

Tweet FAQs

The tweets received by askGST_Gol handle were scrutinized and developed into a short FAQ of 100 tweets. It should be noted that the tweets received or the replies quoted are only for educational and guidance purposes and do not hold any legal validity.

<u>S. No.</u>	<u>Questions / Tweets Received</u>	<u>Replies</u>
Registration		
1.	Does aggregate turnover include value of inward supplies received on which RCM is payable?	Refer Section 2(6) of CGST Act. Aggregate turnover does not include value of inward supplies on which tax is payable on reverse charge basis.
2.	What if the dealer migrated with wrong PAN as the status of firm was changed from proprietorship to partnership?	New registration would be required as partnership firm would have new PAN.
3.	A taxable person's business is in many states. All supplies are below 10 Lakhs. He makes an Inter State supply from one state. Is he liable for registration?	He is liable to register if the aggregate turnover (all India) is more than 20 lacs or if he is engaged in inter-State supplies.
4.	Can we use provisional GSTIN or do we get new GSTIN? Can we start using provisional GSTIN till new one is issued?	Provisional GSTIN (PID) should be converted into final GSTIN within 90 days. Yes, provisional GSTIN can be used till final GSTIN is issued. PID & final GSTIN would be same.
5.	Whether trader of country liquor is required to migrate to GST from VAT as liquor is out of GST law?	If the person is involved in 100% supply of goods which are not liable for GST, then no registration is required.
6.	Not liable to tax as mentioned u/s 23 of CGST means nil rated supply or abated value of supply?	Not liable to tax means supplies which is not leviable to tax under the CGST/SGST/IGST Act. Please refer to definition under Section 2(78) of the CGST Act.
7.	Whether civil contractor doing projects in various states requires separate registration for all states or a single registration at state of head office will suffice?	A supplier of service will have to register at the location from where he is supplying services.
8.	Whether aggregate turnover includes turnover of supplies on which tax is payable by the recipient under reverse charge?	Outward supplies on which tax is paid on reverse charge basis by the recipient will be included in the aggregate turnover of the supplier.
9.	If there are two SEZ units within same state, whether two registrations are required to be obtained?	SEZs under same PAN in a state require one registration. Please see proviso to rule 8(1) of CGST Rules.
10.	Is an advocate providing interstate supply chargeable under Reverse Charge liable for registration?	Exemption from registration has been provided to such suppliers who are making only those supplies on which recipient is liable to discharge GST under RCM.

11.	When is registration in other state required? Will giving service from Nasik to other state require registration in other state?	If services are being provided from Nasik then registration is required to be taken only in Maharashtra and IGST to be paid on inter-state supplies.
12.	I have migrated under GST but want to register as ISD. Whether I can apply now & what is the procedure?	A separate & new registration is required for ISD. New registrations are being opened from 0800 hrs. on 25.06.2017.
13.	I have enrolled in GST but I forgot to enter SAC codes. What should I do? The status is migrated.	The same can be filled while filing FORM REG-26 for converting provisional ID to final registration.
14.	I have ST number on individual name and have migrated to GST. I wish to transfer this on my proprietorship firm.	This conversion may be done while filling FORM REG-26 for converting provisional ID to final registration.
15.	Please tell if rental income up to 20 lacs attracts GST or attracts any other charge?	GST is leviable only if aggregate turnover is more than 20 lacs. (Rs. 10 lacs in 11 special category States). For computing aggregate supplies turnover of all supplies made by you would be added.
16.	If someone trades only 0% GST items (grains, pulses) then is it necessary to register for GST, if the turnover exceeds ₹20 lacs?	A person dealing with 100% exempted supply is not liable to register irrespective of turnover.
17.	Is it correct that person dealing exclusively in NIL rated or exempt goods/ services liable to register if turnover > 20/10 Lakh?	There is no liability of registration if the person is dealing with 100% exempt supplies.
18.	If I register voluntarily though turnover is less than 20 Lakhs, am I required to pay tax from 1st supply I make post registration?	Yes, you would be treated as a normal taxable person.
19.	Whether a separate GSTIN would be allotted to a registered person for deducting TDS (he has PAN and TAN as well)?	Separate registration as tax deductor is required.
20.	Is separate registration required for trading and manufacturing by same entity in one state?	There will be only one registration per State for all activities.
21.	I am registered in TN and getting the service from unregistered dealer of AP, should I take registration in AP to discharge GST under RCM?	Any person who makes inter-state taxable supply is required to take registration. Therefore in this case AP dealer shall take registration and pay tax.
22.	Is there any concept of area based exemption under GST?	There will be no area based exemptions in GST.
23.	If a company in Maharashtra holds only one event in Delhi, will they have to register in Delhi? Will paying IGST from Maharashtra suffice?	Only if you provide any supply from Delhi you need to take registration in Delhi. Else, registration at Mumbai is sufficient (and pay IGST on supplies made from Mumbai to Delhi)

24.	How long can I wait to register in GST ?	An unregistered person has 30 days to complete its registration formalities from its date of liability to obtain registration.
25.	What If I am not liable to register under GST but I was registered under Service tax ?	You can apply for cancellation of Provisional ID on or before 31 st July 2017.
26.	When turnover of agents will be added to that of the principal for registration?	No.
27.	If I am not an existing taxpayer and wish to newly register under GST, when can I do so?	You would be able to apply for new registration at the GST Portal gst.gov.in from 0800 hrs. on 25 th June 2017
Refund		
28.	I have a pending export refund in Service Tax. What will happen?	Refunds under earlier laws will be given under the respective laws only.
29.	As an exporter, how do I ensure that my working capital is not blocked as refunds?	Appropriate provisions have been made in the law by providing for grant of 90% refund on provisional basis within 7 days from filing of registration.
Cess		
30.	What will be the impact of GST on coal? Will the clean energy Cess on coal go or will it stay?	Clean Environmental Cess on coal will be replaced by GST Compensation Cess.
Composition Scheme		
31.	Suppose I am in composition scheme in GST. If I purchase goods from unregistered person, then GST will be paid to Government by me or not?	Yes, you will be liable to pay tax on reverse charge basis for supplies from unregistered person.
Customs		
32.	What duties will be levied on import of goods?	Customs duty and cess as applicable + IGST+ GST compensation cess. IGST and GST compensation cess shall be paid after adding all customs duty and customs cess to the value of imports.
Exports		
33.	Present Procedures have Service Tax on Nepal, But no Goods Tax on Nepal. But, With GST, what tax will apply?	The export procedure for Nepal would be same as that to other Countries.
34.	Are there exemptions for SEZ? How will a SEZ transaction happen in GST regime?	Supplies to SEZs are zero-rated supplies as defined in Section 16 of IGST Act.
35.	How would the sale and purchase of goods to and from SEZ will be treated? Will it be export / input?	Supply to SEZs is zero rated supplies and supplies by SEZs are treated as imports.

36.	Please clarify status of international export freight under GST as the same was exempt under POPS rules. It is zero rated in most countries.	POS for transport of goods determinable in terms of sec 12(8) or sect 13(8) of IGST Act, 2017, depending upon location of service provider/service receiver. Exports are treated as zero rated supplies.
37.	When goods are being imported from SEZ who will pay IGST?	Such supply is treated as import and present procedure of payment of duty continues with the variation that IGST is levied in place of CVD.
38.	Who will pay IGST when goods are procured from SEZ? Today importer is paying both BCD and CVD.	Such supply is treated as import and present procedure of payment continues with the variation that IGST is levied in place of CVD.
Input Tax Credit		
39.	Is SGST of Rajasthan charged by supplier on purchase from Rajasthan can be utilize for payment of SGST in Madhya Pradesh?	SGST of one State cannot be utilized for discharging of output tax liability of another State.
40.	How one can use SGST credit for the payment of IGST on another state?	SGST Credit can be used for payment of IGST liability under the same GSTIN only.
41.	Can one State CGST be used to pay another state CGST?	The CGST and SGST Credit for a State can be utilized for payment of their respective CGST/SGST liabilities within that State for the same GSTIN only.
42.	In case of service supplied, should the credit be given to the state where it is billed or the state it is rendered?	Tax will be collected in the State from which the supply is made. The supplier will collect IGST and the recipient will take IGST credit.
43.	Company is engaged in manufacturing of cement & power. Which rule to be referred for reversal of credit related to power business?	Detailed rules for reversal of ITC when the supplier is providing exempted and non-exempted supplies have been provided in ITC Rules.
44.	How will the credit / debit note from unregistered supplier be reported to GSTN and ITC claimed in the same?	Like invoice, credit/debit notes on behalf of unregistered person will be given by registered person only. Further, GSTR2 provides for reporting of same by the recipient.
Invoice		
45.	A shop sells taxable & exempt products to the same person (B2C), is it required to issue tax invoice and bill of supply separately?	In such a case the person can issue one tax invoice for the taxable invoice and also declare exempted supply in the same invoice.
46.	Do registered dealers have to record Aadhaar/PAN while selling goods to unregistered dealers?	There is no requirement to take Aadhaar / PAN details of the customer under the GST Act.

47.	All expenses like freight / transport / packing which are charged in Sales Invoice are taxable in GST? How to charge in bill?	All expenses will have to be included in the value and invoice needs to be issued accordingly. Please refer to Section 15 of CGST Act and Invoice Rules.
48.	Can we move construction material to builders on delivery challan and issue tax invoice post completion of activity?	If the goods are meant to be supplied in the course of construction an invoice is necessary. If the goods are tools which are to be used for construction then delivery challan should be issued.
49.	How to treat following transaction in GST (i) Delivered supply shortages in Transit. (ii) Customer gets less quantity and pays less.	The supplier may issue credit note to the customers and adjust his liability.
50.	Should we issue Self Invoice for GST liability discharge on RCM or GST can be discharge through expenses booking voucher?	For RCM liabilities tax invoice has to be issued on self.
Returns		
51.	What would be done on tax paid on advance receipt if advance has to be refunded in any circumstance	Advance refunded can be adjusted in return.
52.	Do registered dealers have to upload sale details of unregistered dealers also in GST?	Generally not. But required in case of inter-State supplies having invoice value of more than Rs 2.50 Lakhs.
53.	How to incorporate two supplies in return for Pharma with same HSN code of four digits but having different tax rates?	Returns provide for furnishing rate wise details.
Supply		
54.	Should we discharge GST liability for all reverse charge having small amounts of Transaction or any amount limit is there?	It has been decided that Rs. 5000/- per day exemption will be given in respect of supplies received from unregistered person. For supplies above this amount, a monthly consolidated bill can be raised.
55.	What is treatment of promotional item given free to end consumers by FMCG companies?	Tax will be charged only on the total consideration charged for such supply.
56.	How to comply with 9(4) of CGST Act if POS is in another State of the unregistered supplier	Any person making inter-state supply has to compulsorily obtain registration and therefore in such cases, section 9(4) will not come into play.
57.	Under supply from unregistered dealer the purchaser have to pay GST on RCM basis.so whether stipend paid to intern will also come under RCM?	Stipend paid to interns will be employer-employee transactions. Hence, not liable for GST.
58.	Salary by partnership firm to Partners as per Income Tax Act liable to GST?	Salary will not be liable for GST.
59.	Sec 9(4) of CGST Act 2017. Do I need to pay under RCM if I purchase stationary worth Rs.100 from an unregistered stationery shop?	It has been decided that Rs. 5000/- per day exemption will be given in respect of supplies received from unregistered person.

60.	What is the treatment of promotional item given free to end consumers by FMCG companies? If taxable, whether ITC is allowed?	Tax is payable on consideration received for the supply.
61.	Whether GST will be leviable in case of returnable packing material like drums supplied with finished goods?	GST will be levied on the value charged for the supply only.
62.	How will disposal of scrap be treated in GST?	If the disposal is in the course or furtherance of business purposes, it will be considered as a supply.
63.	I am from MP and providing service to a customer in Maharashtra. I outsource the work to a service provider in Maharashtra, what tax i need to charge?	Generally these will be two supplies where the supplier from MP will charge IGST from the recipient in Maharashtra. Whereas, the service provider in Maharashtra will charge IGST from the recipient in MP.
64.	If address of buyer is Punjab and place of supply is same state of supplier (Rajasthan), then IGST will apply or CGST/SGST?	If the place of supply and the location of the supplier are in the same State then it will be intra-State supply and CGST / SGST will be applicable.
65.	Why is bifurcation of cash deposit as CGST-SGST-IGST required? Is cash held against a GSTIN, to be adjusted via return u/s 39	Three levies are under three different statutes and are required to be separately accounted for.
66.	What is the difference in between 'Nil rated', 'taxable at 0%' and exempted goods and services? Especially in relation with ITC	Exempt supply includes Nil rated (taxable at 0%) and non-Taxable supplies and no ITC is available for such supplies.
67.	Will professional tax will be abolished in Maharashtra after introducing of GST?	Professional tax is not a tax on supply of goods or services but on being in a profession. Professional tax not subsumed in GST.
68.	Employer provides bus service, meal coupon, telephone at residence, gives vehicle for official and personal use, uniform and shoes, any GST?	Where the value of such supplies is in the nature of gifts, no GST will apply till value of such gifts exceeds Rs. 50000/- in a financial year.
69.	The definition of composite supply and the description of same under Section 8 differ. Please explain consequences.	Section 2(30) defines what will be considered as a composite supply. Whereas, Section 8 provides that in case of a composite supply, the treatment for tax rate etc. will be that of principal supply.
70.	Whether slump sale will attract GST. If yes then under which Section?	It will have the same treatment as normal supply.
71.	Salary by Partnership firm to Partners as per Income Tax Act liable to GST? Partners are not employees of the firm.	Salary will not be leviable of GST.
Transition		
72.	How do I avail transition credit ?	Transition credit can be availed by filing the respective forms under Transition rules upto 30.09.2017.

73.	Please provide the clarity on area based exemption 50/2003 in UK & HP.	Area based exemptions will not be continued under GST. It will be operated through the route of reimbursement as prescribed.
74.	We manufactured excisable goods. But unit availed the exception benefits 50/2003. What about my dealers stock?	The dealer will get deemed credit @ 40% / 60% of the CGST paid on supply of such goods in GST. If the goods are branded and greater than Rs. 25,000, full credit using CTD can be availed.
75.	A trader buys from manufacturer not registered in excise as his turnover is below 1.5cr. Then in such case can trader take ITC on stock up to 40%?	Yes deemed credit will be available subject to satisfaction of other conditions as prescribed.
76.	I am a trader. I have excise paid purchase invoice. Whether I can claim credit of full excise duty on closing stock of 1st July 2017	Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.
77.	If a trader purchases directly from manufacturer & has documents showing excise, will he get full excise credit or 40% of CGST?	Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.
78.	If a trader purchases directly from manufacturer and has value cum excise duty and excise duty is not separately shown will he get full credit?	Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.
79.	Is the full excise credit also available to traders who purchases directly from manufacturers and excise is separately shown in invoice?	Full transition credit of such duty will be available on stock in hand in respect of which you have duty paying excise document subject to conditions under Section 140(3) of the CGST Act.
80.	In June 17 Vat return no amount carried forward & held stock of Rs. 50 lakhs. Then can we take credit of that stock or not?	The supplier would be eligible to carry forward the closing balance of ITC from VAT return for June 17.
81.	What will be the impact of closing stock which has been already paid vat on 1st July?	The supplier would be eligible to carry forward ITC on such stock from VAT return for June 17.
82.	If in Vat return refund claimed in June 17 & no balance credit in GST. Then what's the position of submission of Form C	Refund claimed under existing law will be handled as per the provisions of the existing law. Form C to be submitted in terms of provision of Rule 1(1) of Transition Rules.
83.	Some service was provided on 28.06.2017 but Invoice will be raised on 05.07.2017. Whether we have to charge Service Tax or GST?	If Point of Tax arises after appointed date, then GST will be chargeable on such supply.

84.	Would we be eligible for credit on Capital Goods in transit and received post GST?	No provision for such credit is there in GST law.
85.	What about VAT balance pending on transition date?	Balance VAT credit in the return will be transferred to new provisional ID as SGST Credit.
86.	What about deemed export against Form H?	Form H will not be there in GST.
87.	Who will bear tax difference on closing stocks as on 30th June 2017? Whether the manufacturer/dealer or government?	Closing ITC in VAT return will be allowed to be carry forward in GST.
88.	How will we get input credit on stock in hand for spare parts billed from other state, excise, CST and entry tax paid?	For all inputs with duty paying documents available respective CGST / SGST credit will be available. But credit of CST will not be available.
89.	A trader buys from manufacturer not registered in excise as his turnover is below 1.5 crore. then in such case can traders take ITC on stock up to 40%	Deemed Credit will be available on stock in hand provided the conditions of section 140(3) read with Rule 1(4) of Transition Rules are satisfied.
90.	Whether we will be eligible for credit of duty paid on Capital Goods in transit and received post GST?	No such provision in GST.
91.	Can ITC of Swachh Bharat Cess or Krishi Kalyan Cess be carried forward under GST?	No
92.	Will Clean Energy CESS on imported Coal @ Rs. 400 PMT continue to be applicable in GST?	No. Clean Energy Cess is being repealed. Coal, however, will be subject to compensation cess @ Rs 400/- per tonne.
93.	Whether closing balance of edu cess and secondary higher education cess prior to 1st Mar 2015 can be carried forward in GST?	No it will not be carried forward in GST as it is not covered by definition of "eligible duties and taxes" under Section 140 of the CGST Act.
94.	Can u clarify for 40% benefit on closing stock does 1 year limit apply or not ?	Deemed credit will be available for all stock procured within a 1 year period.
95.	Till what time is transition credit available? Where do I need to declare my input stock?	The window to declare transition credit forms is three months from the appointed day. Please refer to transition rules for more details.
UTGST		
96.	Will there be GST in A&N Islands as previously there was no VAT	Yes. For supplies within A&N, CGST plus UTGST would be leviable.
Others		
97.	Whether IGST would be levied twice on high seas sales? First on high seas sales and second on custom clearance. IGST paid on 1 available as ITC?	IGST shall be levied only once on imports.
98.	Will Krishi Mandi Fee (imposed in U.P.) be waived off in GST?	GST does not concern such fee so GST does not affect it.
99.	Is E-Way Bill applicable from 1 st July 2017	The present system for E-way Bill in States to continue, till the E-Way Bill procedures are finalized.

100.	Is there a sunset clause for Anti-Profiteering law?	Yes, the sunset clause for Anti-profiteering Authority is of two years.
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