, shall declare the same in the First Return furnished by him after grant of registration.

Table 32 – Aggregate Turnover Vs. Turnover in State / UT Vs. Annual Turnover

Provision	Aggregate turnover	Turnover in State/UT	Annual Turnover
Section	Section 2(6)	Section 2(112)	Not defined
Definition	“Aggregate turnover (AT)” means the aggregate value of— (i) all taxable supplies **[excluding the value of inward supplies on which tax is payable by a person on Reverse Charge Mechanism (RCM)]**, (ii) exempt supplies, (iii) exports of goods/ services/ both and (iv) inter-State supplies, of persons having the same Permanent Account Number (PAN), to be computed on all India basis But excludes: CGST, SGST / UTSGST, IGST and Compensation Cess.	“Turnover in State” or “Turnover in Union territory” means the aggregate value of— (i) all taxable supplies **[excluding the value of inward supplies on which tax is payable by a person on Reverse Charge Basis (RCM)]** and exempt supplies made within a State or Union territory by a taxable person, (ii) exports of goods/ services/both and inter-State supplies of goods/services/both made from the State or Union territory by the said taxable person But excludes: CGST, SGST / UTGST, IGST and Compensation Cess.	“Annual Turnover” is not defined in GST law. Hence we have to understand “Annual Turnover” as per common parlance.
Usage	(1) Section 10 -- Eligibility of composition scheme (2) Section 11 - Meaning of “Small Business Entity” in certain exemptions provisions (3) Meaning of “Middle level persons” in some relief provisions (4) Section 22 – Persons liable for registration	(1) Section 10 - Composition fee shall be 1%, 2% or 5% of “Turnover in State / UT”. (2) Section 47(2) – Computation of late fee for not filing Annual Return upto due date	Notification No. 12/2017 CT dated 28.06.2017 prescribes for applicability of HSN Code in Invoice / Bill of supply on the basis of Annual Turnover of preceeding year

Table 33 – RCM related provisions at one place

Section	Provision
2(98)	**Meaning of "Reverse charge (RCM)":** "Reverse charge (RCM)" means the liability to pay tax by the recipient of supply of goods/services/both instead of the supplier of such goods/services/both u/s 9(3)/9(4) of CGST Act, or u/s 5(3)/(4) of IGST Act.
2(62)	**Meaning of "Input tax":** "Input tax" in relation to a registered person, means the CGST, SGST, IGST or UTGST charged on any supply of goods/services/both made to him and includes: (a) the IGST charged on import of goods, (b) the tax payable u/s 9(3)/9(4) of CGST Act [i.e. RCM] (c) the tax payable u/s 5(3)/5(4) of IGST Act [i.e. RCM] (d) the tax payable u/s 9(3)/9(4) of respective SGST Act [i.e. RCM] (e) the tax payable u/s 7(3)/7(4) of UTGST Act [i.e. RCM] but does not include the tax paid under the Composition levy.
2(82)	**Meaning of "Output tax":** "Output tax" in relation to a taxable person, means the tax chargeable under this Act on taxable supply of goods/services/both made by him or his agent ***but excludes tax payable by him on RCM.***
2(6)	**Meaning of "Aggregate turnover (AT)":** "Aggregate turnover (AT)" means the aggregate value of (i) all taxable supplies **[excluding the value of inward supplies on which tax is payable by a person on Reverse Charge Mechanism (RCM)]**, (ii) exempt supplies, (iii) exports of goods/services/both and (iv) inter-State supplies of persons having the same Permanent Account Number (PAN), to be computed on all India basis but excludes CGST, SGST / UTSGST, IGST and Compensation Cess.
2(112)	**Meaning of "Turnover in State / Turnover in Union Territory":** "Turnover in State" or "Turnover in Union territory" means the aggregate value of (i) all taxable supplies **[excluding the value of inward supplies on which tax is payable by a person on Reverse Charge Basis (RCM)]** and exempt supplies made within a State or Union territory by a taxable person, (ii) exports of goods/services/both and inter-State supplies of goods/services/both made from the State or Union territory by the said taxable person but excludes CGST, SGST / UTGST, IGST and Compensation Cess.
9(3) of CGST Act / 5(3) of IGST Act	**Charging section:** The Government may, on the recommendations of the Council, by notification, specify categories of supply of goods/services/both, the tax on which shall be paid on Reverse Charge Basis (RCM) by the recipient of such goods/services/both and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods/services/both.
9(4) of CGST Act / 5(3) of IGST Act	**Charging section:** The Central tax / Integrated tax in respect of the supply of taxable goods/services/both by a supplier, who is not registered, to a registered person shall be paid by such person on Reverse Charge Basis (RCM) as the recipient and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods/services/both.

Rule 5	**Conditions and restrictions to be followed for Composition Scheme:** Persons opting for Composition Scheme shall have to comply with following conditions and restrictions: • The goods held in stock by him have not been purchased from an unregistered supplier and where purchased, he pays the tax under RCM u/s 9(4), • He shall pay tax payable u/s 9(3)/9(4) [i.e. RCM]
11	***Notification No. 08/2017 CT(R) dated 28.06.2017 / Notification No. 38/2017 CT(R) dated 13.10.2017 / Notification No. 32/2017 IT(R) dated 13.10.2017*** *The RCM provision of section 9(4) of CGST Act / 5(4) of IGST Act has been suspended till 31.03.2018.*
12(3)	Time of supply of goods on which tax is to be paid by the recipient under RCM shall be the ***EARLIEST*** of: (i) Date of receipt of goods (ii) Date of payment entered in the books of account of recipient of supply (iii) Date on which the payment is debited in the bank account of recipient of supply (iv) 31st day from the date of issue of invoice by the supplier ***<u>Protection Rule</u>*** ***If it is not possible to determine TOS according to above provision, the TOS shall be--*** The date of entry in the books of account of the recipient of supply.
13(3)	Time of supply of services on which tax is to be paid by the recipient under RCM shall be the ***EARLIEST*** of: (i) Date of payment entered in the books of account of recipient of supply (iii) Date on which the payment is debited in the bank account of recipient of supply (iii) 61st day from the date of issue of invoice by the supplier ***<u>Protection Rule</u>*** ***If it is not possible to determine TOS according to above provision, the TOS shall be--*** The date of entry in the books of account of the recipient of supply ***<u>Special provision for "Associated enterprises"</u>*** *In the case of supply by "associated enterprise", where the supplier is located outside India:* The TOS shall be ***EARLIER*** of: (i) The date of entry in the books of account of the recipient of supply, or (ii) The date of payment
16(2)	**Conditions for taking ITC:** The registered person shall be eligible to claim ITC only if he is having in possession, an Invoice issued by recipient u/s 31(3)(f) alongwith proof of payment of tax.
2nd Proviso to Section 16(2)	The requirement to pay the value of supply + tax within 180 days to the supplier shall not apply to the supplies on which tax is payable by recipient under RCM.
17(3)	The value of Exempt supply [i.e. "E"] shall include the outward supplies on which the recipient is liable to pay tax on RCM.
23	**<u>Notification No. 5/2017 – Central Tax dated 19.06.2017</u>** Any person engaged in making taxable outward supplies of goods/services/both, the total tax on which is liable to be paid by the recipient u/s 9(3) [i.e. RCM], is exempted from obtaining registration.

24	Notwithstanding anything contained in section 22(*1*), the following categories of persons are compulsorily required to be registered under this Act, — • Recipients of supply who are required to pay tax under RCM;
31(3)f)	A registered person who is liable to pay tax u/s 9(*3*) or 9(*4*) [i.e. RCM] shall issue an "**Invoice"** in respect of goods/services/both received by him from the supplier who is not registered on the date of receipt of goods/services/both. Thus, the GST laws have introduced a system of "self-invoicing" in case of RCM.
31(3)(g)	A registered person who is liable to pay tax under section 9(*3*) or 9(*4*) [i.e. RCM] shall issue a "**Payment Voucher"** at the time of making payment to the supplier.
Question and Answer	**Question:** Can the ITC be used for payment of: • Interest, • Late fee, • Penalty, • Payment of tax under RCM? **Answer:** Section 49 of CGST Act, 2017 prescribes that the amount of ITC available in Electronic Credit Ledger **(ECrL) can be used for payment of "output tax"** only**.** Under section 2(82), "Output tax" in relation to a taxable person, means the tax chargeable under this Act on taxable supply of goods/services/both made by him or his agent ***but excludes tax payable by him on RCM.*** Thus, the definition of "output tax" includes tax only. It does not include (i) interest, (ii) Late fee and (iii) penalty. Further, the definition of "output tax" specifically excludes the payment of tax under RCM. Hence, the ITC cannot be used for payment of (i) interest, (ii) Late fee, (iii) penalty, or (iv) payment of tax under RCM.

Table 34 – A Comprehensive Example on Supplies

This Comprehensive Example covers various points included in the old Practical Manual of ICAI for IPC (Service-tax) [Now the ICAI has discontinued Practice Manual]. The answers are updated according to GST laws. Although extreme care has been taken in preparation, yet if you notice any error / mistake, please bring the same to our notice through whatsapp # 9414130248. This Example is relevant to the students intending to appear in IPC / Intermediate Exam. in May 2018.

Exit Gate No. 1 – Is it included "Goods" or "Service"?
Exit Gate No. 2 – Is it included in "Supply"?
Exit Gate No. 3 – Is it included in Schedule-III i.e. "Negative List"?
Exit Gate No. 4 – Is it exempted u/s 11 of CGST Act / section 6 of IGST Act?

Final answer – "T" means "Taxable" and "NT" means "Not taxable".

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
	Exit Gate No. 1	**N**				**NT**	
	Exit Gate No. 2	**Y**	**N**			**NT**	
	Exit Gate No. 3	**Y**	**Y**	**Y**		**NT**	
	Exit Gate No. 4	**Y**	**Y**	**N**	**Y**	**NT**	
	If not covered under any Exit Gate	**Y**	**Y**	**N**	**N**	**T**	
1	BIE Academy provides online coaching classes and it provided free online access for coaching to a batch of 100 students.	Y	N			NT	The supply is made without consideration. Hence it is not a supply. Therefore, not taxable.
2	Services by way of hiring of tempos along with transfer of right to use such tempos	Y	Y			T	This is a supply of service under Schedule-II. Hence taxable.
3	Mr. A sold his residential house to Mr. B	N		Y		NT	It is a "supply of immovable property". It is excluded from the definition of "goods". We can also find that it is also included in Schedule-III (i.e. Negative List). Hence not taxable.
4	Mr. A, a Chartered Accountant, joins B Ltd. as an employee. He is "Manager - Audit' and looks after entire audit work of company.	Y	Y	Y		NT	Mr. A is an employee. He is providing service under a *contract of service*. This is a "service provided by an employee to his employer in the course of employment". This is included in Schedule-III. Hence not taxable.
5	B received a sum of Rs. 5 lakh from his employer on premature termination of his contract of employment.	Y	Y	Y		NT	B has received amount from his employer. The receipt is "in the course of employment". Hence it is included in Schedule-III. Hence not taxable.
6	Donations given to political parties.	N				NT	Giving donation without any supply is a simple "money" transaction (because the political party has not provided or agreed to provide any supply). "Money" is excluded from goods as well as services. Hence it is not taxable.

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
7	Gifts received from friends at the time of wedding	N				NT	Receiving gift from friends without any supply is a simple “money” transaction (because the person has not provided or agreed to provide any supply). “Money” is excluded from goods as well as services. Hence it is not taxable.
8	Investment made by a partner in a partnership firm	N				NT	It is a simple “money” transaction. “Money” is excluded from “goods” as well “services”. Hence not taxable.
9	Service provided by a casual worker to his employer. The employer gives daily wages to the worker.	Y	Y	Y		NT	There can be a casual employee and his wages can be on daily / weekly / monthly basis. Even in such a case, there is a relationship of employee-employer. The receipt is “in the course of employment”. Hence it is included in Schedule-III. Therefore, not taxable.
10	Duties performed by M.P. / M.L.A. / Member of Panchayat / Member of Municipality / Member of Local Authority	Y	Y	Y		NT	This is specifically included in Schedule-III. Hence not taxable.
11	• Free access to TV channels • Providing tourism information free of charge • An artist performing in a street free of charge • Governmental activities for the benefit of citizens free of charge	Y	N			NT	This is without consideration. Hence not a “supply”. Hence not taxable.
12	Pocket money paid by father to son	N				NT	Receiving pocket-money is a simple “money” transaction (because the person has not provided or agreed to provide any supply). “Money” is excluded from goods as well as services. Hence it is not taxable.
13	Mr. A deposited Rs. 1,00,000 in his Savings Bank A/c	N				NT	This is a simple “money” transaction. “Money” is excluded from goods as well as services. Hence not taxable.
14	Exchange of foreign currency into Indian currency -- By SBI to another Bank.	Y	Y	N	Y	NT	The transaction of “*Inter se* sale or purchase of foreign currency (i) amongst banks, or (ii) amongst authorized dealers of foreign exchange, or (iii) amongst banks and such authorized dealers” is exempted. Hence not taxable.
15	A bank issues demand-draft / pay-order of Rs. 1000 and charges commission of Rs. 10. Total amount received by bank from customer is Rs. 1010. What is treatment of Rs. 1000/-?.	N				NT	Rs. 1000/- is a simple “money” transaction. “Money” is excluded from goods as well services. Hence not taxable.
16	A bank issues demand-draft / pay-order of Rs. 1000 and charges commission of Rs. 10. Total amount received by bank from customer is Rs. 1010. What is treatment of Rs. 10/-.	Y	Y	N	N	T	Rs. 10/- is a consideration for supply of service. Hence taxable.

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
17	Investment of funds by Mr. A into shares / debentures / bonds of a company	N				NT	Investment of funds by a person with another is a simply “money” transaction. “Money” is excluded from goods as well as services. Hence not taxable.
18	Following services provided by post-office to Govt.: Speed post, express parcel post, life insurance, agency service (for example – collection of electricity bills / water bills / passport forms)	Y	Y	N	Y	NT	Although it is a supply, it is exempted u/s 11. Hence not taxable.
19	*Following services provided by post-office to any person other than Govt.:* Speed post, express parcel post, life insurance, agency service (for example – collection of electricity bills / water bills / passport forms)	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
20	*Following services provided by post-office:* Basic mail services (post-card, inland letter, book-post, registered-post), Transfer of money through money orders, issue of postal orders, pension payments	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
21	Service provided by RBI to any person	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
22	Services provided to RBI from outside India for management of foreign exchange reserves	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
23	Service provided by any person to RBI except management of foreign exchange reserves from outside India	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
24	Service provided by Foreign Diplomatic Mission (FDM) located in India to any person	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
25	Service provided by any person to Foreign Diplomatic Mission	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable. **However, the FDM can obtain UIN and claim refund from Govt.**
26	Services provided by way of supply of farm labour relating to agriculture	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
27	Renting of agro machinery for agricultural purposes.	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
28	AB Ltd. supplies alcoholic liquor for human consumption.					NT	Under charging section 9(1), GST is leviable on all goods except alcoholic liquor for human consumption. Hence supply of alcoholic liquor for human consumption is not taxable under GST.
29	AB Ltd. supplies 5 Petroleum Products (5PP)					NT	Under charging section 9(2), GST on 5PP shall be leviable from a date to be notified by Govt. on recommendation of GST Council. Till now, the date has

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
							not been notified. Hence not taxable.
30	M/s A carried out job work on the goods belonging to M/s B.	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
31	Advertisement in print media, business directories, radio, television, theatre-screens, public places like stadium, banners, posters	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
32	Services by way of renting of residential dwelling for use as residence.	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
33	Interest received on loans, deposit and advances given by any person	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
34	Repo Rates and Reverse Repo Rates	Y	Y	N	Y	NT	Repos and Reverse Repos are financial instruments of short term normally used by banks to borrow from RBI or lend to RBI. The margins, called Repo Rate and Reverse Repo Rate in such transactions, are in the nature of interest charged for lending or borrowing money. Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
35	State Bank of India gives housing loan of Rs. 50 lakh to Mr. A.	N				NT	Disbursement of loan of Rs 50 lakh by SBI to Mr. A is a simple “money” transaction. “Money” is excluded from goods as well as service. Hence not taxable.
36	Mr. A paid Rs 50,000/- as processing fee and administrative charges to SBI for housing loan	Y	Y	N	N	T	Payment of Rs. 50,000/- as processing fee and administrative charges is a consideration paid for supply of service. It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
37	Mr. A paid Rs 6 lakh to SBI as interest on housing loan.	Y	Y	N	Y	NT	Services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount is exempted u/s 11. Hence not taxable.
38	Interest on credit card services	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
39	Advance received from a client for supply of service but service is not rendered	Y	Y	N	N	T	Consideration received for supply made or agreed to be made is taxable. Further, the Time of Supply of service shall be at the time of receipt of advance. Hence taxable. *[However, if the supplier refunds the advance-money back to the recipient, he can claim adjustment of GST in relation to refund].*

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
40	Transportation of goods by air from a place outside India upto the place of customs clearance in India	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
41	Actionable claim of betting, gambling or lottery	Y	Y	N	N	T	Actionable claim is included in “goods”. Hence supply of actionable claim is a supply of goods. Hence taxable.
42	Actionable claim other than betting, gambling or lottery	Y	Y	Y	N	NT	Actionable claim is included in “goods”. Hence supply of actionable claim is a supply of goods. However, any actionable claim other than betting, gambling or lottery is included in Schedule-III. Hence not taxable.
43	Services provided by Govt. to Govt.	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
44	Service provided by Govt. to public.	Y	Y	N	N	T	“Government” is included in the definition of “Person”. Hence the supply given by “Govt.” is taxable. *[However, if the supply given by Govt. is covered in Schedule-III or Exemption list, GST shall not be levied]*
45	Services provided by Police Department to PSUs, corporate entities or other business entities	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
46	M/s A is a registered club. It provides banquet hall to one of its members for celebration of birthday and receives rent of Rs. 3,000/-.	Y	Y	N	N	T	M/s A is receiving rent, which is a consideration for supply of service. Further, M/s A is not receiving Rs. 3000/- as reimbursment or share of contribution from member. Hence the benefit of Exemption is not available. Therefore taxable.
47	M/s X Society, a resident welfare association, organizes medical camp for its members. Health care facility is provided in such medical camp. M/s X Society recovers contributions from its members for holding camp.	Y	Y	N	Y	NT	“Health care service” is an exempted service. M/s X Society is receiving contributions from its own members for provision of “health care service” which is exempt from levy of GST. Hence, the contribution received by M/s X Society is exempt. Therefore not taxable.
48	Grant given to a researcher to carry out a research in a particular field.	Y	Y	N	N	T	The grant is given with a direction/condition for carrying out research in a particular field. Hence it is a case of supply of service. . Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
49	Donation to charitable trust with a condition to display the name of the donor in a fair organized by the trust.	Y	Y	N	N	T	The donation is given with a condition / direction for display of donor’s name in a fair organized by the trust. This is a case of supply for consideration. . Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
50	Air-conditioned travel in Railway	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
51	Travel in sleeper class of Railway	Y	Y	N	Y	NT	It is a supply of service. However, it is exempted u/s 11. Hence not taxable.
52	Travel in Metro, Mono rail, Tramway	Y	Y	N	Y	NT	It is a supply of service. However, it is exempted u/s 11. Hence not taxable.
53	Air travel	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption *[It is assumed that it is not entitled for any exemption]*. Hence taxable.
54	Radio taxi travel	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
55	Goods / Services provided by an unincorporated body to its members	Y	Y	N	N	T	"Person" includes "Body of Individuals" whether incorporated or not. Hence supply made by a body to its members is taxable.
56	Services of funeral, burial, crematorium or mortuary and transportation of the deceased.	Y	Y	Y		NT	It is a supply. However it is covered in Schedule-III. Hence not taxable.
57	Reiki healing treatment	Y	Y	N	N	T	Reiki healing treatment is not a recognized system of medicine in India. Hence the benefit of exemption is not allowed. Hence taxable.
58	A cable car company runs a cable car to transport pilgrims uphill to a mountain top where a holy shrine is situated.	Y	Y	N	N	T	Transportation of passengers by cable car is not exempt. Hence taxable.
59	External asset management services received by RBI from overseas financial institutions.	Y	Y	N	Y	NT	Services received by RBI from outside India in relation to "management of foreign exchange reserve" are exempt. "External asset management" is a service in relation to "management of foreign exchange reserves". Hence not taxable.
60	Services provided by an Indian tour operator to Mr. B, a Japanese National, for a tour conducted in Europe	N	Y	N	Y	NT	Services provided by an Indian tour operator to a foreign tourist in relation to a tour conducted outside India are exempt. Hence not taxable.
61	Services provided by an IT Company to a Higher Secondary School affiliated to CBSE Board in relation to development of a software to be used for enhancing the quality of classroom teaching.	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
62	Hair transplant services	Y	Y	N	N	T	It is excluded from "health care service". Hence it not eligible for exemption. Hence taxable.
63	Paddy milled into rice on job work basis.	Y	Y	N	Y	NT	Carrying out an "intermediate production process as job work in relation to agriculture" is exempt under Entry No. 55. The activity of "milling of

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
							paddy into rice" is treated as "intermediate production process as job work in relation to agriculture". Hence this is exempt.
64	"Splash" is a water park. It charges Rs. 500 per person as entry fee.	Y	Y	N	N	T	Admission to award function, concert, pageant etc. is exempted. But fee for entry to a water park is not exempt u/s11. Hence taxable.
65	Rohit, a teacher, rendered coaching service to its student and as a consideration, the student gives an mobile phone to Rohit.	Y	Y	N	N	T	The mobile phone given by a student to his teacher constitutes a valid consideration (it is a non-monetary consideration), Hence Rohit is liable to GST. ***[Rohit is advised to refer Valuation Rules and determine taxable value of supply. However, those valuations rules are not in the syllabus of IPC / Intermediate]***.
66	For provision of a taxable service, the supplier receives payment in cash, or through credit card / pay order / cheque / NEFT.	Y	Y	N	N	T	Amount received in cash or through credit card / debit card / pay order / cheque / NEFT is a consideration for supply. Hence taxable.
67	Conversion of one currency into another currency and the bank has charged commission for this supply.	Y	Y	N	N	T	"Service" includes conversion of one currency into another for which a separate consideration is charged. Hence it is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
68	Mr. A availed mobile phone services from Airtel.	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
69	Mr. A availed beauty treatment services from a saloon.	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
70	Ms. B visited an Orthopaedician (MBBS, MS) as she had severe backache and paid consultancy fee.	Y	Y	N	Y	NT	Consultancy service by an Orthopaedician is covered under "health care service" and therefore eligible for exemption. Hence not taxable.
71	BIE Academy received an advance from ABC school for conducting online classes specially designed for their students. However later on due to some internal disagreement, ABC school cancelled the agreement. The advance received was forfeited by BIE Academy.	Y	Y	N	N	T	Any sum received for supply provided or agreed to be provided is taxable. In this case, the BIE Academy has received advance under an agreement to provide supply of service. Further, it has also forfeited the advance. Hence BIE Academy is liable to pay GST.
72	A company invites public at large to contribute to development of a web application and thereafter, pays reward to the best selected contribution.	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
73	The processes of grinding, sterilizing, extraction, packaging in retail packs of agricultural produce, which make the agricultural products marketable in retail market.	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
74	Portfolio management charges, cash management charges, account charges, online access charges, credit card charges, locker rent charged by bank from customers	Y	Y	N	N	T	It is a supply of service. Further it is neither included in Schedule-III (i.e. Negative List) nor entitled to any exemption. Hence taxable.
75	Plastic surgery to repair cleft lip of a new born baby.	Y	Y	N	Y	NT	Although, the definition of "Health care service" exclude hair transplant, cosmetic or plastic surgery, yet if the hair transplant, cosmetic or plastic surgery is undertaken to restore anatomy or functions of body affected due to congenital defects, injury, trauma etc., it falls within "health care service" and entitled to exemption. Therefore plastic surgery to repair cleft lip of a new born baby is a "health care service" entitled to exemption. Hence not taxable.
76	Air ambulance service to transport critically ill patients from distant locations to the medical centre	Y	Y	N	Y	NT	Service by way of transportation of patient to in an ambulance (may be road ambulance or air ambulance) is covered under "health care service" and entitled to exemption. Hence not taxable.
77	Palliative care for terminally ill patients provided at patients home. (Palliative care is given to improve the quality of life of patients having life threatening disease but goal of such care is not to cure disease).	Y	Y	N	Y	NT	"Health care service" is entitled for exemption. The definition of "health care service" covers any service by way of "diagnosis", "treatment" or "care". Palliative care is a service by way of "care" and hence falls within "health care service". It is immaterial whether such care has been provided at clinical establishment or at home. Hence benefit of exemption is allowed. Hence not taxable.
78	Alternative medical treatment by way of yoga	Y	Y	N	Y	NT	"Yoga" is a recognized system of medicine so the same would be eligible for exemption. Hence not taxable.
79	Service provided by a cord blood bank in relation to preservation of stem cells.	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
80	Services provided to a clinical establishment by the operators of Common Bio-medical Waste Treatment Facility by way of treatment or disposal of bio medical waste.	Y	Y	N	Y	NT	Although it is a supply of service, it is exempted u/s 11. Hence not taxable.
81	ICAI, CS Institute, CMA Institute provides coaching to their students	Y	Y	N	Y	NT	Any education or training as a part of curriculum for obtaining a qualification recognised by any law, is exempted. The coaching provided by ICAI, CS

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
							Institute, CMA Institute to their students satisfies this condition and therefore eligible for exemption. Hence it is not taxable.
82	Sarvshiksha, an Educational Trust, runs a play school named ‘Tiny Toys’ for providing pre-school education.	Y	Y	N	Y	NT	Services provided by an “educational institution” to its students, faculty and staff are covered under exemption. Institution providing services by way of pre-school education and education upto higher secondary school is an “educational institution”. Hence not taxable.
83	‘Pinnacle Academy’ provides educational services upto higher secondary school.	Y	Y	N	Y	NT	Services provided by an “educational institution” to its students, faculty and staff are covered under Exemption. Institution providing services by way of pre-school education and education upto higher secondary school is an “educational institution”. Hence not taxable.
84	‘Mahajan Classes’, a coaching centre, is providing coaching of IIT JEE entrance examinations to meritorious students of economically weak background.	Y	Y	N	N	T	Services provided by an educational institution to its students, faculty and staff are covered under Exemption. But private coaching institutes do not fall within the definition of “educational institution”. Hence taxable.
85	‘Global Point’, an institution provides coaching classes for examination of Certified Public Accountant, USA.	Y	Y	N	N	T	Services provided by an educational institution to its students, faculty and staff are covered under exemption. But private coaching institutes do not fall within the definition of “educational institution”. Hence taxable.
86	Services provided by an institute approved by National Council of Vocational Training (NCVT) by way of Modular Employable Skill Course in the Information & Communication Technology Sector.	Y	Y	N	Y	NT	Services provided by an educational institution to its students, faculty and staff are covered under Exemption. “Educational institution” means an institution providing services by way of education as a part of an approved vocational education course. Hence not taxable.
87	An individual acts as a referee in a football match organized by Sports Authority of India.	Y	Y	N	Y	NT	Services provided to a recognized sports body by an individual as referee in a sporting event organized by such body are entitled to exemption. Hence not taxable.
88	A hockey player gets fees from Indian Hockey Federation for participating in an international event.	Y	Y	N	Y	NT	Services provided to a recognized sports body by an individual as a player in a sporting event organized by such body are exempt. Hence not taxable.
89	Shradha Kapoor (leading film actress) is brand ambassador of products manufactured by A Ltd. She has given classical dance performance in a concert organized by A Ltd. The proceeds of concert will be donated.	Y	Y	N	N	T	Services by an artist by way of performance in classical dance form are exempt from GST, if the consideration is upto Rs. 1,50,000. However, if such services are provided as a brand ambassador, the exemption is not available. It makes no difference whether the proceeds of such performance are to be retained by the supplier or donated to

Sl.	Activity	(1)	(2)	(3)	(4)	T or NT	Reason
							somebody else. Hence Shradha Kapoor is liable to pay GST.
90	Transportation of milk, salt, food grain, flour, pulses and rice by a GTA	Y	Y	N	Y	NT	Services by way of transportation of milk, salt and food grain including flours, pulses and rice by a GTA are exempt. Hence not taxable.
91	Services by way of waxing of apples to provide it an artificial sheen for increasing its marketability	Y	Y	N	Y	NT	Services by way of pre-conditioning, pre-cooling, ripening, waxing etc. of fruits or vegetables, which do not change/ alter the essential characteristics of the fruits or vegetables, is covered under exemption. Hence it is not taxable.
92	Admission to Railway Museum	Y	Y	N	Y	NT	Services provided by way of admission to a museum are exempt. Hence not taxable.
93	Admission to Indian Television Awards Function. The value per ticket per person is Rs. 310.	Y	Y	N	N	T	Service by way of admission to award functions is exempt if the amount charged is upto Rs. 250 per person. Here it is more than Rs. 250 per person. Hence taxable.
94	Mr. A, the employee of B Ltd., provides service to the associate/subsidiary company of B Ltd. under a *contract for service*	Y	Y	N	N	T	Mr. A is not employee of B Ltd. He provides service under a “contract for service”. This is not a “service provided by an employee to his employer in the course of employment”. Hence taxable.
95	Mr. A is a trader, selling goods.	Y	Y	N	N	T	It is a supply of goods. Hence taxable.
96	Free services provided by a branch to its head office or by one branch to other (located in different states and hence separately registered)	Y	Y	N	N	T	In this case, the branch and head office are separately registered under GST. Hence they are distinct persons. Therefore free supply (i.e. made without consideration) is covered under Schedule-I and taxable.
97	Service provided by a branch-office(outside India) of a company to the head-office of the same company located in India	Y	Y	N	N	T	“Import of services by a taxable person from a related person or from any of his other establishments outside India, in the course or furtherance of business” is a supply under Schedule-I, even if made without consideration. Hence this is taxable.
98	Mr. A sells his household goods	Y	N			NT	Although “household goods” are goods, yet the sale made by Mr. A is not in the course or furtherance of business. Hence it is not a “supply”. Hence not taxable.
99	A Ltd. donates its furniture to a trust without consideration (A Ltd. claimed ITC on furniture)	Y	Y	N	N	T	Permanent transfer or disposal of business goods for which ITC has been claimed, is a supply under Schedule-I, even if made without consideration. Hence it is taxable.
100	Supply of goods by an agent to principal or principal to agent	Y	Y	N	N	T	Supply of goods by an agent to principal or principal to agent, is a supply under Schedule-I, even if made without consideration. Hence it is taxable.

Table 35 – Treatment of Transportation Services

Treatment	**Rail**	**Road**	**Inland Waterways**	**Vessel**	**Air**	**Cable car, Ropeway, Aerial tramway**
		Transportation of Goods				
Exempt	***Entry No. 20*** Transportation of following specific goods from one place in India to another: (a) agricultural produce (b) milk, salt and food grain including flours, pulses and rice (c) organic manure (d) newspaper or magazines registered with the Registrar of Newspapers (e) relief materials meant for the victims of natural or man-made disasters, calamities, accidents or mishap (f) defence or military equipments (g) railway equipments or railway materials	***Entry No. 18*** Transportation by any mode except: • GTA, and • Courier ***Entry No. 21*** Transportation of following specific goods by GTA: (a) agricultural produce (b) milk, salt and food grain including flours, pulses and rice (c) organic manure (d) newspaper or magazines registered with the Registrar of Newspapers (e) relief materials meant for the victims of natural or man-made disasters, calamities, accidents or mishap (f) defence or military equipments (g) Single carriage not exceeding Rs. 1500 (h) Single consignee not exceeding Rs. 750	***Entry No. 18*** Always exempt	***Entry No. 20*** Same as in Railway	***Entry No. 19*** Transportation of goods by air from a place outside India upto the customs station of clearance in India	--

Treatment	Rail	Road	Inland Waterways	Vessel	Air	Cable car, Ropeway, Aerial tramway
		Entry No. 21A Services provided by a GTA to an unregistered person (including an unregistered casual taxable person) other than the following recipients, namely:- (a) any factory registered under or governed by the Factories Act, 1948, or (b) any Society registered under the Societies Registration Act, 1860 or under any other law for the time being in force in any part of India, or (c) any Co-operative Society established by or under any law for the time being in force, or (d) a body-corporate established, by or under any law for the time being in force, or (e) any partnership firm whether registered or not under any law including AOP, (f) any casual taxable person registered under the CGST Act or IGST Act or SGST Act or UTGST Act.				
Taxable	Transportation of any goods other than specific goods	• Transportation of goods by GTA (if not covered under Exemption) • Transportation of goods by courier agency	--	Transportation of goods other than specific goods	Domestic transportation of goods by air	Always taxable

Treatment	Rail	Road	Inland Waterways	Vessel	Air	Cable car, Ropeway, Aerial tramway
Transportation of Passengers (with or without belongings)						
Exempt	***Entry No. 17*** By railways (other than first class or A/c coach) By metro By mono rail By tramway	***Entry No. 17*** • Non-A/c contract carriage other than radio taxi or radio cab *(except the transportation for tourism, conducted tour, charter or hire)* • Non A/c Stage Carriage • Metered cab • Auto rickshaw / e-rickshaw	***Entry No. 17*** Always exempt	***Entry No. 17*** Public transport in a vessel between places located in India (other than predominantly for tourism purpose)	***Entry No. 15*** Embarking from or terminating in certain States or Bagdogra Airport	--
Taxable	Transportation of passengers by railways in first class or A/c class	• Radio taxi or radio cab • A/c contract carriage • Non A/c contract carriage transportation for tourism, conducted tour, charter or hire. • A/c stage carriage	--	Public transport in a vessel within India predominantly for tourism purpose	Embarking from or terminating in other States	Always taxable