

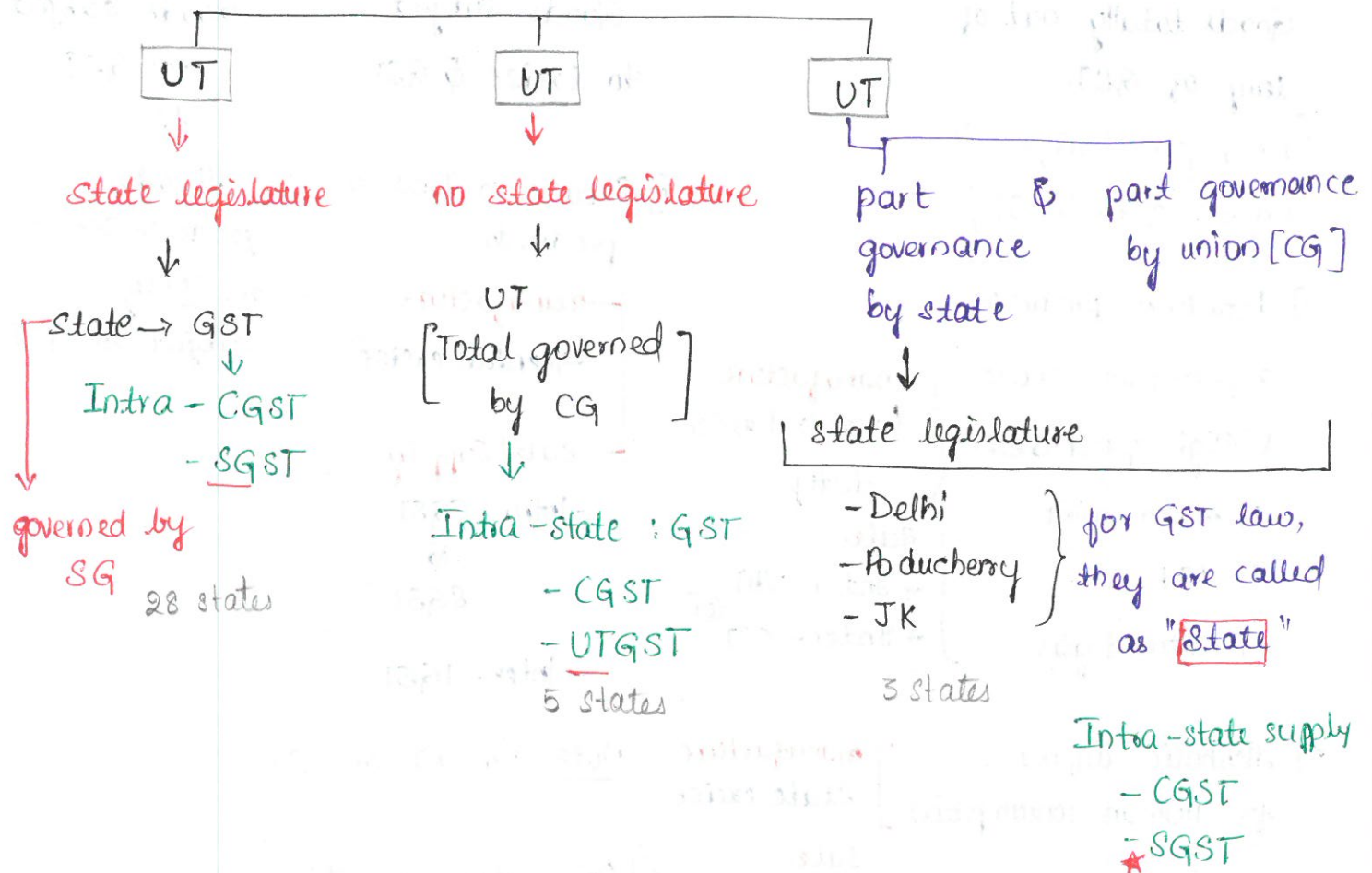
INDEX

Name: Joyce Ganjai Class _____ SEC.: _____ Sub.: _____ Roll No.: _____

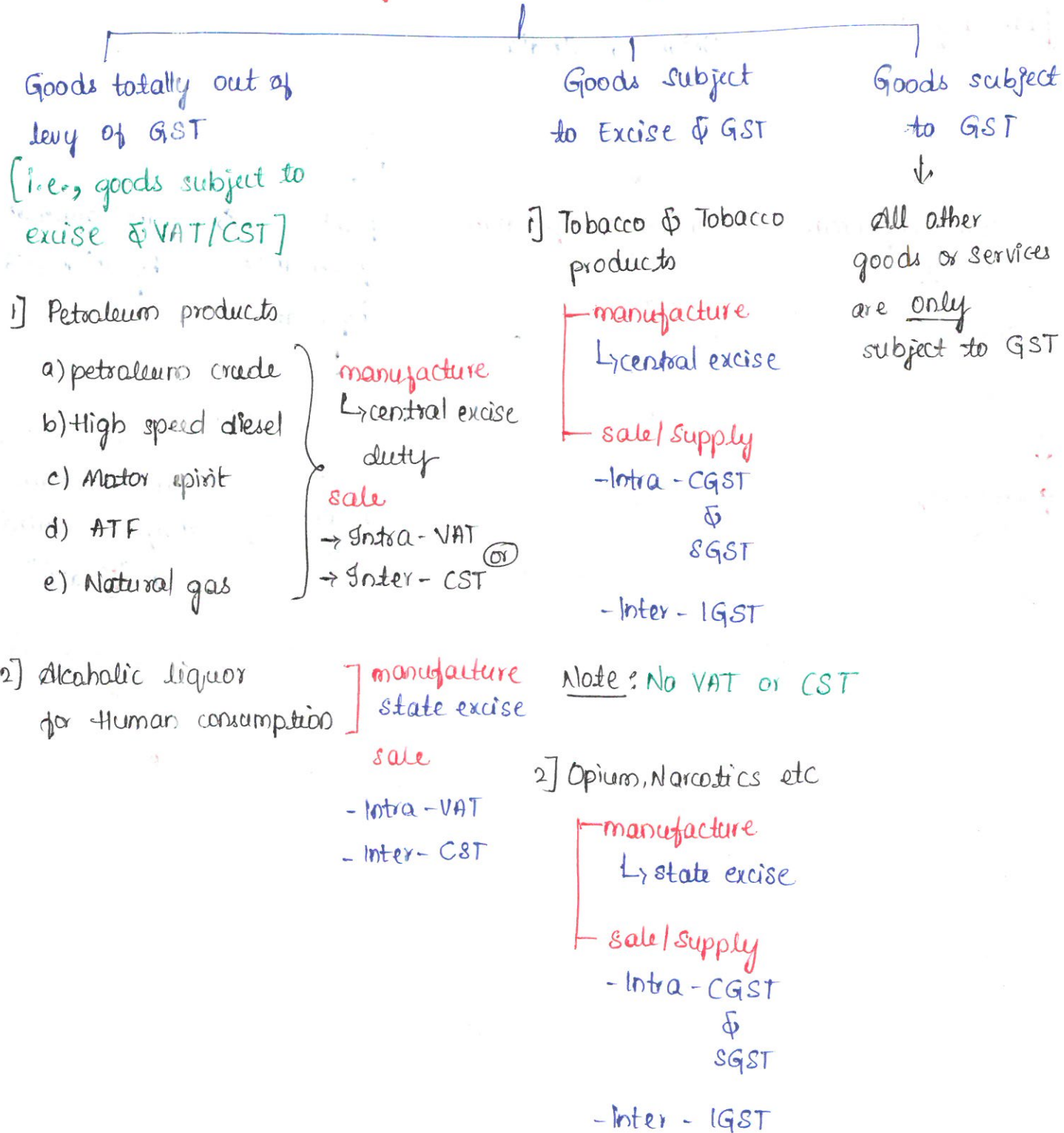
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RM-Pg 14

Union of India



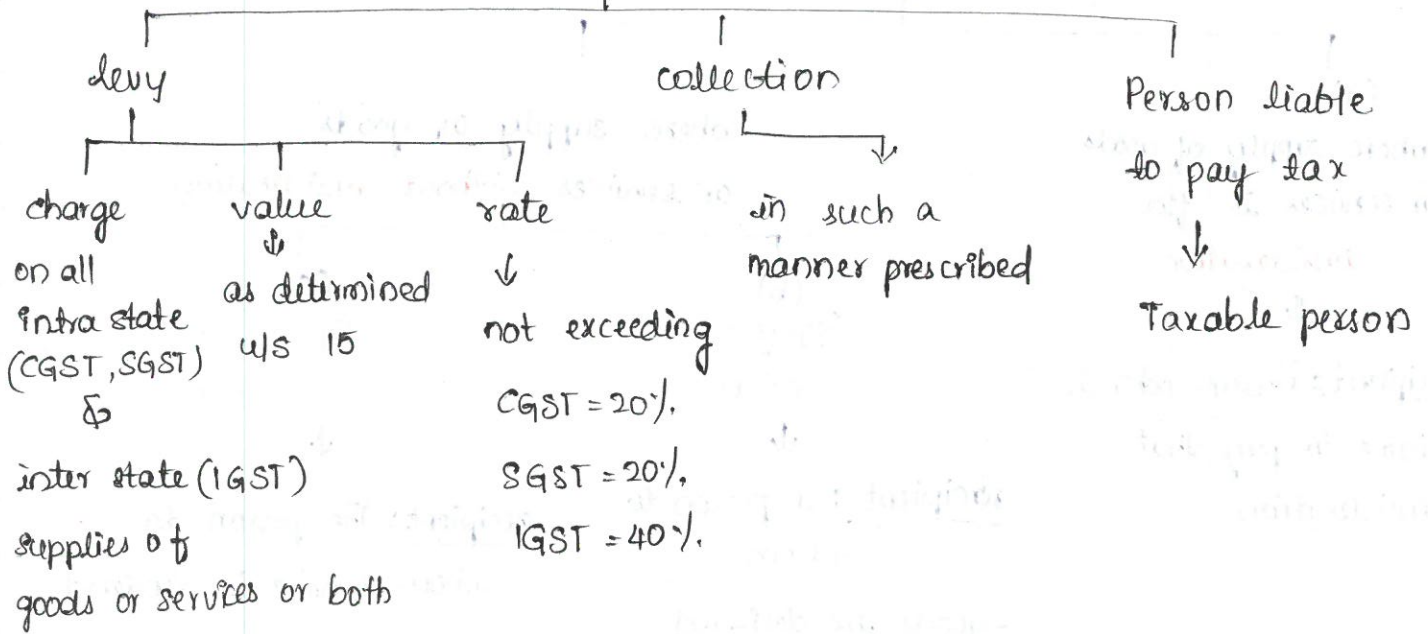
Taxability on Goods in Special cases



Note: No VAT or CST

Sec 9(1)/5(1): charging section

03



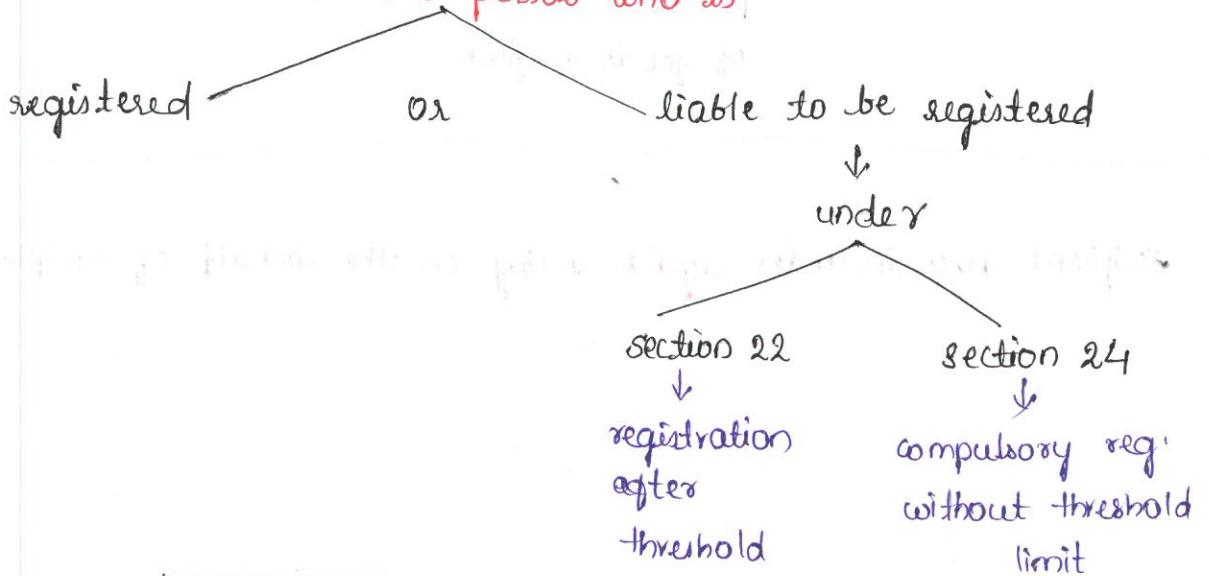
except: Alcoholic liquor for human consumption

17-04-2024

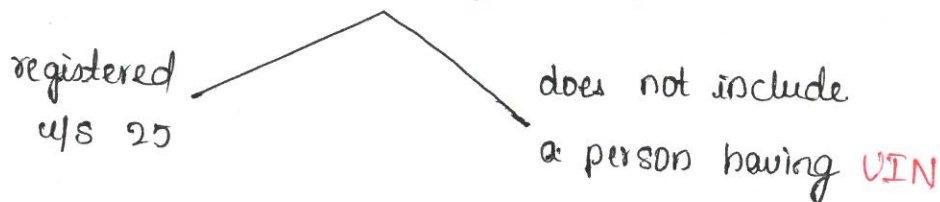
Pg 40

Section 2(107): Taxable person

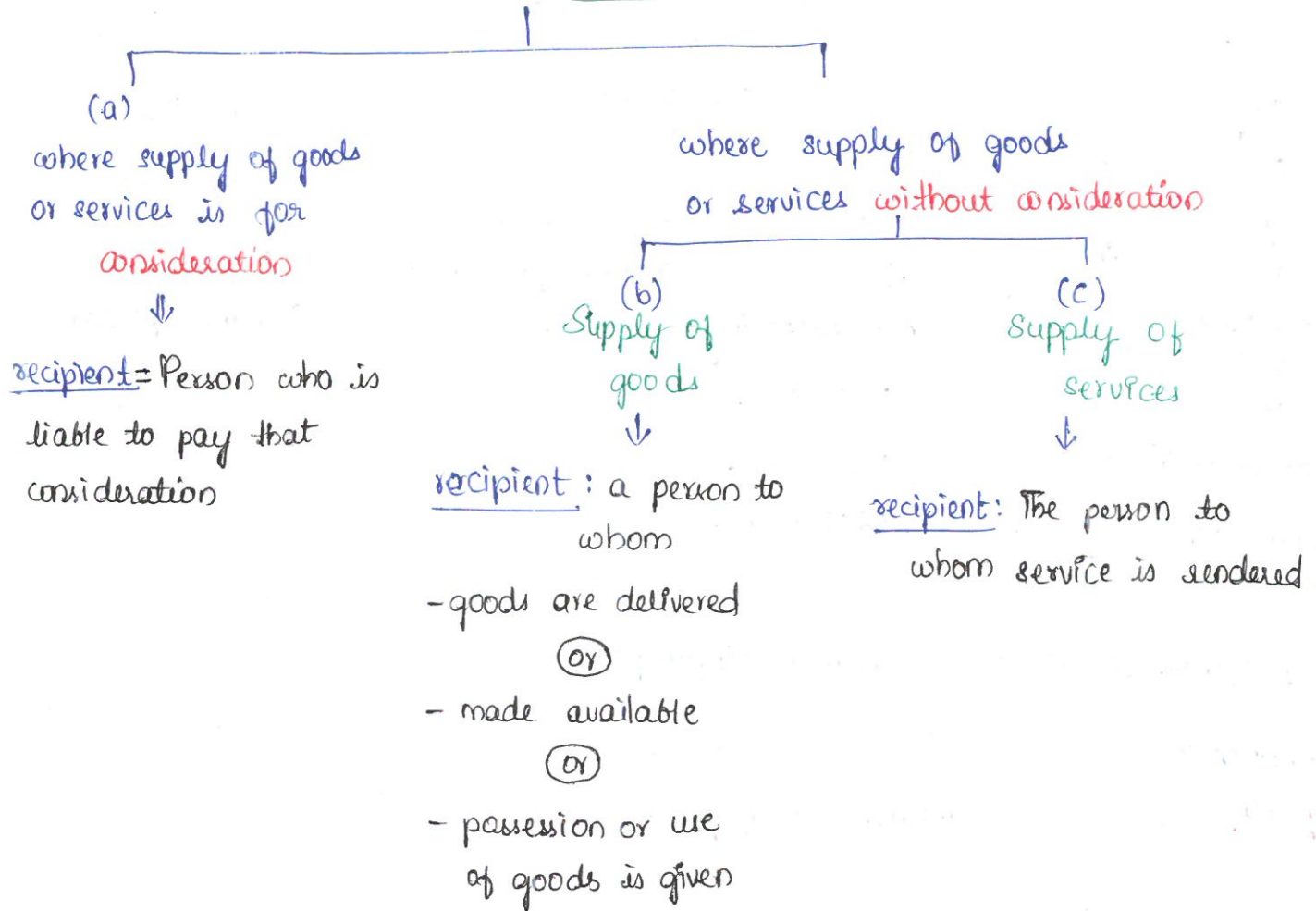
means → a person who is



Section 2(94): Registered person

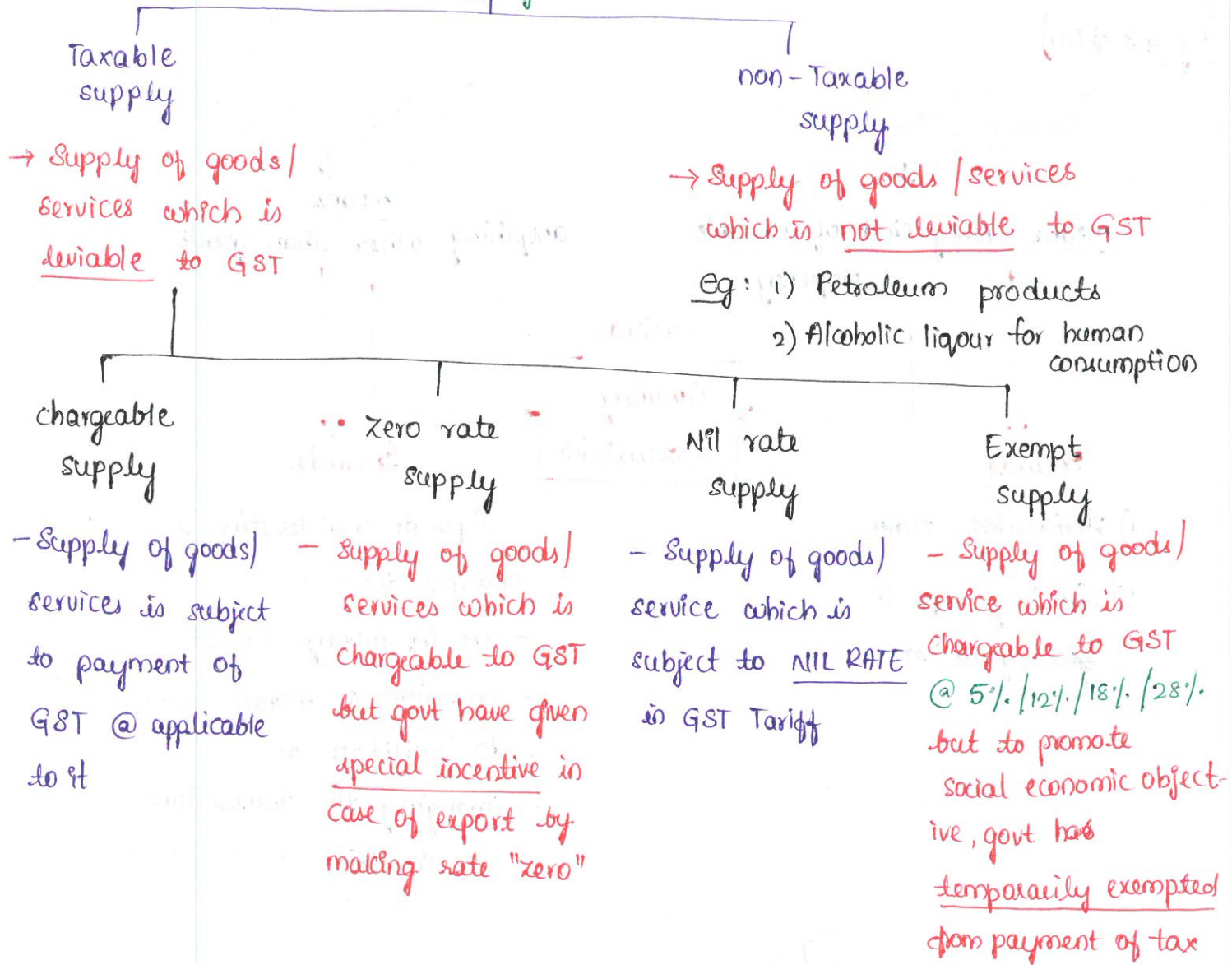


Section 2(93): Recipient



recipient also includes **agent** acting on the behalf of recipient.

Supply



non-Taxable supply Nil-rate supply exempt supply

as per section 2(47) : for GST purpose exempt supply includes Nil rate, wholly exempt & non-Taxable supply

Pg 49 & 50

Section 2(52) Goods

means every kind of moveable property

Include

1) Actionable claim

2) Growing crops or

~~grass~~ grass etc...

Section 2(102) Services

means anything other than goods

Include

exclude

1) money
2) securities

Separate consideration is charged for -

- use of money (interest)
- conversion of money (commission)
- to facilitate or arranging the transactions in securities (brokerage)

Interest

Interest on loan / Advances / deposit

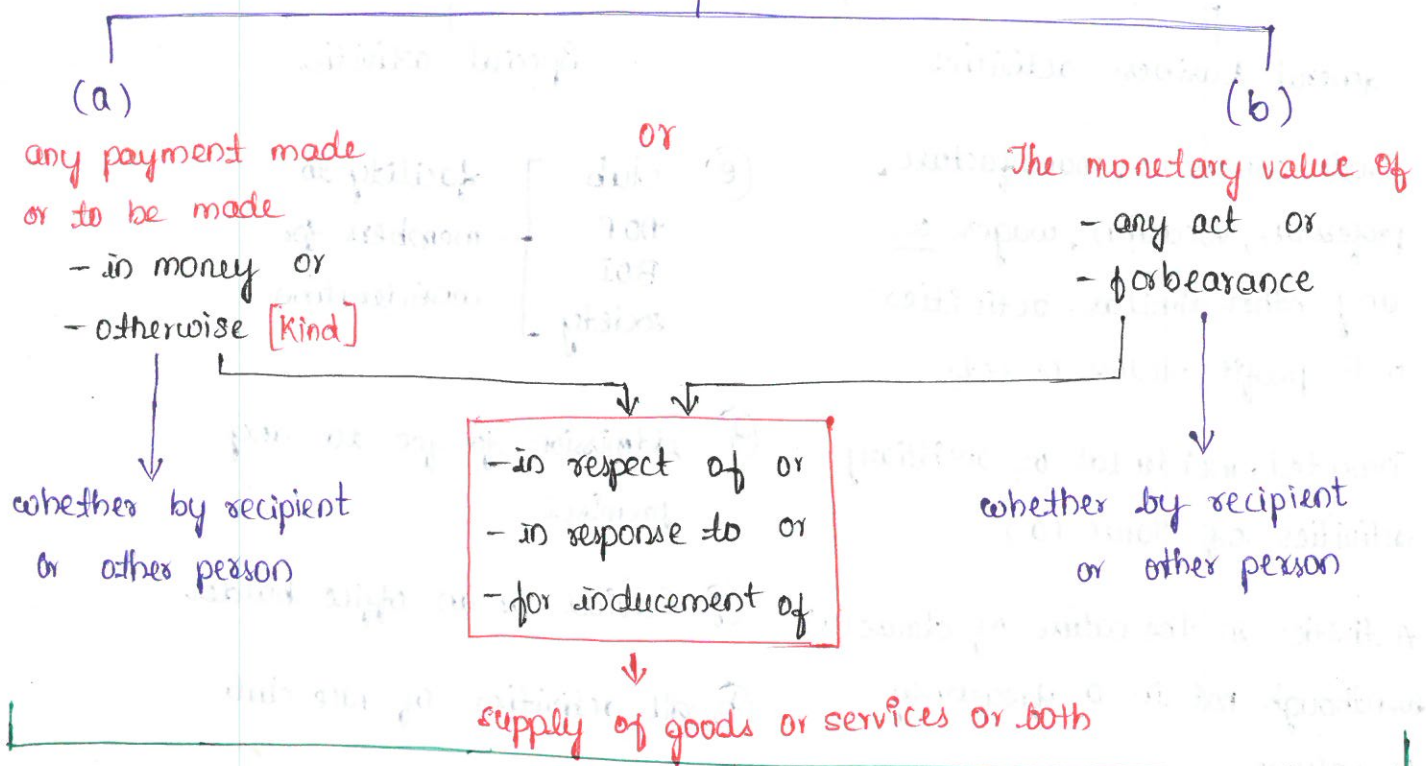
It's a service [as defined above] but exempted by government [NO GST]

Interest on delay payment of consideration from debtors for supply ↓

It is treated as part of value of supply u/s 15(2)(d) & GST is payable

Section 2(31) Consideration

In relation to supply of goods or services **includes**



consideration shall NOT include :

- Subsidy by CG / SG [Local authority - Taxable]
- Deposit for payment of Supply

↳ unless - the supplier applies such deposits as a consideration for the said supply.

Section 2(17) Business

General business activities

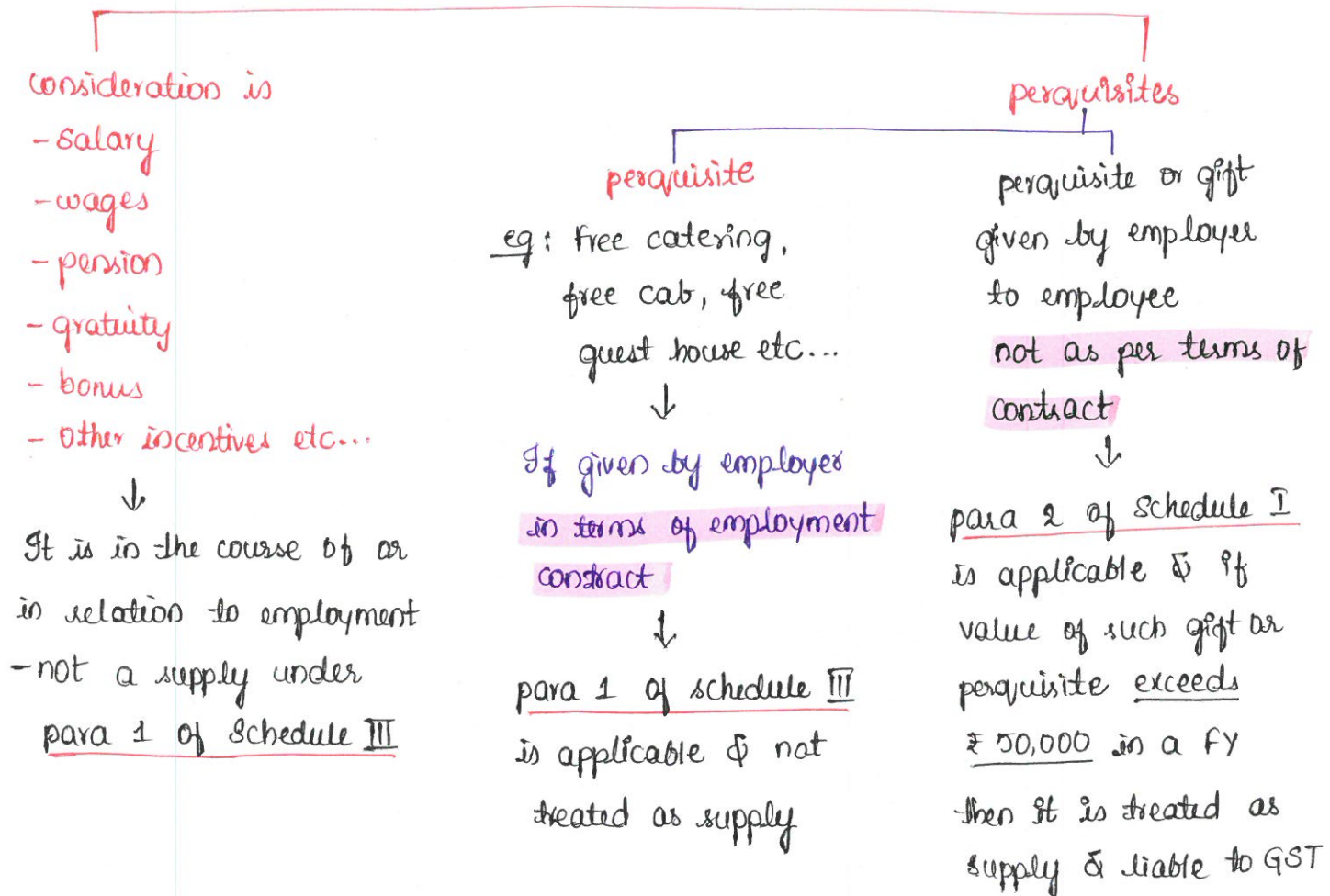
- (a) Trade, commerce, manufacture, profession, vocation, wager ^(betting) or any other similar activities with profit motive or not.
- (b) Connected, incidental or ancillary activities of clause (a)
- (c) Activities in the nature of clause (a) even though not in a frequency or volume
- (d) Supply of goods / capital goods / service after closure of business or acquisition of goods / capital goods / service before commencement of business

Special activities

- (e) club } facility to
AOP } members for
BOI } consideration
society }
- (f) Admission for fee to any premises
- (g) Services as an office holder
- (h) all activities of race club
- (i) All services or transactions of government / local authority as a public authority.

Pg 82

Taxability of Service provided by an employee to employer



1. The first part of the paper is devoted to the study of the

1.

2. The second part of the paper is devoted to the study of the

3. The third part of the paper is devoted to the study of the

4. The fourth part of the paper is devoted to the study of the

5. The fifth part of the paper is devoted to the study of the

6. The sixth part of the paper is devoted to the study of the

7. The seventh part of the paper is devoted to the study of the

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11. The tenth part of the paper is devoted to the study of the

12. The eleventh part of the paper is devoted to the study of the

13. The twelfth part of the paper is devoted to the study of the

14. The thirteenth part of the paper is devoted to the study of the

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13. 13. 13.

REVERSE CHARGE & ECO

GTA Service

[Transportation of goods by ROAD]

option I

OR

option II

If GTA opt to pay tax under Forward charge



- Take registration under GST
- Pay GST @ 12 %
- Issue Tax invoice with declaration of forward charge
- Use ITC of their inputs/capital goods /input services

Note: Exemption

If GTA service supplied to unregistered person not falling under Notified category

If GTA does not opt to pay tax under forward charge



RCM is applicable

GST is payable by recipient @ 5% subject to following

If GTA service is supplied to any registered person under GST



RCM is applicable & recipient is liable to pay tax

If GTA service is supplied to an unregistered person

notified person

- If unregistered person is
- ① factory
 - ② society
 - ③ Co-operative society
 - ④ BC
 - ⑤ Partnership firm/LLP/AOP
 - ⑥ casual taxable person (CTP)



- RCM is applicable
- such notified person liable to pay tax @ 5%
- need to take compulsory registration u/s 24

In case of other unregistered person
eg: Individual/HUF etc...



This service is exempted by govt
S.No. 21A of
N/N 12/2017

Pg 180

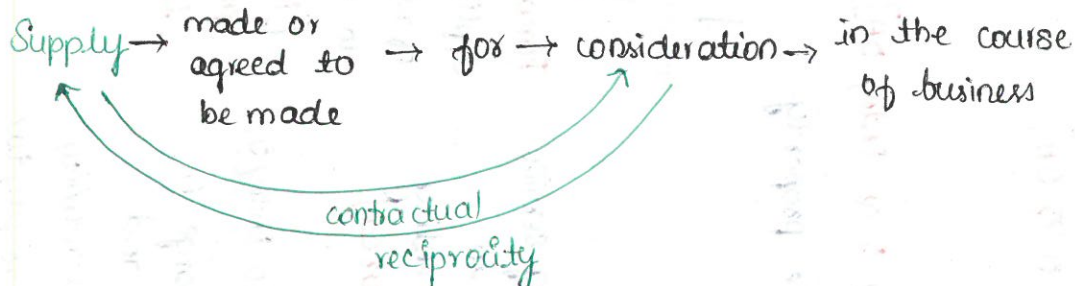
Service → anything other than goods

active

passive

quid-pro-quo

Section 7(1)(a)

Schedule II
para 5(c)

→ Agreeing to an obligation

to refrain from
an act

or

to tolerate
an act or
situationsor
to do
an act

supply of service

when treated as SOS

when ^{not} treated as SOS

→ consideration must flow from other party

→ There is an **express or implied promise** from supplier for above 3 activities in return of money - It cannot be assumed→ It must be **Independent arrangement or activities**→ If payment **merely an event** in the course of performance of the agreement &→ It does not represent the **object**

Services by Government / Local authority [Entry 5 & 5A]

↓ Part I [Entry 5]

All Services [other than services covered in

part II and part III]

supplied to business

entity in Taxable Territory



RCM is applicable &

business entity [recipient]

is liable to pay tax.

↓ Part II

[exceptions of Entry 5]

Following services supplied by government / Local authority

1] Department of post and

Ministry of Railway

2] Services in relation to aircraft or vessels inside or outside

the port

3] Transport of goods or passengers transport service



Forward charge is applicable and Government / Local authority [Supplier] is liable to pay tax.

↓ Part III

[Exceptions to Entry 5 & Entry 5A]

Renting of Immovable property



If renting service supplied to required person



Entry 5A: RCM is

applicable and

registered person

[recipient] is

liable to pay tax

If renting service supplied to business entity

[un-registered]



Exception to Entry 5:

Forward charge is

applicable and

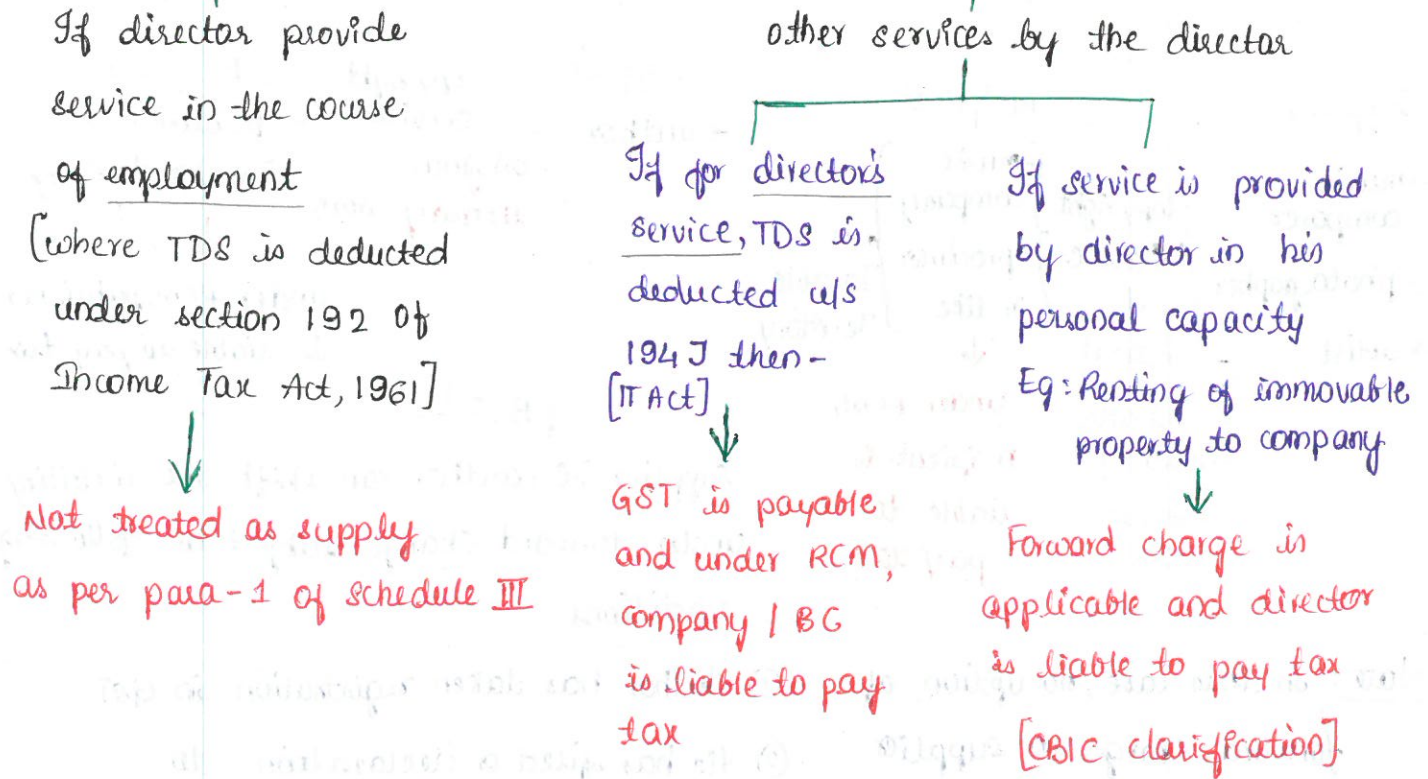
govt / Local authority

is liable to pay tax

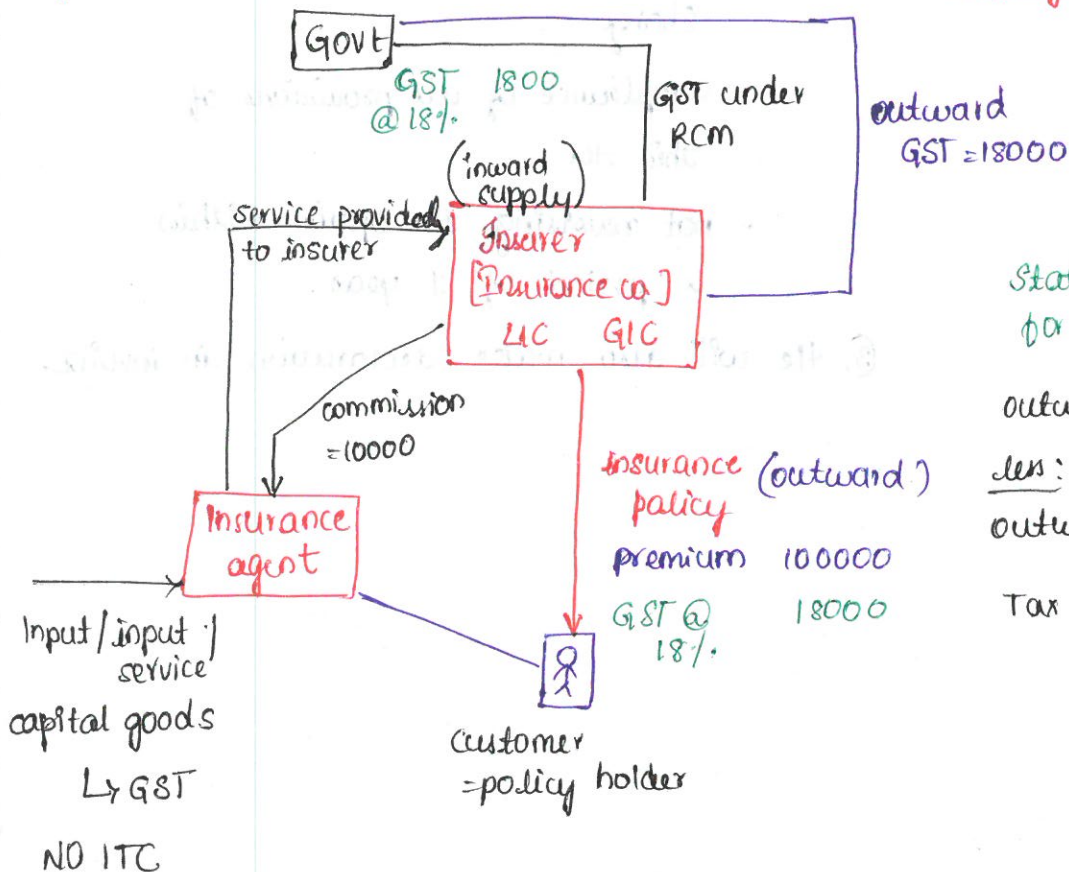
Forward charge is applicable and Ministry of railway is liable to pay tax

[irrespective of the fact that recipient is registered or not]

Pg 106

Director service to Body corporate / company

Pg 107

Insurance agent & Insurance company

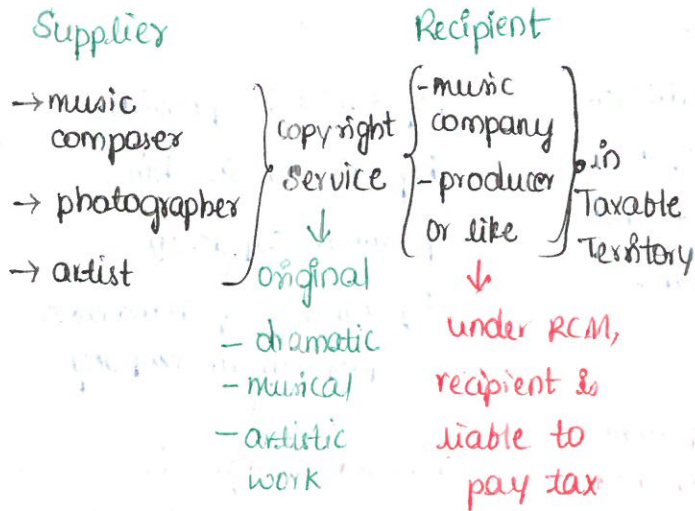
Statement of Insurance co. for GST payable

outward tax	18000
less: ITC	(1800)
outward tax	16200
Tax under RCM	1800
	18000

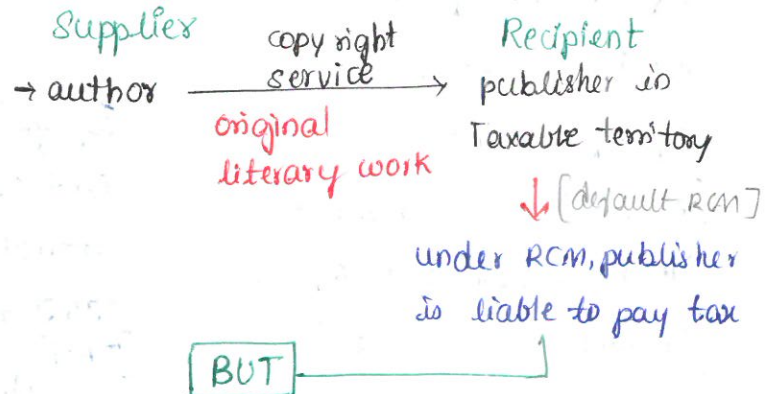
Pg 108/109

copy right service

Entry 9



Entry 9A



Supplier i.e., author can shift the liability under forward charge subject to following conditions

Note: In this case, no option of forward charge to supplier

① author has taken registration in GST

② He has filed a declaration to commissioner

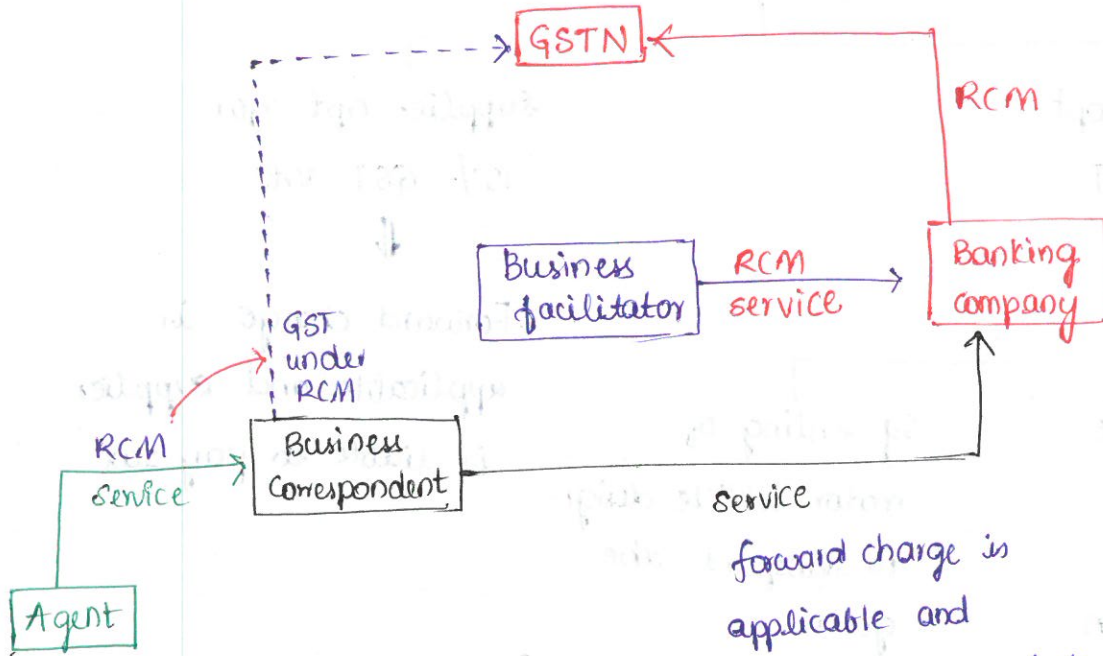
- for payment of tax under forward charge

- compliance of all provisions of this Act

- not reversing the option within a period of 1 year

③ He will also make declaration in invoice.

Pg 110

Business Facilitator or correspondent

forward charge is applicable and business correspondent is liable to pay tax.

Pg 111

Security Service

Supply of security service

other security service

by way of personnel

Eg: Dog sniffer, CCTV etc...

Eg: Security guard, Bouncer etc...

Forward charge is applicable

If supplier is other than body corporate

If supplier is body corporate

forward charge is applicable

Service supplied to registered person

Service supplied to unregistered person

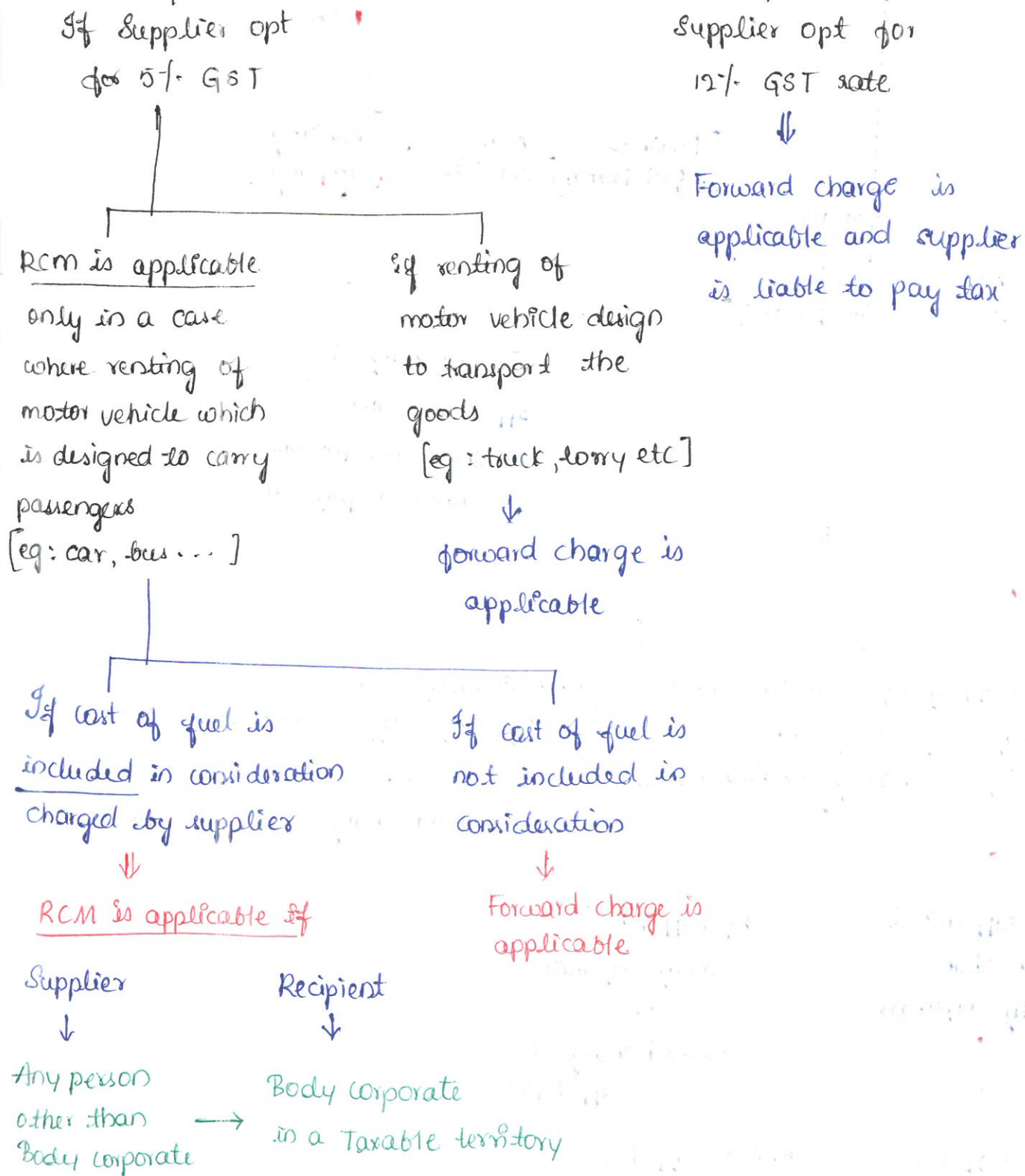
RCM is applicable

forward charge is applicable

Exception:

- 1) service to govt/LA/govt agency registered only for TDS
- 2) service to composition dealer up to 10

Renting of Motor vehicle



Notes: If Supplier is body corporate, then Forward charge is applicable

Notes: If recipient is other than Body corporate, then forward charge is applicable

Electronic
commerce

- website

- app

- electronic
platform

} commercial
activity

→ ECO = operator = owned / operate

Supply of
own goods / services



ECO will himself be
treated as Seller

[Section 9(5) &
Section 52 not
applicable]

If ECO supplies
goods or services
of other suppliers from
their electronic platform

for notified services
Section 9(5) is
applicable



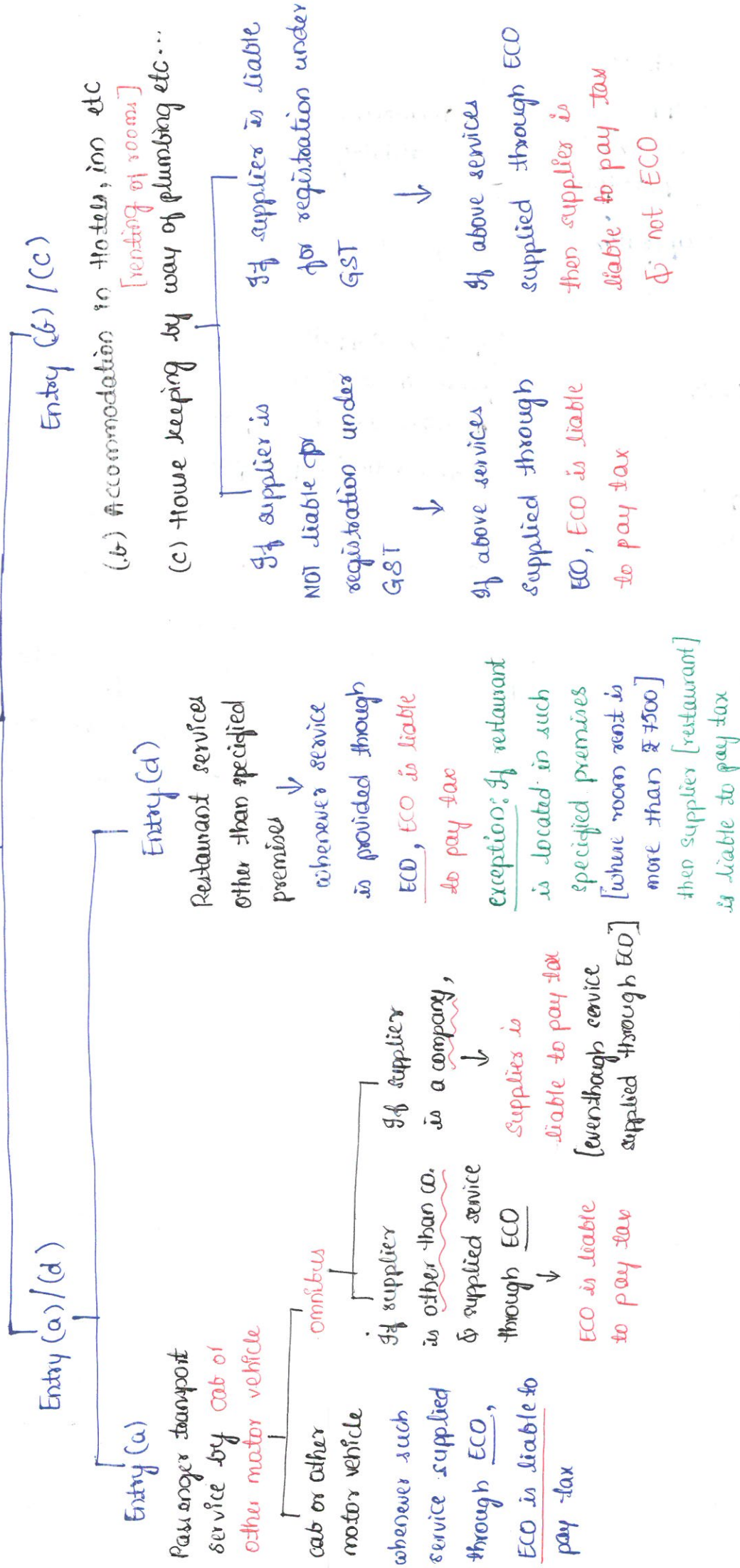
100% tax is
payable by ECO

for other supply
of goods or services
Section 52 is applicable



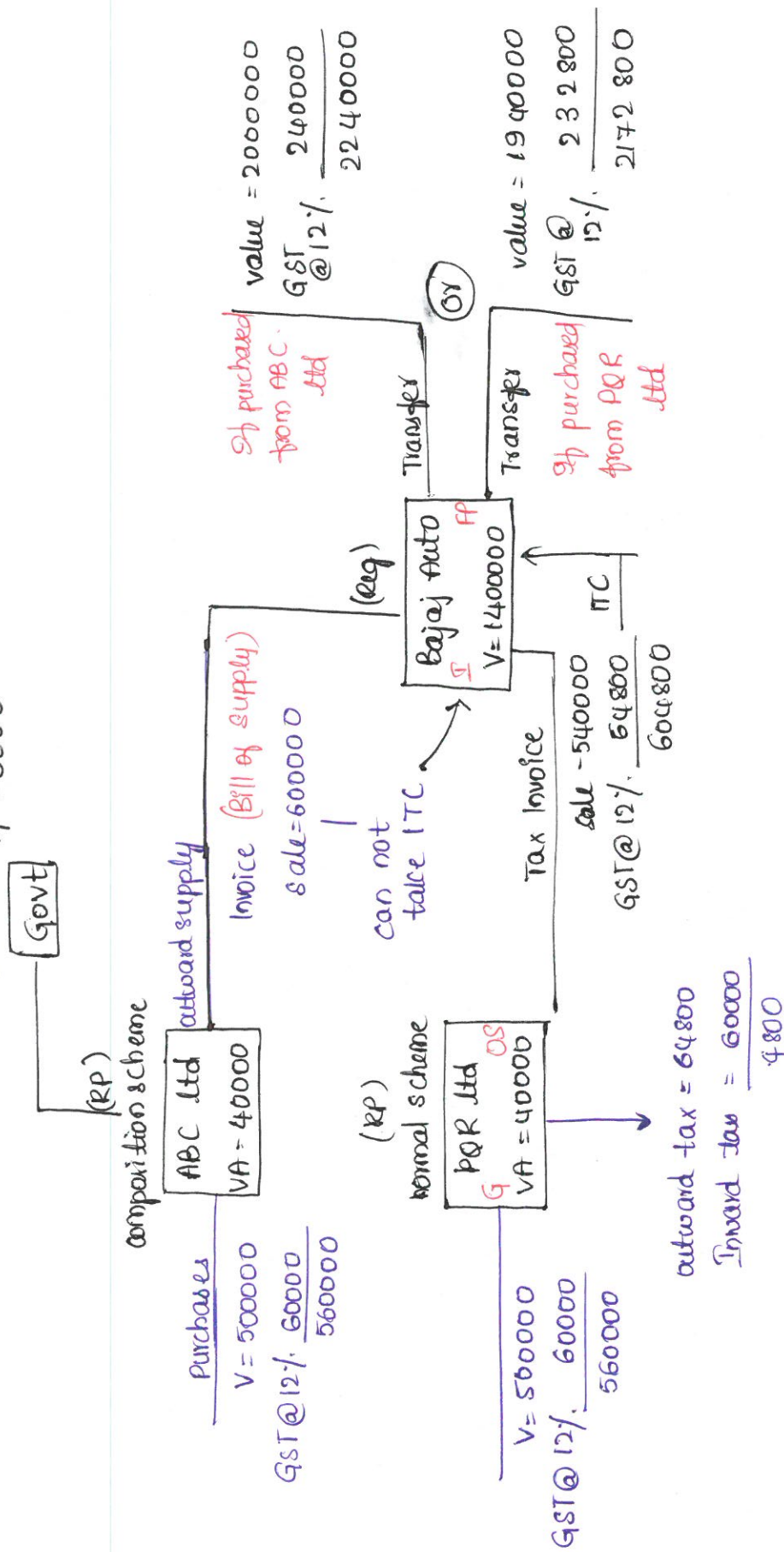
where ECO collect TCS
@ 1% only &
normal tax is payable
by suppliers.

Section 9(5) : Liability of ECO for Notified Services



In above cases, ECO [other than exceptions] is liable to pay tax irrespective of the fact that supplier is registered or not

Composition levy
 $60000 \times 1\% = 6000$



In given case, Bajaj Auto will prefer to buy Goods/Service from PQR Ltd.

Conclusion

If buyer is R.P & under normal scheme then he will not prefer to buy goods/services from composition dealer.

Thus we can say that composition scheme is most beneficial in a case where dominant transactions of Supplier are B2C.

Composition levy

Section 10

Section 10(1)

Section 10(2)

Section 10(2A)

Section 10(3)

[3B] cannot be uploaded until payment is made]

∴ due date is same as return filing

Post-Supply Discount [condition & procedure]

GSTR 3B } Output + debit tax note
(-) credit note
less: ITC
net

GSTR-1 for April

common portal

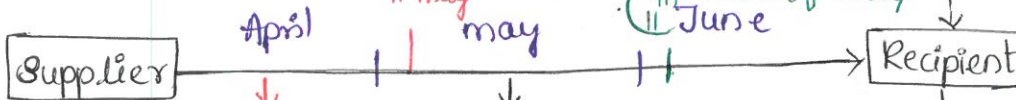
GSTR 2B

Auto update

V = 500000

20th May
GSTR-3B of April

GST of ₹ 4500 in Credit note will be reduced from GST liability for the month of May



Supplier

April

25th April

Tax Invoice

value 500000
GST 90000 @ 18%

credit note [by supplier]

Discount 25000
GST @ 18% 4500

Recipient

E-credit ledger

ITC reversal on Credit Note 4500

ITC 90000

If payment

is made

within 30 days

from the date

of invoice then cash discount

of 5% is available

Invoice for SOG - Section 31: Registered person - taxable goods - issue Invoice
 before or at the time of removal of goods for supply [involves movement of goods]
 or
delivery of goods [If there is no movement - as is where is]

Section 12: Time of Supply for SOG

12(2)

Forward charge / specified actionable claims

- date of issue of invoice or last date on which invoice ought to have been issued by supplier

- date of receipt of payment

N/N 66/2017

no tax payable at the time of receipt of advance for SOG

N/N 66/2017 - N.A.

① in case of Specified Actionable claims.

② Services

③ Composite supplies

12(3)

reverse charge

earliest of -

a) goods receipt date

b) payment recording date in recipients books or bank debit w.e.e

c) 31st day from supplier's invoice issue date.

* If above methods fail, date when goods entered in recipients' BOA.

12(4)

vouchers

Identifiable voucher

↓

date of issue of voucher

non-Identifiable voucher

↓

date of redemption of voucher

12(5)

residual cases

[where there is no need to file return]

- due date of filing of periodical return

- date on which GST is paid

Section 13: Time of Supply of SOS

Section 31(2): Registered person - taxable services - issue the invoice before or after the provision of service
[Invoice] but not beyond 30 days [banks or FI within 45 days] from date of supply of service

13(2)

Forward charge

a) within prescribed period [30/45 days]
 date of issue of invoice
 (a)
 date of receipt of payment
 w.e.e
 b) not within prescribed period
 date of provision of service
 (b)
 date of receipt of payment
 c) where (a) or (b) → N.A
 date on which recipient shows receipt of service
 in his BOA
 [Eg: Jai sir - Invoice]

13(3)

reverse charge

earliest of -
 (a) payment recording date ^{BOA} \ debit in bank w.e.e
 (b) 61st day from invoice date
Alternative:
 of above methods fail,
 date of provision in BOA

Determination of TDS

Particulars	TOS of SOG	TOS of SOS
Normal / Forward charge [i.e., supplier is liable to pay tax]	<u>Sec 12(2)</u> TOS shall be earliest of following - date of issue of invoice or - last date of issue of invoice <u>N/N 66/2017</u> : In case of SOG, no TOS on receipt basis except specified Additional claims * last date of invoice = date of removal for supply	<u>Sec 13(2)</u> TOS shall be earliest of the following a) <u>Invoice within time</u> (30/45d) - date of issue of invoice or - date of receipt w.e.e b) <u>Invoice not within time</u> - date of provision of service or - date of receipt w.e.e c) <u>If TOS cannot be determined in (a) or (b)</u> - date of provision when recipient shows the receipt of service in BOA
Reverse charge	<u>Sec 12(3)</u> : TOS is earliest of following 1) date of receipt of goods 2) date of payment entered in books 3) date of <u>debit</u> of bank 4) <u>31st day from supplier's invoice</u>	<u>Sec 13(3)</u> TOS is earliest of the following 1) Date of payment entered in BOA 2) date of debit to bank 3) <u>61st day from supplier's invoice</u> If TOS cannot be determined as above under RCM, then <u>Date of provision for SOG / SOS in the BOA</u> generally 31 st march is the date of TOS

Excess payment upto ₹1000 [i.e., Advance against next Invoice]	<u>proviso 12(2)/13(2)</u> In case of excess payment received upto ₹1000 than Invoice, then TOS of such excess payment <u>at the option</u> <u>of Supplier</u> is on date of issue of next invoice
<u>Vouchers</u> [jisme goods/ service dena ka wada kiya ho]	<u>Sec 12(4)/13(4)</u> ⇒ Identifiable voucher = Date of issue of voucher ⇒ Other case [non-identifiable] = Date of redemption of voucher
Residual case [chronicle tax evader]	<u>Sec 12(5)/13(5)</u>: If TOS cannot be determined as above then TOS as follows. 1] If return is required to file = due date of return 2] In other case = date of payment of GST
Interest/late fee/penalty for delay payment of consideration	<u>Sec 12(6)/13(6)</u> TOS = Date when such interest/late fee or penalty is received.

1. The first part of the paper is devoted to a study of the

properties of the function

$f(x) = \sum_{n=0}^{\infty} \frac{x^n}{n!}$

for $x \in \mathbb{R}$.

It is shown that the function is

Place of Supply [IGST Act] [5m]

31

Imported Goods

All Imported goods



IGST = ACD

[Governed by Customs Act]

★ ^{not} online money =

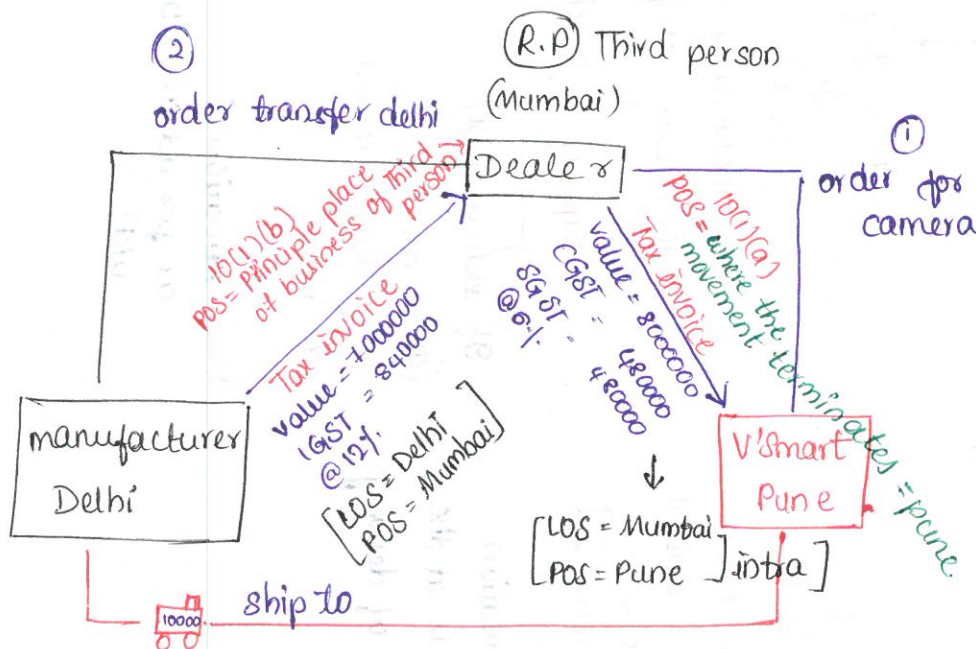
gaming =

Specified actionable claims [goods]



It is governed by IGST Act

Place of Supply Section 10(1)(b) : Bill to ship to



Determination of place of Supply for SOG

Section 10

POS for supply of goods
other than imported / export goods

Section 10(1)

B2B

(reg-reg)

(a)

supply involves
movement of goods
by - supplier or
- recipient or
- any other person

POS = location of goods
where movement of
goods terminates.

(b)

B2B to ship to
SOG on direction
of third person

POS = principal

place of business
of third person

(c)

supply doesn't
involve movement
of goods
[as to where in]

POS = location

of goods at the
time of delivery

B2C (Reg-unreg)

(ca)

Notwithstanding anything contained
in clause (a) & (c)
↓
supply is made to URP

If address of URP

(detail address or
only state) recorded
in Invoice

POS = location

as per address of
URP

If address of URP

is not recorded in
Invoice

POS = location of supplier

Section 10(2)

If POS cannot
be determined
by Sec 10(1)

It shall be
determined in
such a manner
as prescribed
[fill no rules
are prescribed]

following POS irrespective of
B2B or B2C

(d)

where goods are
- assembled or

installed at site



POS = place of such
Installation or
assembly



where goods
are supplied on
board or conveyance



POS = location of
goods at which
they are taken
on board

Rule 4: Determination of Place of Supply u/s 12(3) where Supply of Service of Immovable property located in more than one state or UT

Supply of services shall be treated as made in each of the respective states or UT

If value for services separately collected or determined in terms of contract

If value for services is not separately collected or determined in terms of contract

Apportionment shall be made on the basis of such value

Apportionment shall be made as Rule-4 of IGST Rules, 2017

(i)

supply of services by way of lodging accommodation in Hotels, Inn etc...

In normal case
↓
Basis = no. of nights stayed in such property
Apportionment

If single property is located in two or more contiguous state/UT

(ii)

In all other cases of Sec 12(3) other than boat & vessels

Basis of apportionment = Area of immovable property lying in each state or U.T

(iii)

In lodging accommodation in boat or vessels & ancillary services to it

Basis of apportionment = Time spent by the boat or vessels in each state or UT

Note: It shall be determined on the basis of declaration made by service provider.

Section 12: Determination of POS for supply of service where supplier & recipient located in India.

Section	Situations	B2C - [Supply to unregistered]	B2B - supply to reg
Sec 12(2)	General rule for POS - All services except service covered under subsection (3) to (14)	If address of recipient a) exist in record of supplier POS = location of recipient d) does not exist in the record of supplier POS = location of supplier.	POS = location of such Registered person
Sec 12(5)	Training and performance appraisal	POS = place of performance	
Sec 12(7)	Organisation of events Sponsorship service to events	→ POS = place where event is actually held. But if event is held outside India, POS = location of recipient <u>Rule 5</u> : consolidated amount & supply in multiple state POS = each state apportionment of value on the basis of GAAP.	
Sec 12(8)	Transportation of goods including mail or courier	<u>POS</u> = place where goods are handed over for their transportation.	
Sec 12(9)	Passenger transport service	<u>POS</u> = place where passenger embark on conveyance. <u>Note</u> : If right to passage - for future use & - place of embarkation is not known POS = Section 12(2)	
Sec 12(13)	Insurance service	POS = location of recipient (address exist in the record of supplier)	

POS
= location
of
such
Registered
person

2 saal ka baccha tha. Saare log (All services) us se pyaar karte the.

5 saal ka hua toh school jane laga (Training and performance)

7 saal ka hua, apne aap ko organize karna sikha (Organisation of events)

8 saal ka hua, cycle kharida (Transportation of goods)

9 saal ka hua, passenger ko bithaya (Passenger transport)

13 saal ka hua, insurance nikala gaya (Insurance service).

Section	Situation	
Sec 12(3)	Immovable property related services a) service directly related to IP - Architect, Interior, real estate agent b) Renting leaving of IP c) Lodging in Hotel etc... & house boat & ship d) IP for various functions e) Ancilliary services to above	POS = location where IP_v located or intended to or boat/vessel be located But if IP is located outside India, POS = location of recipient If consolidated amount charge for service in multiple state POS = refer chart of Rule 4
Sec 12(4)	→ Restaurant or catering service → Personal grooming → health fitness → beauty treatment → cosmetic or plastic surgery	POS = place where service actually performed.
Sec 12(6)	Admission to various events or amusement part etc...	POS = place where event is actually held.
Sec 12(10)	Services on board a conveyance	POS = location of 1st schedule point of departure of that conveyance for the journey
Sec 12(11)	Telecommunication, DTH & internet 1) Fixed lease or cable line/DTH ⇒ POS = location of such installation 2) post paid mobile, internet or DTH recharge ⇒ POS = Billing address of recipient 3) prepaid mobile, internet or DTH recharge ⇒ POS (a) If supply through agent or distributor POS = address of agent/distributor (b) If direct supply to subscriber POS = location where payment received (c) online recharge POS = location of recipient	

4) In any other case

a) If address of recipient exist in record of supplier

POS = location of recipient

b) If address doesnot exist

POS = location of supplier

Sec 12(2)

→ Banking

→ Financial sector

→ Stock broking

a) If address of recipient exist in the record of supplier

POS = location of recipient

b) If address doesnot exist,

POS = location of supplier.

Sec 12(14)

Advertisement services to the government or local authority

POS = each of such state / UT where advertisement is broadcasted, run or played.

Let $\mathcal{H}$ be a Hilbert space and $\mathcal{H}^*$ its dual space.

$$\langle x, y \rangle = \langle y, x \rangle^*$$

$$\langle x, y \rangle = \langle y, x \rangle^*$$

$$\langle x, y \rangle = \langle y, x \rangle^*$$

$$\langle x, y \rangle = \langle y, x \rangle^*$$

$$\langle x, y \rangle = \langle y, x \rangle^*$$

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$$\langle x, y \rangle = \langle y, x \rangle^*$$

$$\langle x, y \rangle = \langle y, x \rangle^*$$

1940-1941

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Input Tax Credit.

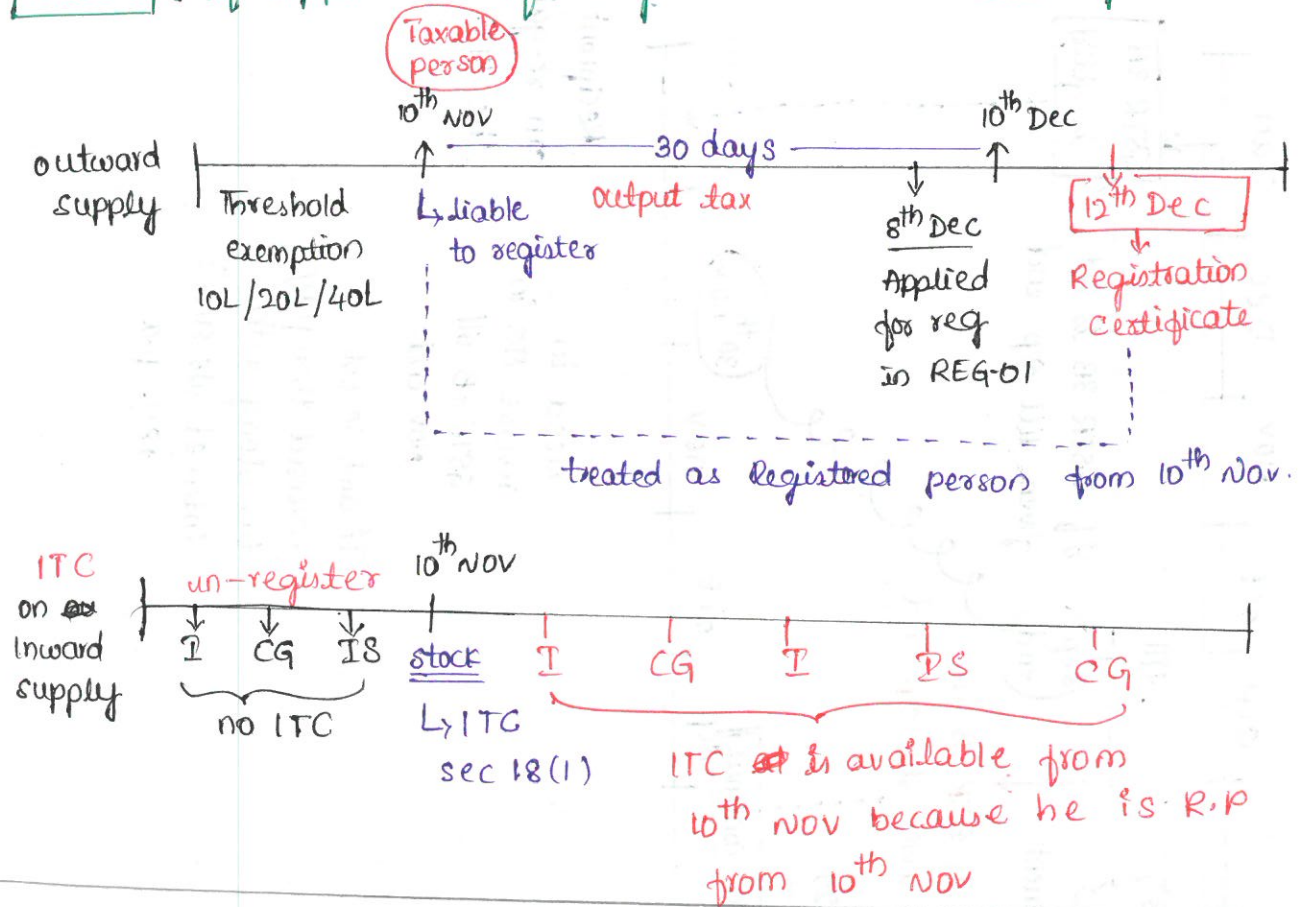
Pg 249

cumulative conditions of 16 2(a)/(aa)/(b)

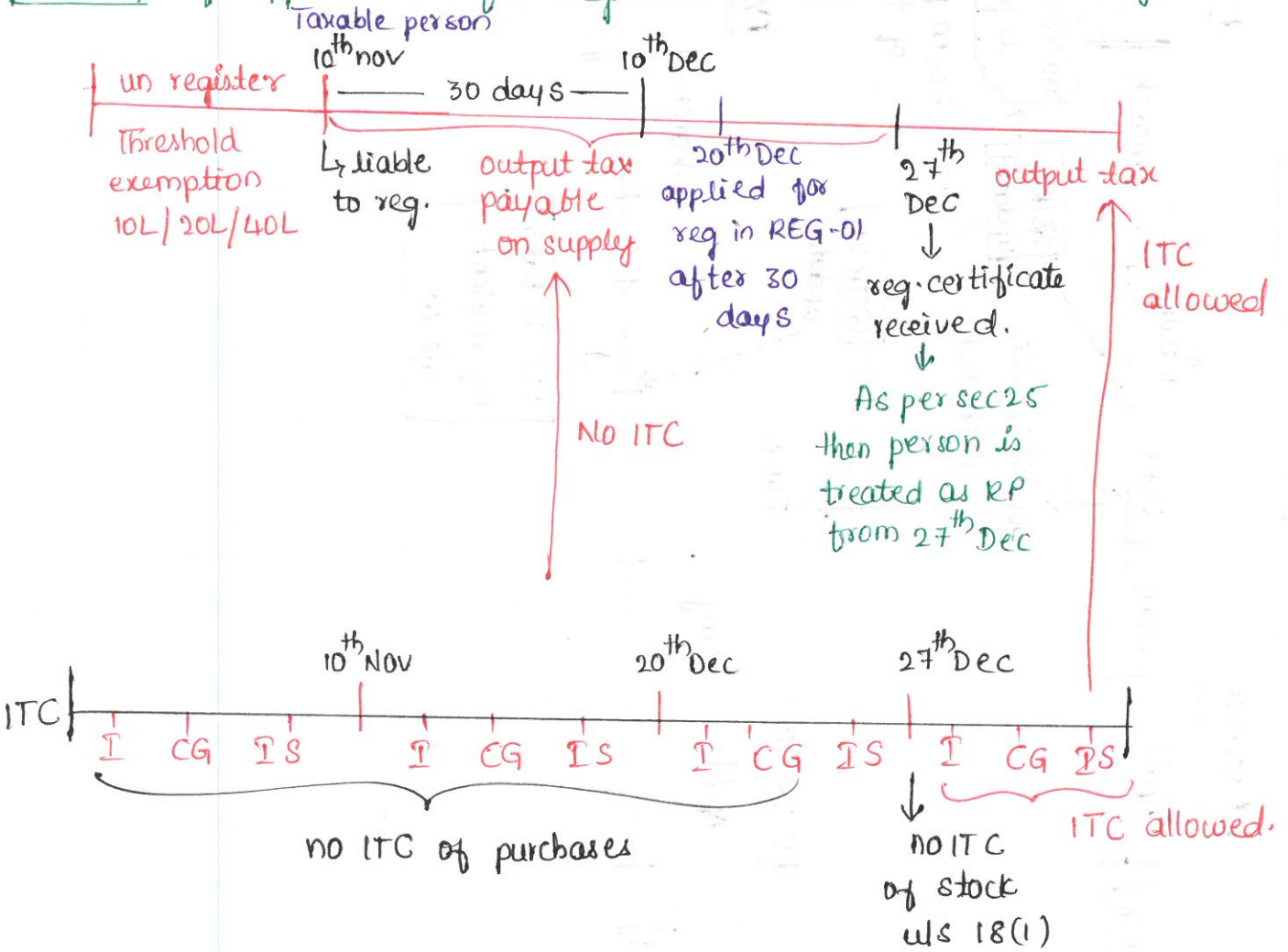
Situations	Date of receipt of Invoice (in possession)	Date of receipt of goods/services	updated in GSTR 2B	eligibility of ITC
A	25.4.XX	26.4.XX	April	ITC available in April
B	28.04.XX	03.05.XX	April	ITC cannot be claimed in April But eligible to take ITC in May
C	05.05.XX	29.04.XX	May	ITC is available in May
D	10.04.XX	15.04.XX	July	ITC cannot be claimed in April but eligible to take ITC in July

ITC is available - whichever is later.

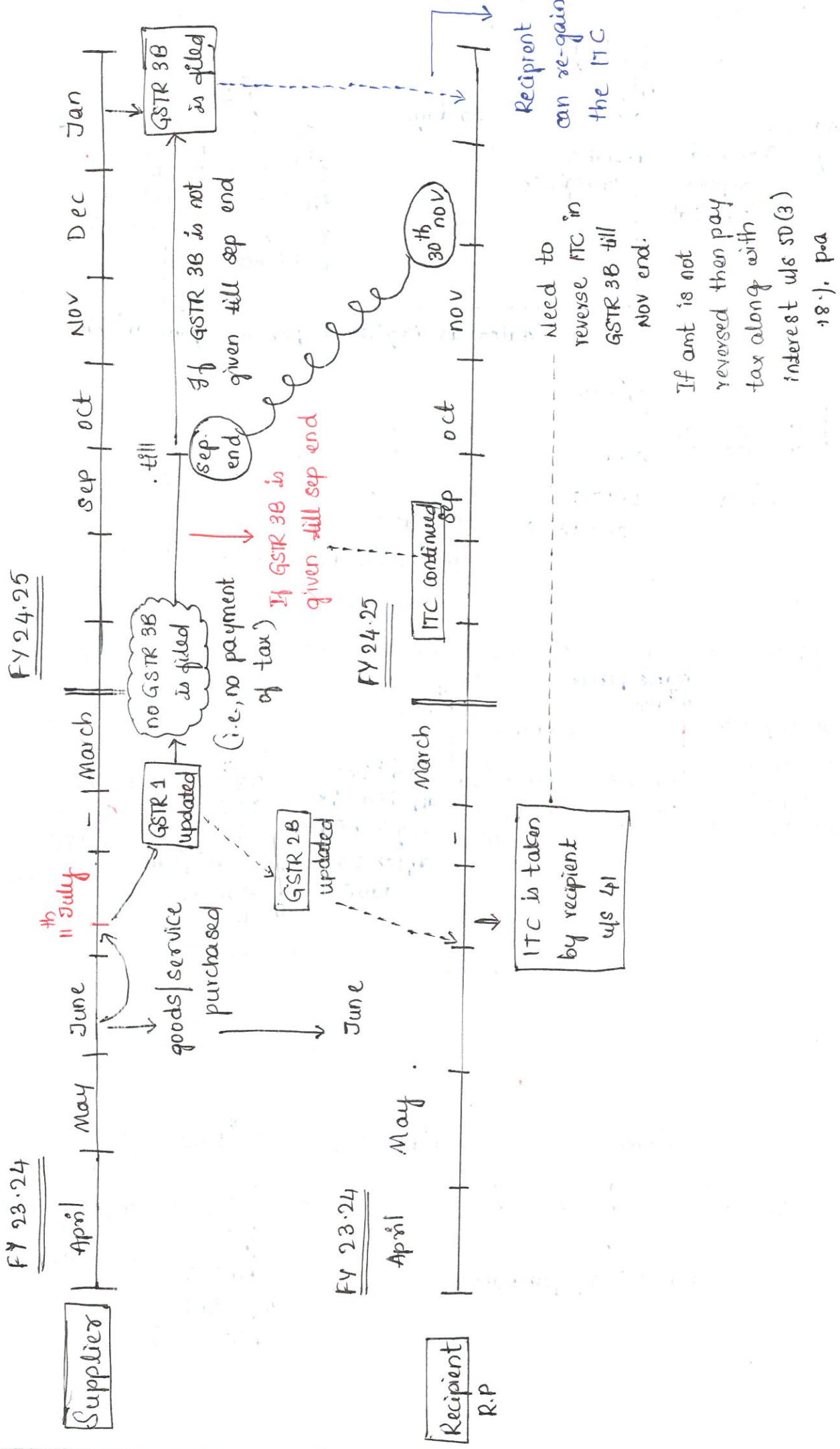
Case 1: If Application for Registration within 30 days



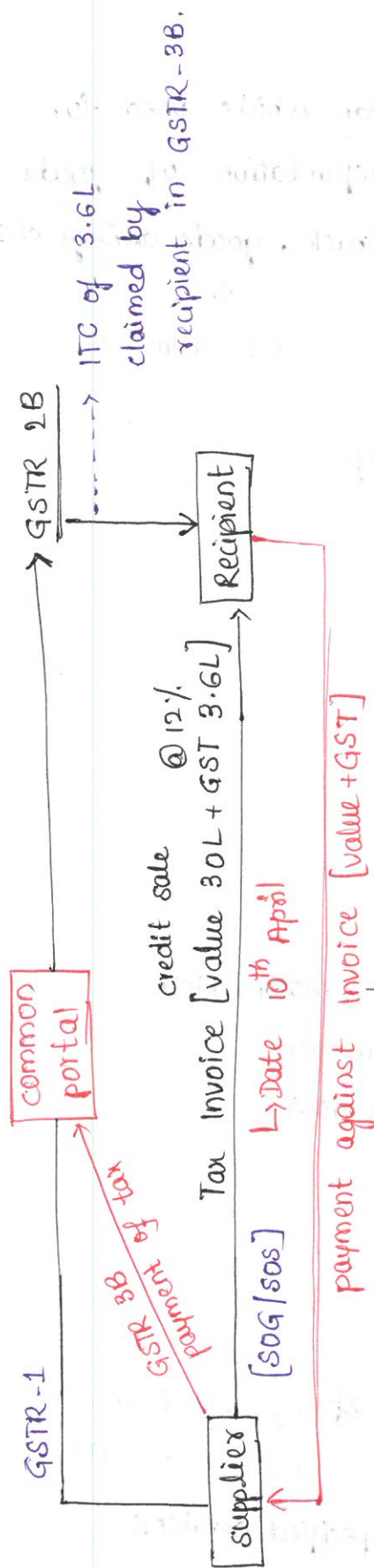
Case 2: If Application for Registration not within 30 days



Section 16(2)(c) read with Section 41 & Rule 37A



2nd proviso - payment to supplier within 180 days



If payment is made within 180 days from the date of Invoice [i.e., till 7th Oct]



ITC already availed will be continued

If payment is not made within 180 days from the date of Invoice.

Amount payable or reversible = ITC availed

1) Amount payable or reversible in GSTR-3B of tax period immediately following the period of 180 days [i.e., 20th Oct]

2) Interest is payable u/s 50(3)

If payment is made after 180 days from the date of Invoice



Reversing of ITC can again avail the ITC so reversed or paid in the month in which payment is made

Note: no reversing of interest

Note: If payment partly made within 180 days then proportionate reversal is required & after part payment regain that proportionate credit

Motor Vehicle [M.V]

Motor vehicle used for transportation of person
[eg: car / bike / bus etc...]

Motor vehicle used for transportation of goods
[truck, goods carriage etc...]

If Approved seating capacity is 13 or less
[including driver]

If approved seating capacity is more than 13
[eg: Bus]

↓
ITC allowed.

↓
ITC allowed

Normally on such motor vehicle

Exceptions

If such motor vehicle used for following taxable supply:

- Further supply of such Motor vehicle → sale, lease, rent, ...
- Transportation of passengers
- Training or driving schools

↓
ITC allowed

★
Clause → Specified services (ab)
(4 services)
also not eligible for ITC on such Motor vehicle

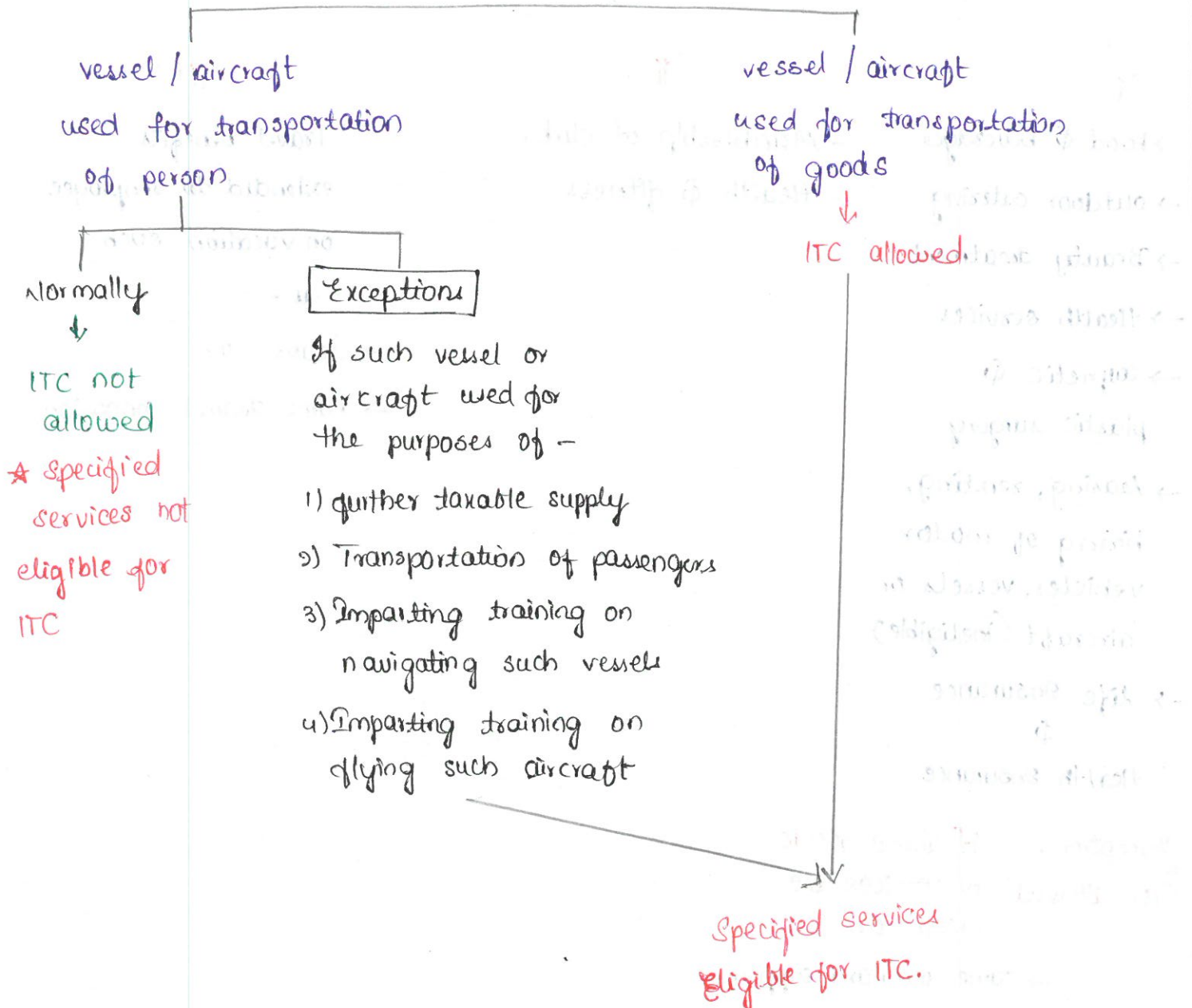
★ Specified services are eligible for ITC

Specified services:

- General Insurance
- Servicing
- repair & maintenance

clause (b). → leasing / hiring / renting

ITC on Vessel or Aircraft



Food, beverages etc...

(i)

- Food & beverages
- outdoor catering
- Beauty treatment
- Health services
- cosmetic & plastic surgery
- Leasing, renting, hiring of motor vehicles, vessels or aircraft (ineligible)
- Life Insurance & Health Insurance

(ii)

- Membership of club,
- Health & fitness

(iii)

Travel benefits extended to employee on vacation such as -

- leave or
- home travel concession

Exception: If above goods (ITC allowed) or services are used for

- same outward supply
- composite supply
- mixed supply.

Important note: If above goods or services provided by employer to its employee under statutory obligation → ITC allowed

Section 17(5) : Blocked Credit

(c)

works contract
(goods + services)

(d)

Goods or services [cement / bricks etc]

construction of Immovable property

other than plant & machinery

Explanation 1

NO ITC

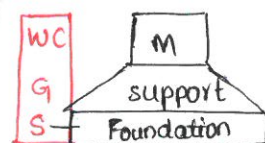
construction includes

- re-construction
- renovation
- addition or alteration
- repairs

↳ to the extent of capitalisation

Imp note: If above cost is not capitalised in the Books of accounts [as per AS] then ITC of such construction service is available.

fixed to earth by foundation or structural support & used for making outward supply



ITC = allowed

Explanation 2

Definition of plant & machinery

means

- apparatus
- equipment
- Machinery

includes

such foundation & structural support

excludes

- (i) Land, building or other civil structure
- (ii) Telecommunication towers
- (iii) pipelines laid outside the factory

↓

Imp note: If works contract goods or service purchased for construction of above then ITC is not available.

Goods (purchase) → Lost - destroyed - stolen - written off - gift - sample

- ① no ITC is available or
- ② If ITC is taken then it is required to be reversed.

If ITC is taken on such goods



- ① As per para-1 of schedule I it is treated as supply

- ② on such supply GST is payable & also ITC is available

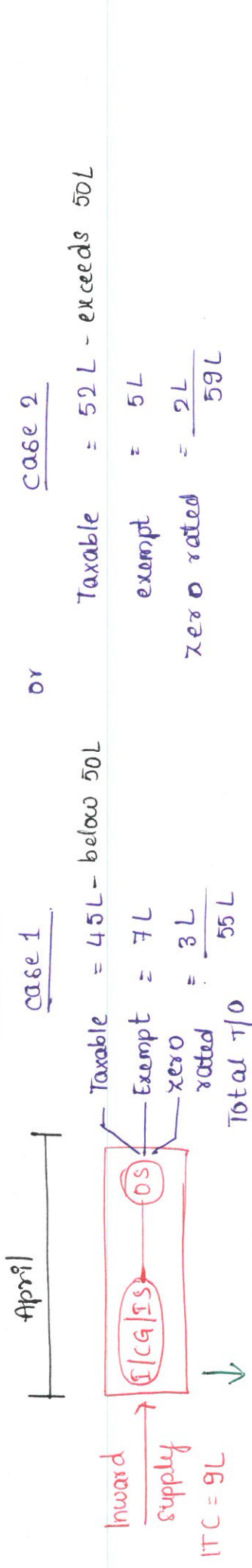
If ITC is not taken on such goods [as already known that it's a gift or sample]



then as per sec 17(5)(b)

ITC is not available

Rule 86 B



E-credit ledger

case 1	use of ITC	8.1L	op-bal	2L
	bal c/f	2.9L	ITC of Apr (1/CG/IS)	9L (assume)
	(or)			11L
case 2	use of ITC	9.2664		
	bal c/f	1.7336		

Restriction of Rule 86 B = NOT applicable

output tax = 8.1L
@ 18% (45L)

ITC (fully used)
Net payable NIL
(E-credit ledger)

or case 2
Taxable = 52L - exceeds 50L
exempt = 5L
zero rated = 2L
59L

Rule 86 B **applicable**

output tax = 9.36L
@ 18% (52L)

less: ITC
99% (9.36L)
9.2664
Net payable 0.0936L
[E-credit ledger]
(99% of output tax)

Registration

Section 24 Compulsory Registration

ECO u/s 52
Amazon

compulsory registration

supplier

Recipient



If he supplies [through ECO]

Services

goods

exception:

Sec 24 is not applicable & basic threshold of 10L or 20L is available even though supplied through ECO.

[N/A 34/23]

person supplying goods through ECO

No need to take compulsory registration (u/s 24)

[i.e., 10L/20L/40L is available]

need to take compulsory registration u/s 24 in other cases

if following cond's are fulfilled

- supplier shall not make his own inter-state supply
- ECO should not allow inter state supply from its portal for such supplier
- supplier shall declare their PAN & address of POB & state on common portal
- portal will grant enrolment number after validation of PAN

supplier

Recipient

If he supplies [through ECO]

Services



exception:

Sec 24 is

not applicable

& basic threshold

of 10L or 20L

is available

eventhough supplied
through ECO.

goods

[N/A 34/23]

person supplying
goods through ECO

No need
to take
compulsory
registration
(u/s 24)

[i.e., 10L/20L/40L
is available]

if following cond's
are fulfilled

- supplier shall not make his own inter-state supply
- ECO should not allow inter state supply from its portal for such supplier
- supplier shall declare their PAN & address of POB & state on common portal
- portal will grant enrolment number after validation of PAN
- ECO shall not allow supply unless enrolment no. provided to it.
- supplier after crossing threshold apply for reg. & enrolment no. shall be ceased

need to take
compulsory
registration
u/s 24 in
other cases

[ch-9] Exemptions from GST

-1

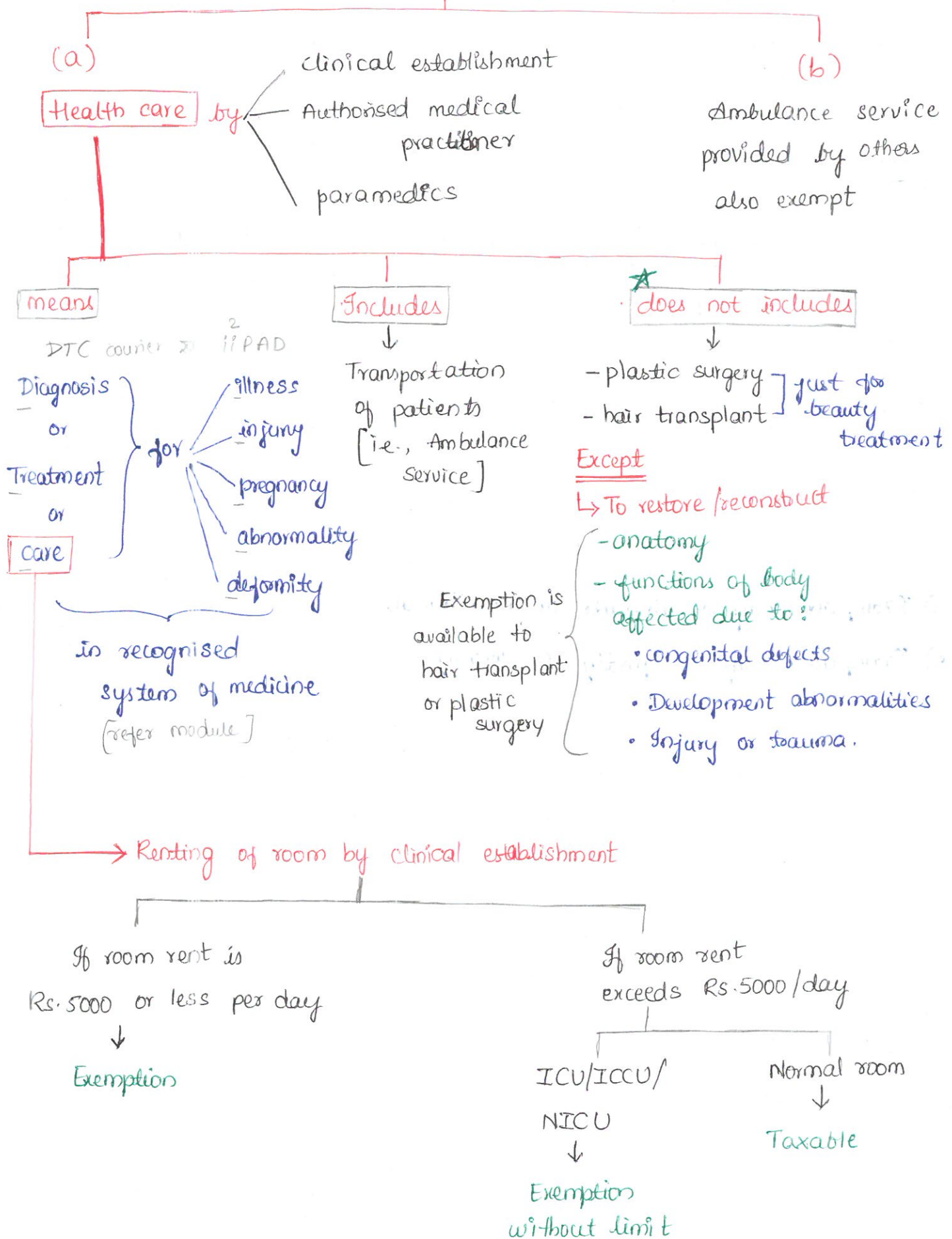
Difference between General Exemption & Special Exemption.

General Exemption	Special Exemption
1. It is issued by government by <u>notification</u> in official gazette 2. It is applicable generally i.e., to all members of particular Industry 3. It is generally in <u>public interest</u>	1. It is issued by government by <u>specific order</u>. 2. It is applicable to specific person to whom order is given 3. It is in exceptional circumstances like for charitable purpose or defence or etc. . .

Common points

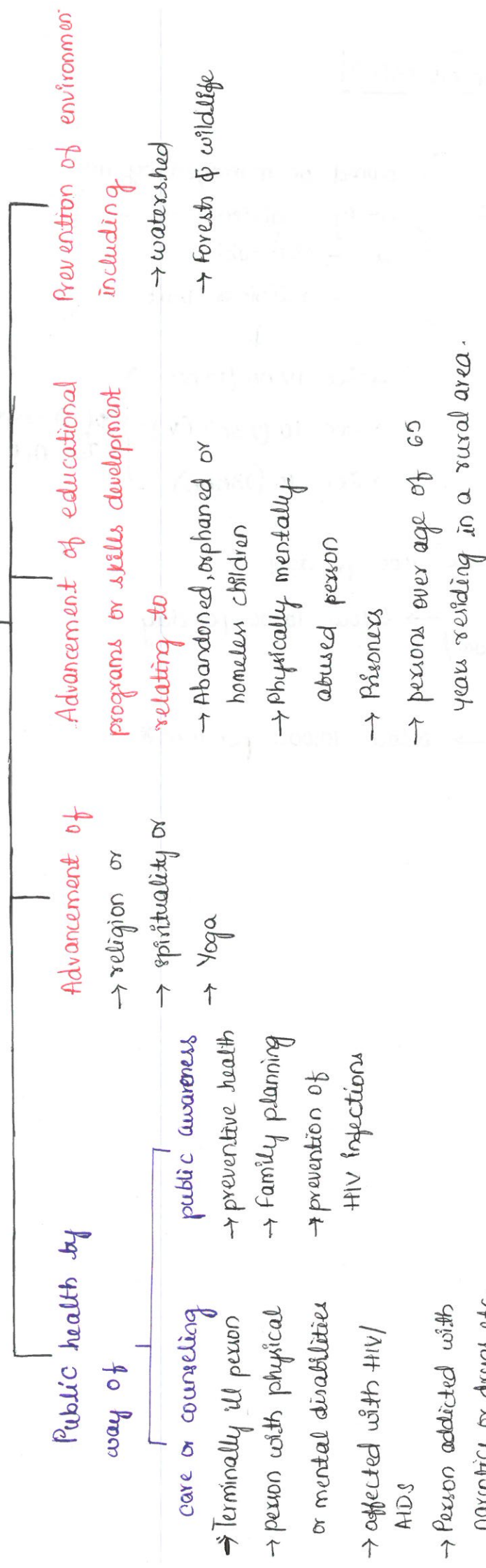
- 1) Exemption may be absolute or conditional
- 2) Exemption may be partly or wholly

Health Care



Charitable Activities

Exempt → Services by - Entity w/s 12 AA / 12 AB - By way of Charitable Activities of IT Act



Not Includes: 1] Hostel Accomodations by charitable trust

(Taxable)

2] Lodging or Boarding unless it is a composite supply with spirituality

3] Fitness camp & classes.

Exemption

Sr. NO 13(b)

Renting of precincts

- of a religious place
- meant for general public

owned or managed by an entity registered as .

- a - charitable or
- religious Trust



→ Sec 12AA / 12AB

→ Sec 10 (23C) (v)

→ Sec 10 (23BBA)

} of Income Tax Act

caping :

- Rooms → below 1000 per day
- halls /
Kalyan mandapam /
open area → below 10000 per day
- Shop or commercial place → below 10,000 per month.

Services by debital Tribunal

Services supplied

to business entity

The Aggregate T10
of Business Entity

in PFY upto such
amount which make
them eligible for

exemption from
registration

[i.e., Agg T10

below Threshold]



Service is exempt

in CFY

[no RCM applicable]

The Aggregate T10
of Business Entity

in PFY more than
such amount which
require registration

[i.e., Agg T10 more
than Threshold]



Service is Taxable

under RCM &

business entity is

liable to pay tax

Service supplied to

any person other

than Business entity



Exempt

Service supplied to

→ CG / SG / UT

→ Local authority

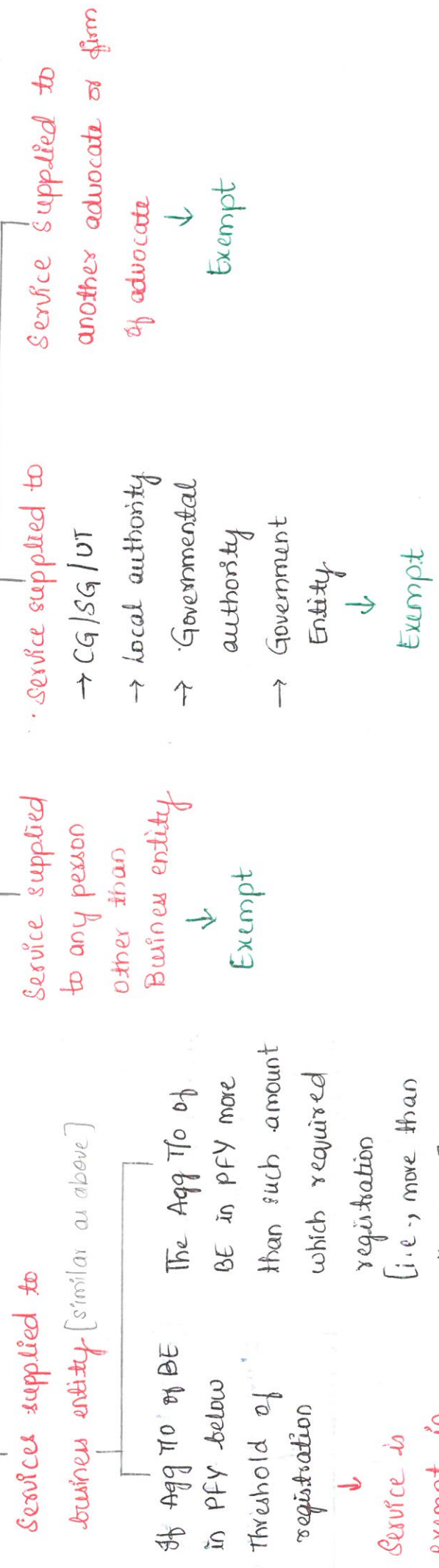
→ Governmental authority

→ Government Entity

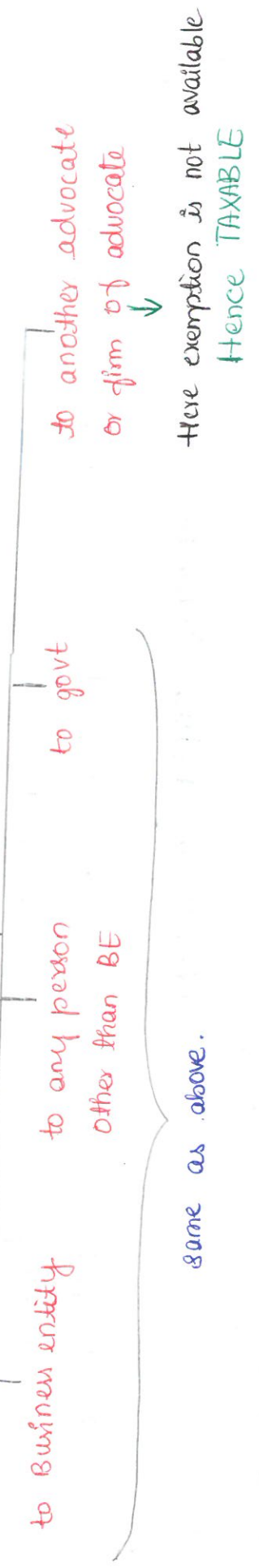


Exempt

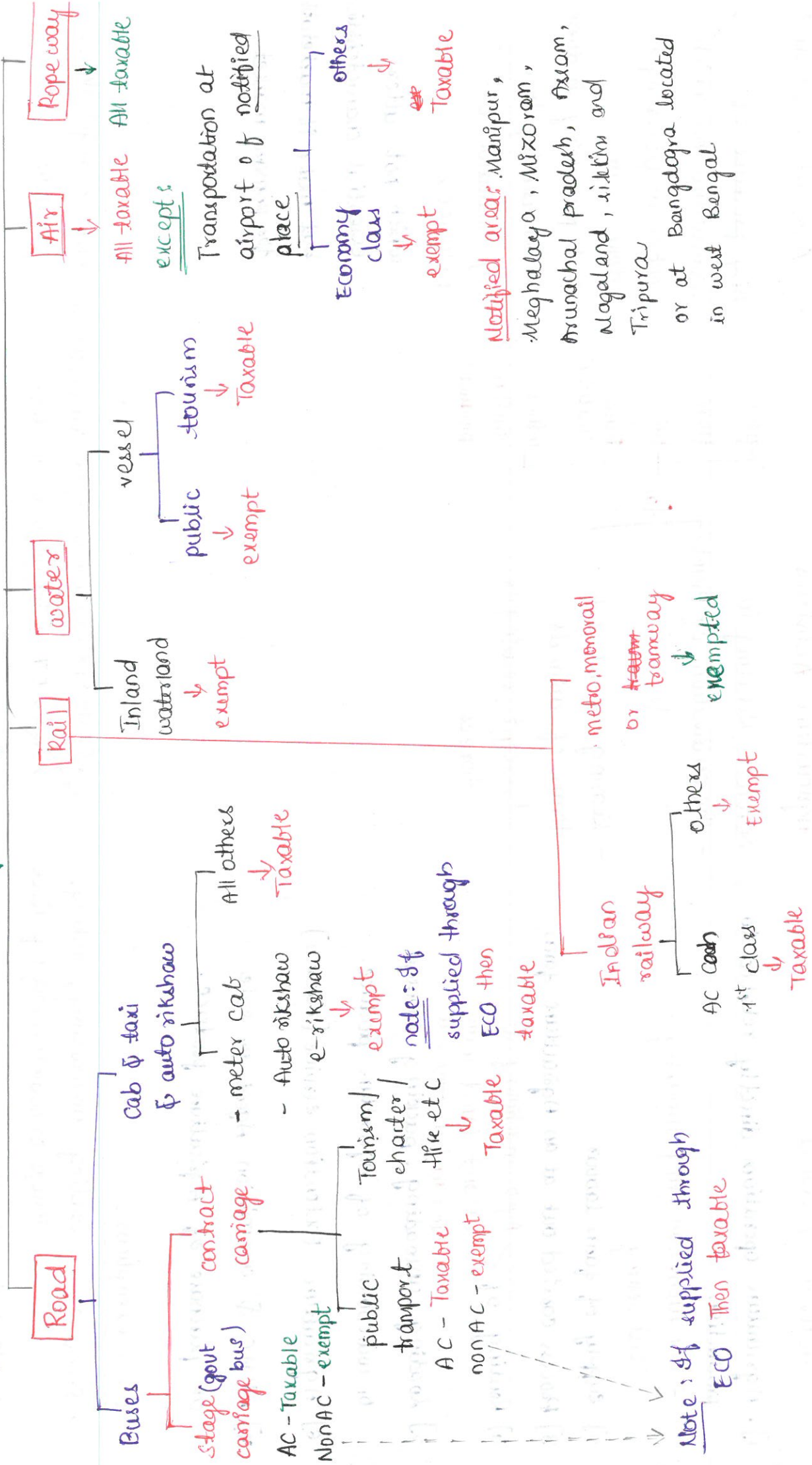
★ Legal Service by Individual Advocate or Firm of Advocate other than Senior Advocate



★ Legal Services by Senior Advocate



Passenger Transport Service



Notified areas: Manipur, Meghalaya, Mizoram, Arunachal Pradesh, Aizawl, Nagaland, Imphal and Tripura or at Bangdoga located in west Bengal

Note: If supplied through ECO then taxable

Exemption

[Sr. no 54]

Agriculture Sector

[Pg 188]

Activities / Services

- 1] Agriculture operations directly related to production
 - cultivation, harvesting, threshing
 - seed testing
- 2] supply of farm labour
- 3] Process carried out at an Agriculture farm
- 4] Renting of Agro machinery & vacant land with incidental structure
- 5] loading, unloading, packing storage or warehousing of Agriculture produce.
- 6] Agriculture Extension service [research]
- 7] APMC & commission Agent for sale or purchase of Agriculture produce.

Other exemptions:

- Sr. No. 24 → loading, unloading, packing, storage or warehousing of **Rice**
- Sr. No 24A → Warehousing of Minor Forest produce

Agriculture Activities

- Services Relating to
- The cultivation of Plant &
 - Rearing of all life forms of animals
 - ↳ except rearing of Horses

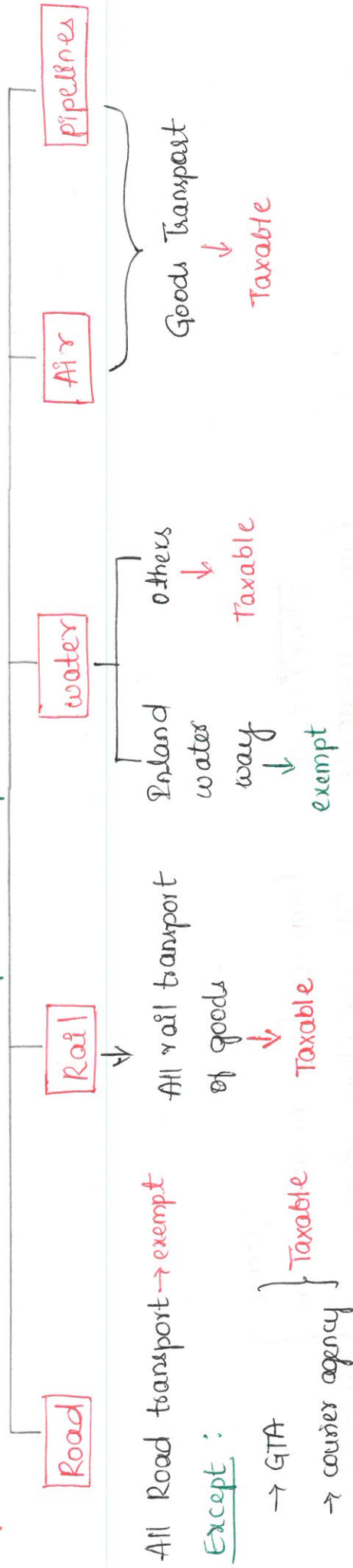
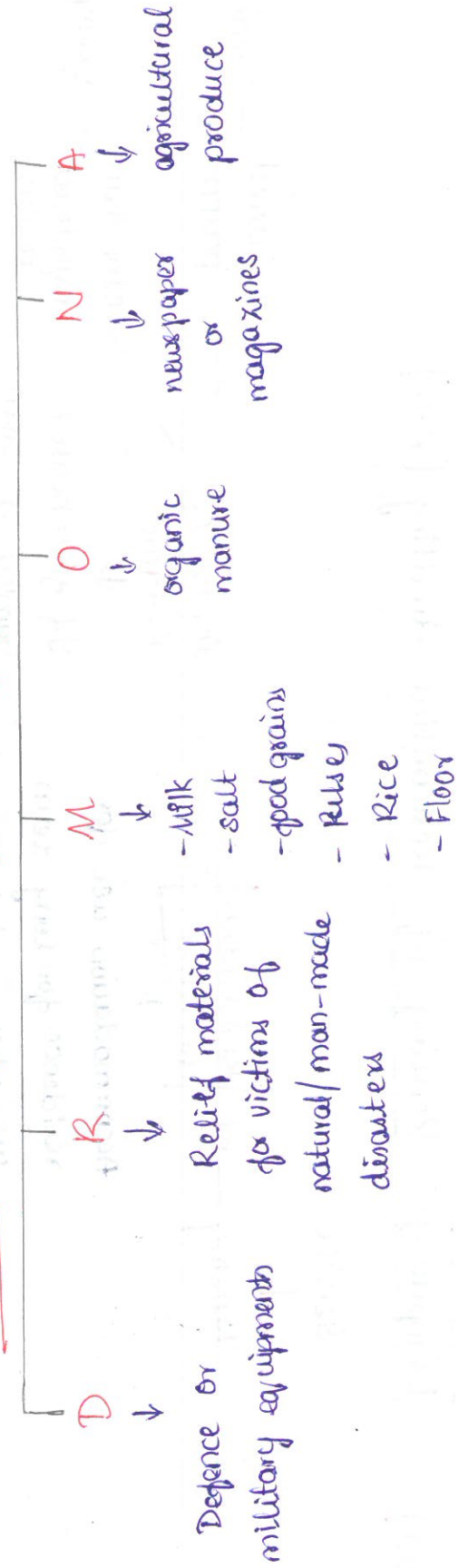
- food
- fibre
- fuel
- Raw material
- other similar products

★ Agriculture produce

- Any produce of agriculture on which
- either no processing is done or
 - such processing is done as is usually done by cultivator or producer
 - which not alter essential characteristics
 - but make it marketable for primary market

- Sr. No 24 B → warehousing of cereals, pulses, fruits or vegetables
- Sr. No 57 → Intermediary production process in relation to Agriculture
- Sr. No 55 → Artificial insemination of live stock [other than horses]

Goods Transport Service.

Sr. NO 20 : Transportation of following goods by Rail / vessels & GTA

Exemption]: Renting of Residential dwelling [R.D]

Service

↓
Renting — of

Residential dwelling



Accommodation use for residence for long term use. where rent is charged on monthly basis.

Eg: Flat / house / bungalow / PG / Hostel etc...

→ for use of Residence



If flat / house / bungalow is given for office or other commercial purpose then taxable

Registered person

— Taxable under RCM

other than registered person

— Exempt

Note: It does not include

— hotel, inn, guesthouse

— lodge, campsite or like

where amount charge on daily basis

Hostel accommodation

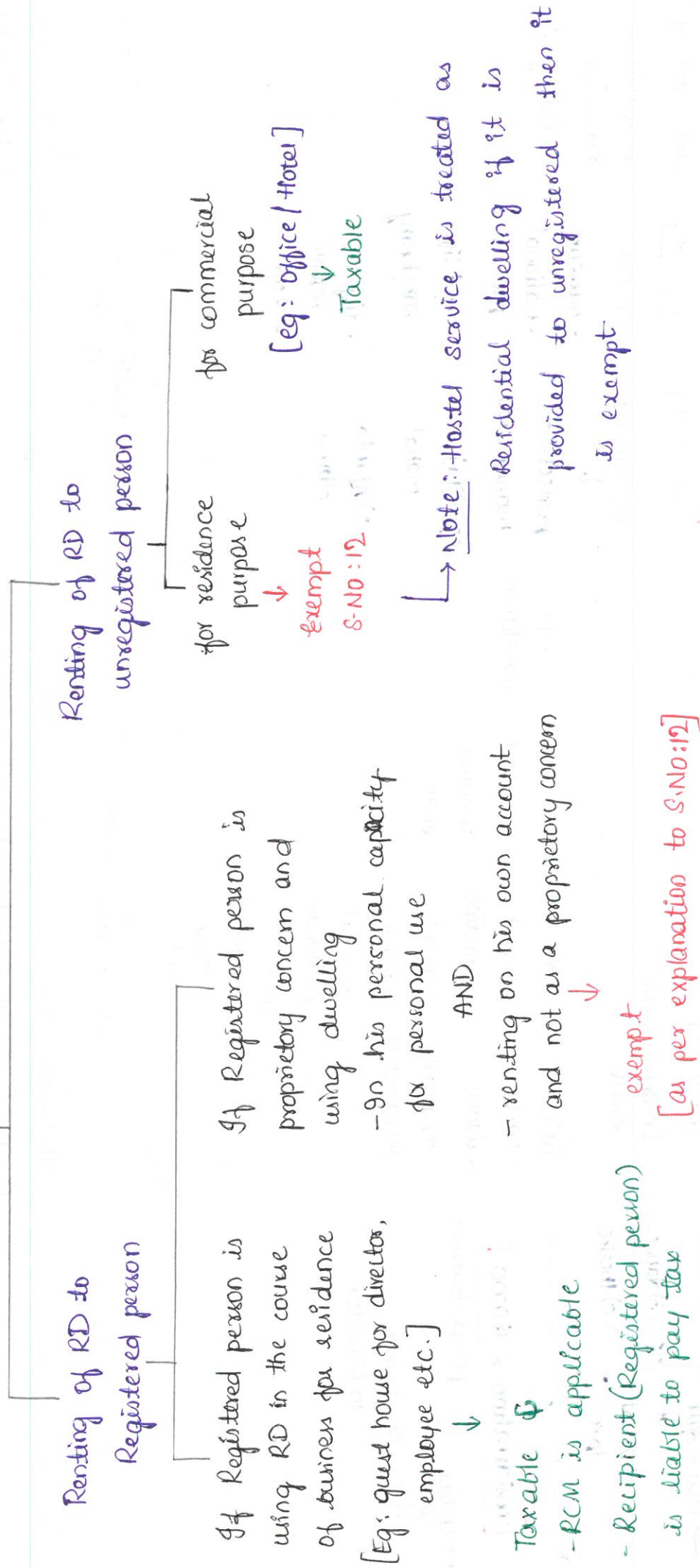
will be treated as

residential dwelling

if is exempt.

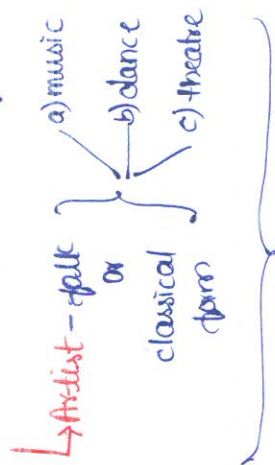
Taxable

Renting of Residential Dwelling [RD]

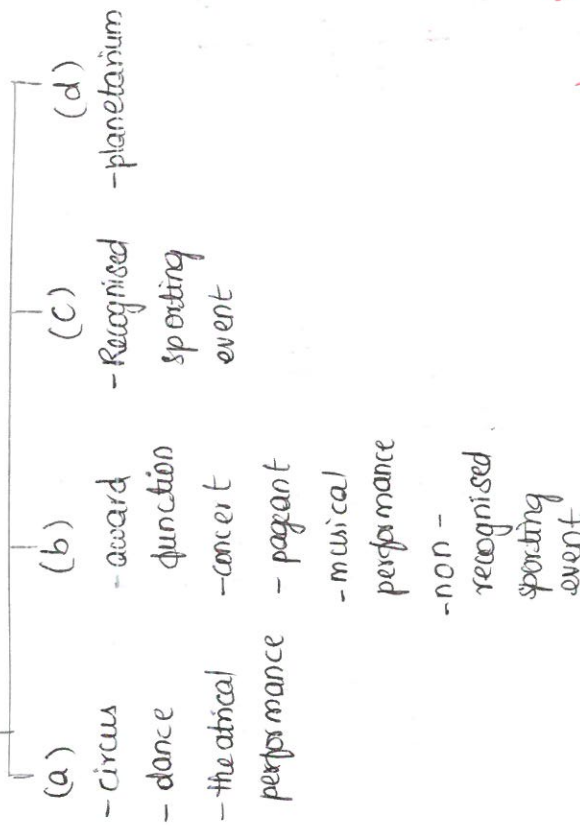


S.No: 78

Service - performance by

consideration ≤ 150000 exception
↓service or brand
ambassadorTicket charges
Services = Admission to

S.No 81

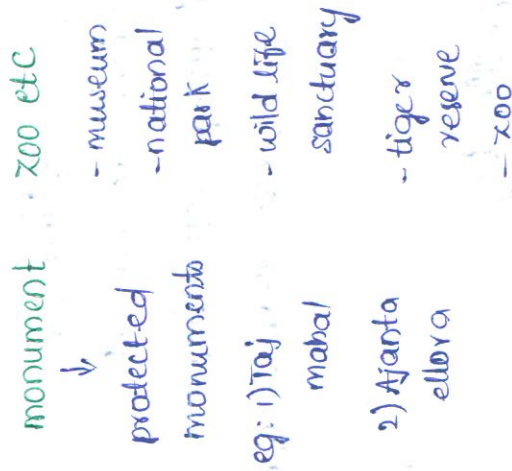
Entertainment
eventconsideration ≤ 500 Non-Taxability:

- 1) Ticket to amusement park
- 2) Ticket to cinema theatre

S.No: 80

Service = Training and coaching in recreational activities relating to

S.No 79



consideration = no limit

(a)

art or culture
by an individual
eg: painting / dance / music etc...

(b)

Sport by charitable entity registered w/s 12 AA / 12 AB of IT Act

Education Service

Service by any person
To EI → exemption

- 1) Transportation of student / faculty / staff
- 2) catering (including mid day meal)
- 3) Security / cleaning / House keeping

Exempt only if given to school

- 4) online educational Journals / periodicals

Exempt only if given to colleges

- 5) Services in relation to - admission or - conduct of examination

exempt if supplied to ALL EIS
(1)(2)(3)(4)

Notes: All other services provided to EI are Taxable

Educational Institution [EI]

- 1] Pre-school / Higher secondary school [public or private]
- 2] colleges / universities or institutes - providing education as a part of curriculum for obtaining qualification recognised by law [Indian law]
- 3] Institute providing education in Approved vocational courses
- 4] Central / state education Board - to the extent of conduct of examination



Imp Note: private coaching classes are not EI & taxable

Services by EI [output]

Exempt Service

- a] Any service to - student or - faculty or - staff
 - eg - tuition fees
 - library
 - transport
 - catering
 - any other
- b] Entrance fee for entrance examination

Taxable Services: All other services supplied by such EI are taxable

Eg:

- a) placement service to corporate
- b) Auditorium given on Rent to pvt coaching classes
- c) franchisee fees etc...

Exemptions in Government Sectors → Service provided by CG/SG/OT/LA

17

General Activities

services supplied to General public

↓
S.No 6: All services supplied by Govt / L.A are exempted

services supplied to Business entities

↓
Any services supplied to business entities are taxable
Exception to S.No. 6

who will pay tax?

All services to B.E

Note: i) Even though services supplied by Govt / L.A as a public authority is covered in definition of Business, but exempted here

↓
RCM is applicable & BE is liable to pay tax

Renting of IP

↓
Registered unreg interest
↓
Forward charge

Special activities (Specific services)

a) Services supplied by Department of Post

Exempt [S.No. 24C] Taxable → All other services like

- Post card
- Inland letter
- Book post
- Ordinary post [weight less than 10 gm]

- i) speed post
 - ii) Express parcel post
 - iii) Life insurance
 - iv) Agency service etc...
- [eg: passport distribution]

a) (ii) Services by Indian Railway

b) Service in relation to an Aircraft or a vessel inside or outside the precincts of a port or Airport

c) Transport of goods or passengers [Subject to exemption in transport sectors]

↓
All above services supplied by Govt / L.A to any person [General public or business entity] are taxable.

↓
who will pay: Tax is payable under Forward charge tax.
[i.e., by Govt or local authority]

Other Exemptions [Services provided by Govt / LA]

Turnover based or value based exemption

1) [S.No: 7] If Agg T/o of BE in PFY below threshold [exempt - no RCM]

Exception: 1) Specific services (Taxability) 2) Renting of I.P

2) [S.No: 9]: If Invoice value upto ₹5000 - exempt

Exception: * specific cases (Taxability)

Registration / Testing or certification based exemption

[S.No 47] a) Registration under any Act

b) Testing, calibration, or certification for -

protection or safety of worker consumer public at large including fire license

[S.No 61] Services by way of issuance of → passport → visa

→ driving license → birth or death certificate

Other exemptions

[S.No 8] service provided by one department of govt / LA to another dept of govt / LA

exception: * specific services

[S.No 34A]: Service provided to PSU for guaranteeing the loan from bank or F.I.

[S.No 62]: Liquidated damages charged for non-performance of contract

[S.No 65A] Service by way of providing information under Right to information Act

