

Frequently Asked Questions (FAQ) on GST Overview of Goods and Services Tax (GST)

Q 1. What is Goods and Services Tax (GST)?

Ans. It is a destination based tax on consumption of goods and services. It is proposed to be levied at all stages right from manufacture up to final consumption with credit of taxes paid at previous stages available as setoff. In a nutshell, only value addition will be taxed and burden of tax is to be borne by the final consumer.

Q 2. What exactly is the concept of destination based tax on consumption?

Ans. The tax would accrue to the taxing authority which has jurisdiction over the place of consumption which is also termed as place of supply.

Q 3. Which of the existing taxes are proposed to be subsumed under GST?

Ans. The GST would replace the following taxes:

(i) taxes currently levied and collected by the Centre:

- a. Central Excise duty*
- b. Duties of Excise (Medicinal and Toilet Preparations)*
- c. Additional Duties of Excise (Goods of Special Importance)*
- d. Additional Duties of Excise (Textiles and Textile Products)*
- e. Additional Duties of Customs (commonly known as CVD)*
- f. Special Additional Duty of Customs (SAD)*
- g. Service Tax*
- h. Central Surcharges and Cesses so far as they relate to supply of goods and services*

(ii) State taxes that would be subsumed under the GST are:

- a. State VAT*
- b. Central Sales Tax*
- c. Luxury Tax*
- d. Entry Tax (all forms)*
- e. Entertainment and Amusement Tax (except when levied by the local bodies)*
- f. Taxes on advertisements*
- g. Purchase Tax*
- h. Taxes on lotteries, betting and gambling*

i. State Surcharges and Cesses so far as they relate to supply of goods and services

The GST Council shall make recommendations to the Union and States on the taxes, cesses and surcharges levied by the Centre, the States and the local bodies which may be subsumed in the GST.

Q 4. Which are the commodities proposed to be kept outside the purview of GST?

Ans. Article 366(12A) of the Constitution as amended by 101st Constitutional Amendment Act, 2016 defines the Goods and Services tax (GST) as a tax on supply of goods or services or both, except supply of alcoholic liquor for human consumption. So alcohol for human consumption is kept out of GST by way of definition of GST in constitution. Five petroleum products viz. petroleum crude, motor spirit (petrol), high speed diesel, natural gas and aviation turbine fuel have temporarily been kept out and GST Council shall decide the date from which they shall be included in GST. Furthermore, electricity has been kept out of GST.

Q 5. What will be the status in respect of taxation of above commodities after introduction of GST?

Ans. The existing taxation system (VAT & Central Excise) will continue in respect of the above commodities.

Q 6. What type of GST is proposed to be implemented?

Ans. It would be a dual GST with the Centre and States simultaneously levying it on a common tax base. The GST to be levied by the Centre on intra-State supply of goods and / or services would be called the Central GST (CGST) and that to be levied by the States/ Union territory would be called the State GST (SGST)/ UTGST. Similarly, Integrated GST (IGST) will be levied and administered by Centre on every inter-state supply of goods and services.

Q 7. Why is Dual GST required?

Ans. India is a federal country where both the Centre and the States have been assigned the powers to levy and collect taxes through appropriate legislation. Both the levels of Government have distinct responsibilities to perform according to the division of powers prescribed in the Constitution for which they need to raise resources. A dual GST will, therefore, be in keeping with the Constitutional requirement of fiscal federalism.

Q 8. Which authority will levy and administer GST?

Ans. Centre will levy and administer CGST & IGST while respective states /UTs will levy and administer SGST/ UTGST.

Q 9. How a particular transaction of goods and services would be taxed simultaneously under Central GST (CGST) and State GST (SGST)?

Ans. The Central GST and the State GST would be levied simultaneously on every transaction of supply of goods and services except the exempted goods and services, goods which are outside the purview of GST and the transactions which are below the prescribed threshold limits. Further, both would be levied on the same price or value unlike State VAT which is levied on the value of the goods inclusive of CENVAT. While the location of the supplier and the recipient within the country is immaterial for the purpose of CGST, SGST would be chargeable only when the supplier and the recipient are both located within the State.

Illustration I: Suppose hypothetically that the rate of CGST is 10% and that of SGST is 10%. When a wholesale dealer of steel in Uttar Pradesh supplies steel bars and rods to a construction company which is also located within the same State for, say Rs. 100, the dealer would charge CGST of Rs. 10 and SGST of Rs. 10 in addition to the basic price of the goods. He would be required to deposit the CGST component into a Central Government account while the SGST portion into the account of the concerned State Government. Of course, he need not actually pay Rs. 20 (Rs. 10 + Rs. 10) in cash as he would be entitled to set-off this liability against the CGST or SGST paid on his purchases (say, inputs). But for paying CGST he would be allowed to use only the credit of CGST paid on his purchases while for SGST he can utilize the credit of SGST alone. In other words, CGST credit cannot, in general, be used for payment of SGST. Nor can SGST credit be used for payment of CGST.

Illustration II: Suppose, again hypothetically, that the rate of CGST is 10% and that of SGST is 10%. When an advertising company located in Mumbai supplies advertising services to a company manufacturing soap also located within the State of Maharashtra for, let us say Rs. 100, the ad company would charge CGST of Rs. 10 as well as SGST of Rs. 10 to the basic value of the service. He would be required to deposit the CGST component into a Central Government account while the SGST portion into the account of the concerned State Government. Of course, he need not again actually pay Rs. 20 (Rs. 10+Rs. 10) in cash as it would be entitled to set-off this liability against the CGST or SGST paid on his purchase (say, of inputs such as stationery, office equipment, services of an artist etc.). But for paying CGST he would be allowed to use only the credit of CGST paid on its purchase while for SGST he can utilise the credit of SGST alone. In other words, CGST credit cannot, in general, be used for payment of SGST. Nor can SGST credit be used for payment of CGST.

Q 10. What are the benefits which the Country will accrue from GST?

Ans. Introduction of GST would be a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax and allowing set-off of prior-stage taxes, it would mitigate the ill effects of cascading and pave the way for a common national market. For the consumers, the biggest gain would be in terms of a reduction in the overall tax burden on goods, which is currently estimated at 25%-30%. Introduction of GST would also make our products competitive in the domestic and international markets. Studies show that this would instantly spur economic growth. There may also be revenue gain for the Centre and the States due to widening of the tax base, increase in trade volumes and improved tax compliance. Last but not the least, this tax, because of its transparent character, would be easier to administer.

Q 11. What is IGST?

Ans. Under the GST regime, an Integrated GST (IGST) would be levied and collected by the Centre on inter-State supply of goods and services. Under Article 269A of the Constitution, the GST on supplies in the course of inter- State trade or commerce shall be levied and collected by the Government of India and such tax shall be apportioned between the Union and the States in the manner as may be provided by Parliament by law on the recommendations of the Goods and Services Tax Council.

Q 12. Who will decide rates for levy of GST?

Ans. The CGST and SGST would be levied at rates to be jointly decided by the Centre and States. The rates would be notified on the recommendations of the GST Council.

Q 13. What would be the role of GST Council?

Ans. A GST Council would be constituted comprising the Union Finance Minister (who will be the Chairman of the Council), the Minister of State (Revenue) and the State Finance/Taxation Ministers to make recommendations to the Union and the States on

- (i) the taxes, cesses and surcharges levied by the Centre, the States and the local bodies which may be subsumed under GST;*
- (ii) the goods and services that may be subjected to or exempted from the GST;*
- (iii) the date on which the GST shall be levied on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel;*
- (iv) model GST laws, principles of levy, apportionment of IGST and the principles that govern the place of supply;*
- (v) the threshold limit of turnover below which the goods and services may be exempted from GST;*

- (vi) the rates including floor rates with bands of GST;
- (vii) any special rate or rates for a specified period to raise additional resources during any natural calamity or disaster;
- (viii) special provision with respect to the North- East States, J&K, Himachal Pradesh and Uttarakhand; and
- (ix) any other matter relating to the GST, as the Council may decide.

Q 14. Who is liable to pay GST under the proposed GST regime?

Ans. Under the GST regime, tax is payable by the taxable person on the supply of goods and/or services. Liability to pay tax arises when the taxable person crosses the turnover threshold of Rs.20 lakhs (Rs. 10 lakhs for NE & Special Category States) except in certain specified cases where the taxable person is liable to pay GST even though he has not crossed the threshold limit. The CGST / SGST is payable on all intra-State supply of goods and/or services and IGST is payable on all inter- State supply of goods and/or services. The CGST /SGST and IGST are payable at the rates specified in the Schedules to the respective Acts.

Q 15. What are the benefits available to small tax payers under the GST regime?

Ans. Tax payers with an aggregate turnover in a financial year up to [Rs.20 lakhs & Rs.10 Lakhs for NE and special category states] would be exempt from tax. Further, a person whose aggregate turnover in the preceding financial year is less than Rs.75 Lakhs can opt for a simplified composition scheme where tax will payable at a concessional rate on the turnover in a state.

[Aggregate turnover shall include the aggregate value of all taxable supplies, exempt supplies and exports of goods and/or services and exclude taxes viz. GST.] Aggregate turnover shall be computed on all India basis. For NE States and special category states, the exemption threshold shall be [Rs. 10 lakhs]. All taxpayers eligible for threshold exemption will have the option of paying tax with input tax credit (ITC) benefits. Tax payers making inter-State supplies or paying tax on reverse charge basis shall not be eligible for threshold exemption.

Q 16. How will the goods and services be classified under GST regime?

Ans. HSN (Harmonised System of Nomenclature) code shall be used for classifying the goods under the GST regime. Taxpayers whose turnover is above Rs. 1.5 crores but below Rs. 5 crores shall use 2-digit code and the taxpayers whose turnover is Rs. 5 crores and above shall use 4-digit code. Taxpayers whose turnover is below Rs. 1.5 crores are not required to mention HSN Code in their invoices.

Services will be classified as per the Services Accounting Code (SAC)

Q 17. How will imports be taxed under GST?

Ans. Imports of Goods and Services will be treated as inter-state supplies and IGST will be levied on import of goods and services into the country. The incidence of tax will follow the destination principle and the tax revenue in case of SGST will accrue to the State where the imported goods and services are consumed. Full and complete set-off will be available on the GST paid on import on goods and services.

Q 18. How will Exports be treated under GST?

Ans. Exports will be treated as zero rated supplies. No tax will be payable on exports of goods or services, however credit of input tax credit will be available and same will be available as refund to the exporters. The Exporter will have an option to either pay tax on the output and claim refund of IGST or export under Bond without payment of IGST and claim refund of Input Tax Credit (ITC).

Q 19. What is the scope of composition scheme under GST?

Ans. Small taxpayers with an aggregate turnover in a preceding financial year up to [Rs. 75 lakhs] shall be eligible for composition levy. Under the scheme, a taxpayer shall pay tax as a percentage of his turnover in a state during the year without the benefit of ITC. The rate of tax for CGST and SGST/UTGST shall not be less than [1% for manufacturer & 0.5% in other cases; 2.5% for specific services as mentioned in para 6(b) of Schedule II viz Serving of food or any other article for human consumption]. A tax payer opting for composition levy shall not collect any tax from his customers. The government may increase the above said limit of 75 lakhs rupees to up to one crore rupees, on the recommendation of GST Council.

Tax payers making inter- state supplies or making supplies through ecommerce operators who are required to collect tax at source shall not be eligible for composition scheme.

Threshold limit for composition levy for manufacturers, traders and restaurant service providers enhanced to Rs. 50 lakh in following special category States: Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, and Himachal Pradesh.

Q 20. Whether the composition scheme will be optional or compulsory?

Ans. Optional

Q 21. What is GSTN and its role in the GST regime?

Ans. GSTN stands for Goods and Service Tax Network (GSTN). A Special Purpose Vehicle called the GSTN has been set up to cater to the needs of GST. The GSTN shall provide a shared IT infrastructure and services to Central and State Governments, tax payers and other stakeholders for implementation of GST. The functions of the GSTN would, inter alia, include: (i) facilitating registration; (ii)

forwarding the returns to Central and State authorities; (iii) computation and settlement of IGST; (iv) matching of tax payment details with banking network; (v) providing various MIS reports to the Central and the State Governments based on the tax payer return information; (vi) providing analysis of tax payers' profile; and (vii) running the matching engine for matching, reversal and reclaim of input tax credit.

The GSTN is developing a common GST portal and applications for registration, payment, return and MIS/ reports. The GSTN would also be integrating the common GST portal with the existing tax administration IT systems and would be building interfaces for tax payers. Further, the GSTN is developing back-end modules like assessment, audit, refund, appeal etc. for 19 States and UTs (Model II States). The CBEC and Model I States (15 States) are themselves developing their GST back-end systems. Integration of GST front-end system with back-end systems will have to be completed and tested well in advance for making the transition smooth.

Q 22. Is there any provision in GST for tax treatment of goods returned by the recipient?

Ans. Yes, Section 34 deals with such situations. Where the goods supplied are returned by the recipient, the registered person (supplier of goods) may issue to the recipient a credit note containing the prescribed particulars. The details of the credit note shall be declared by the supplier in the returns for the month during which such credit note was issued but not later than September following the end of the year in which such supply was made or the date of filing of the relevant annual return, whichever is earlier. The details of the credit note shall be matched with the corresponding reduction in claim for input tax credit by the recipient in his valid return for the same tax period or any subsequent tax period and the claim for reduction in output tax liability by the supplier that matches with the corresponding reduction in claim for ITC by the recipient shall be finally accepted and communicated to both parties.

Q 23. What is Anti-Profiteering measure?

Ans. As per section 171 of the CGST/SGST Act, any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices. An authority may be constituted by the government to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.

Q.24 What particulars are required to be mentioned on tax invoice / Bill of Supply/ Receipt Voucher / Refund Voucher issued under GST?

Ans. Tax invoice/ Bill of Supply/Receipt voucher/ Refund Voucher issued under GST shall contain the following particulars:

S.No	Document Type	Particulars Required
1	<i>Tax Invoice for domestic supplies</i>	<ul style="list-style-type: none"> a) <i>name, address and GSTIN of the supplier;</i> b) <i>a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters hyphen or dash and slash symbolized as “-” and “/” respectively, and any combination thereof, unique for a financial year;</i> c) <i>date of its issue;</i> d) <i>name, address and GSTIN or UIN, if registered, of the recipient;</i> e) <i>name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered and where the value of taxable supply is fifty thousand rupees or more;</i> f) <i>HSN code of goods or Accounting Code of services;</i> g) <i>description of goods or services;</i> h) <i>quantity in case of goods and unit or Unique Quantity Code thereof;</i> i) <i>total value of supply of goods or services or both;</i> j) <i>taxable value of supply of goods or services or both taking into account discount or abatement, if any;</i> k) <i>rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);</i> l) <i>amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);</i> m) <i>place of supply along with the name of State, in case of a supply in the course of inter-State trade or commerce;</i> n) <i>address of delivery where the same is different from the place of supply;</i> o) <i>whether the tax is payable on reverse charge basis;</i>

		<p><i>and</i></p> <p>p) <i>signature or digital signature of the supplier or his authorized representative</i></p>
2	<i>Bill of Supply</i>	<p>a) <i>name, address and GSTIN of the supplier;</i></p> <p>b) <i>a consecutive serial number;</i></p> <p>c) <i>date of its issue;</i></p> <p>d) <i>name, address and GSTIN or UIN, if registered, of the recipient;</i></p> <p>e) <i>HSN Code of goods or Accounting Code for services;</i></p> <p>f) <i>description of goods or services or both;</i></p> <p>g) <i>value of supply of goods or services or both taking into account discount or abatement, if any; and</i></p> <p>h) <i>signature or digital signature of the supplier or his authorized representative</i></p>
3	<i>Receipt Voucher</i>	<p>a) <i>name, address and GSTIN of the supplier;</i></p> <p>b) <i>a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year</i></p> <p>c) <i>date of its issue;</i></p> <p>d) <i>name, address and GSTIN or UIN, if registered, of the recipient;</i></p> <p>e) <i>description of goods or services;</i></p> <p>f) <i>amount of advance taken;</i></p> <p>g) <i>rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);</i></p> <p>h) <i>amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);</i></p> <p>i) <i>place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce;</i></p> <p>j) <i>(j) whether the tax is payable on reverse charge basis; and</i></p> <p>k) <i>signature or digital signature of the supplier or his authorized representative</i></p>
4	<i>Refund Voucher</i>	<p>a) <i>name, address and GSTIN of the supplier;</i></p> <p>b) <i>a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash symbolised as “-” and</i></p>

		<p>“/” respectively, and any combination thereof, unique for a financial year</p> <p>c) date of its issue;</p> <p>d) name, address and GSTIN or UIN, if registered, of the recipient;</p> <p>e) number and date of receipt voucher issued in accordance with provisions of sub- rule 5;</p> <p>f) description of goods or services in respect of which refund is made;</p> <p>g) amount of refund made;</p> <p>h) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);</p> <p>i) amount of tax paid in respect of such goods or services (central tax, State tax, integrated tax, Union territory tax or cess);</p> <p>j) whether the tax is payable on reverse charge basis; and</p> <p>k) signature or digital signature of the supplier or his authorized representative.</p>
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Q.25 What are the cases in which service tax is to be paid under reverse charge mechanism?

Ans. In the following cases, service tax is to be paid under reverse charge mechanism:

Sl. No.	Service	Provider of service	Percentage of service tax payable by service provider	Recipient of Service	Percentage of service tax payable by any person other than the service provider
1.	Taxable services provided or agreed to be provided by any person who is located in a non-taxable territory and received by any person located in the taxable territory other than non-assessee online recipient (OIDAR)	Any person who is located in a non-taxable territory	Nil	Any person located in the taxable territory other than non-assessee online recipient (Business Recipient)	100%

2.	Services provided or agreed to be provided by a goods transport agency (GTA) in respect of transportation of goods by road	Goods Transport Agency (GTA)	Nil	(a) any factory registered under or governed by the Factories Act, 1948; (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; (c) any co-operative society established by or under any law; (d) any person registered under CGST/SGST/UTGST Act; (e) any body corporate established, by or under any law; or (f) any partnership firm whether registered or not under any law including association of persons. (g) Casual taxable person	100%
3.	Services provided or agreed to be provided by an individual advocate or firm of advocates by way of legal services, directly or indirectly	An individual advocate or firm of advocates	Nil	Any business entity.	100%
4.	Services provided or agreed to be provided by an arbitral tribunal	An arbitral tribunal	Nil	Any business entity.	100%
5.	Sponsorship services	Any person	Nil	Anybody corporate or partnership firm.	100%
6.	Services provided or agreed to be provided by Government or local authority excluding,- (1) renting of immovable property, and (2) services specified below- (i) services by the Department of Posts	Government or local authority	Nil	Any business entity.	100%

	by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Government; (ii) services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport; (iii) transport of goods or passengers.				
8.	Services provided or agreed to be provided by a director of a company or a body corporate to the said company or the body corporate;	A director of a company or a body corporate	Nil	A company or a body corporate.	100%
9.	Services provided or agreed to be provided by an insurance agent to any person carrying on insurance business	An insurance agent	Nil	Any person carrying on insurance business.	100%
10.	Services provided or agreed to be provided by a recovery agent to a banking company or a financial institution or a non-banking financial company	A recovery agent	Nil	A banking company or a financial institution or a non-banking financial company.	100%
11.	Services by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India	A person located in non-taxable territory to a person located in non-taxable territory	Nil	Importer as defined under clause (26) of section 2 of the Customs Act, 1962.	100%
12.	Transfer or permitting the use or enjoyment of a copyright covered under clause (a) of sub-section (1) of section 13 of the Copyright Act, 1957 relating to original literary, dramatic, musical or artistic works	Author or music composer, photographer, artist, etc	Nil	Publisher, Music company, Producer	100%
13.	Radio taxi or Passenger Transport Services provided through electronic commerce operator	Taxi driver or Rent a cab operator	Nil	Any person	100% by Electronic Commerce Operator

2. Registration

Q 1. What is advantage of taking registration in GST?

Ans. Registration under Goods and Service Tax (GST) regime will confer following advantages to the business:

- *Legally recognized as supplier of goods or services.*
- *Proper accounting of taxes paid on the input goods or services which can be utilized for payment of GST due on supply of goods or services or both by the business.*
- *Legally authorized to collect tax from his purchasers and pass on the credit of the taxes paid on the goods or services supplied to purchasers or recipients.*
- *Getting eligible to avail various other benefits and privileges rendered under the GST laws.*

Q 2. Can a person without GST registration claim ITC and collect tax?

Ans. No, a person without GST registration can neither collect GST from his customers nor can claim any input tax credit of GST paid by him.

Q 3. What will be the effective date of registration?

Ans. Where the application for registration has been submitted within thirty days from the date on which the person becomes liable to registration, the effective date of registration shall be the date on which he became liable for registration. Where an application for registration has been submitted by the applicant after thirty days from the date of his becoming liable to registration, the effective date of registration shall be the date of grant of registration.

In case of a person taking registration voluntarily while being within the threshold exemption limit for paying tax, the effective date of registration shall be the date of order of registration.

Q 4. Who are the persons liable to take a Registration under the Model GST Law?

Ans. As per Section 22 of the CGST/SGST Act 2017, every supplier (including his agent) who makes a taxable supply i.e. supply of goods and / or services which are leviable to tax under GST law, and his aggregate turn over in a financial year exceeds the threshold limit of twenty lakh rupees shall be liable to register himself in the State or the Union territory of Delhi or Puducherry from where he makes the taxable supply.

In case of eleven special category states (as mentioned in Art.279A(4)(g) of the Constitution of India), this threshold limit for registration liability is ten lakh rupees.

Besides, Section 24 of the Act mentions certain categories of suppliers, who shall be liable to take registration even if their aggregate turnover is below the said threshold limit of 20 lakh rupees.

On the other hand, as per Section 23 of the Act, an agriculturist in respect of supply of his agricultural produce; as also any person exclusively making supply of non-taxable or wholly exempted goods and/or services under GST law will not be liable for registration.

Q 5. What is aggregate turnover?

Ans. As per section 2(6) of the CGST/SGST Act “aggregate turnover” includes the aggregate value of:

- (i) all taxable supplies,*
 - (ii) all exempt supplies,*
 - (iii) exports of goods and/or service, and,*
 - (iv) all inter-state supplies*
- of a person having the same PAN.*

The above shall be computed on all India basis and excludes taxes charged under the CGST Act, SGST Act, UTGST Act, and the IGST Act. Aggregate turnover shall include all supplies made by the Taxable person, whether on his own account or made on behalf of all his principals.

Aggregate turnover does not include value of supplies on which tax is levied on reverse charge basis, and value of inward supplies.

The value of goods after completion of job work is not includible in the turnover of the job-worker. It will be treated as supply of goods by the principal and will accordingly be includible in the turnover of the Principal.

Q 6. Which are the cases in which registration is compulsory?

Ans. As per Section 24 of the CGST/SGST Act, the following categories of persons shall be required to be registered compulsorily irrespective of the threshold limit:

- i) persons making any inter-State taxable supply;*
- ii) casual taxable persons;*
- iii) persons who are required to pay tax under reverse charge;*
- iv) electronic commerce operators required to pay tax under sub-section (5) of section 9;*
- v) non-resident taxable persons;*
- vi) persons who are required to deduct tax under section 51;*
- vii) persons who supply goods and/or services on behalf of other registered taxable persons whether as an agent or otherwise;*
- viii) Input service distributor (whether or not separately registered under the Act)*
- ix) persons who are required to collect tax under section 52;*
- x) every electronic commerce operator*

- xi) every person supplying online information and data base retrieval services from a place outside India to a person in India, other than a registered person; and,*
- xii) such other person or class of persons as may be notified by the Central Government or a State Government on the recommendations of the Council.*

Q 7. What is the time limit for taking a Registration under GST?

Ans. A person should take a Registration, within thirty days from the date on which he becomes liable to registration, in such manner and subject to such conditions as is prescribed under the Registration Rules. A Casual Taxable person and a non-resident taxable person should however apply for registration at least 5 days prior to commencement of business.

Q 8. If a person is operating in different states, with the same PAN number, whether he can operate with a single Registration?

Ans. No. Every person who is liable to take a Registration will have to get registered separately for each of the States where he has a business operation and is liable to pay GST in terms of Sub-section (1) of Section 22 of the CGST/SGST Act.

Q 9. Whether a person having multiple business verticals in a state can obtain for different registrations?

Ans. Yes. In terms of the proviso to Sub-Section (2) of Section 25, a person having multiple business verticals in a State may obtain a separate registration for each business vertical, subject to such conditions as may be prescribed.

Q 10. Is there a provision for a person to get himself voluntarily registered though he may not be liable to pay GST?

Ans. Yes. In terms of Sub-section (3) of Section 25, a person, though not liable to be registered under Section 22 may get himself registered voluntarily, and all provisions of this Act, as are applicable to a registered taxable person, shall apply to such person.

Q 11. Is possession of a Permanent Account Number (PAN) mandatory for obtaining a Registration?

Ans. Yes. As per Section 25(6) of the CGST/SGST Act every person shall have a Permanent Account Number issued under the Income Tax Act, 1961 (43 of 1961) in order to be eligible for grant of registration.

However as per the proviso to the aforesaid section 25(6), a person required to deduct tax under Section 51, may have, in lieu of a PAN, a Tax Deduction and Collection Account Number issued under the said Income Tax Act, in order to be eligible for grant of registration.

Also, as per Section 25(7) PAN is not mandatory for a non-resident taxable person who may be granted registration on the basis of any other document as maybe prescribed.

Q 12. Whether the Department through the proper officer, can suo-moto proceed to register of a Person under this Act?

Ans. Yes. In terms of sub-section (8) of Section 25, where a person who is liable to be registered under this Act fails to obtain registration, the proper officer may, without prejudice to any action which may be taken under this Act, or under any other law for the time being in force, proceed to register such person in the manner as is prescribed in the Registration rules.

Q 13. Whether the proper officer can reject an Application for Registration?

Ans. Yes. In terms of sub-section 10 of section 25 of the CGST/SGST Act, the proper officer can reject an application for registration after due verification.

Q 14. Is it necessary for the Govt. Organization to get registration?

Ans. A unique identification number (ID) would be given by the respective state tax authorities through GST portal to Government authorities / PSUs not making outwards supplies of GST goods (and thus not liable to obtain GST registration) but are making inter-state purchases.

Q 15. Who is a Casual Taxable Person?

Ans. Casual Taxable Person has been defined in Section 2 (20) of the CGST/SGST Act meaning a person who occasionally undertakes transactions involving supply of goods and/or services in the course or furtherance of business, whether as principal, or agent or in any other capacity, in a State or a Union territory where he has no fixed place of business.

Q 16. What is the validity period of the Registration certificate issued to a Casual Taxable Person?

Ans. In terms of Section 27(1) read with proviso thereto, the certificate of registration issued to a "casual taxable person" shall be valid for a period specified in the application for registration or ninety days from the effective date of registration, whichever is earlier. However, the proper officer, at the request of the said taxable person, may extend the validity of the aforesaid period of ninety days by a further period not exceeding ninety days.

Q 17. Is there any Advance tax to be paid by a Casual Taxable Person and Non-resident Taxable Person at the time of obtaining registration under this Special Category?

Ans. Yes. While a normal taxable person does not have to make any advance deposit of tax to obtain registration, a casual taxable person shall, at the time of

submission of application for registration is required, in terms of Section 27(2) read with proviso thereto, make an advance deposit of tax in an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought. If registration is to be extended beyond the initial period of ninety days, an advance additional amount of tax equivalent to the estimated tax liability is to be deposited for the period for which the extension beyond ninety days is being sought.

Q 18. Whether Amendments to the Registration Certificate is permissible?

Ans. Yes. In terms of Section 28, the proper officer may, on the basis of such information furnished either by the registrant or as ascertained by him, approve or reject amendments in the registration particulars within a period of 15 common working days from the date of receipt of application for amendment.

It is to be noted that permission of the proper officer for making amendments will be required for only certain core fields of information, whereas for the other fields, the certificate of registration shall stand amended upon submission of application in the GST common portal.

Q 19. Whether Cancellation of Registration Certificate is permissible?

Ans. Yes. Any Registration granted under this Act may be cancelled by the Proper Officer, in circumstances mentioned in Section 29 of the CGST/SGST Act. The proper officer may, either on his own motion or on an application filed, in the prescribed manner, by the registered taxable person or by his legal heirs, in case of death of such person, cancel the registration, in such manner and within such period as may be prescribed. As per the Registration Rules, an order for cancellation is to be issued within 30 days from the date of receipt of reply to SCN (in cases where the cancellation is proposed to be carried out suo moto by the proper officer) or from the date of receipt of application for cancellation (in case where the taxable person/legal heir applies for such cancellation).

Q 20. Whether cancellation of Registration under CGST Act means cancellation under SGST Act also?

Ans. Yes, the cancellation of registration under one Act (say CGST Act) shall be deemed to be a cancellation of registration under the other Act (i.e. SGST Act). (Section 29 (4)).

Q 21. Is there an option to take centralized registration for services under GST Law?

Ans. No, the tax payer has to take separate registration in every state from where he makes taxable supplies.

Q 22. If the taxpayer has different business verticals in one state, will he have to obtain separate registration for each such vertical in the state?

Ans. No, however the taxpayer has the option to register such separate business verticals independently in terms of the proviso to Section 25(2) of the CGTST Act, 2017.

Q23. Who is an ISD?

Ans. ISD stands for Input Service Distributor and has been defined under Section 2(61) of the CGST/SGST Act. It is basically an office meant to receive tax invoices towards receipt of input services and further distribute the credit to supplier units (having the same PAN) proportionately.

Q 24. Will ISD be required to be separately registered other than the existing tax payer registration?

Ans. Yes, the ISD registration is for one office of the taxpayer which will be different from the normal registration.

Q 25. Can a tax payer have multiple ISDs?

Ans. Yes. Different offices of a tax payer can apply for ISD registration.

Q 26. Whether all assesses / dealers who are already registered under existing central excise/service tax/ vat laws will have to obtain fresh registration?

Ans. No, GSTN shall migrate all such assesseees/dealers to the GSTN network and shall issue a provisional registration certificate with GSTIN number on the appointed day, which after due verification by the departmental officers within six months, will be converted into final registration certificate. For converting the provisional registration to final registration the registrants will be asked to submit all requisite documents and information required for registration in a prescribed period of time. Failure to do so will result in cancellation of the provisional GSTIN number.

The service tax assesses having centralized registration will have to apply afresh in the respective states wherever they have their businesses.

Q 27. Whether the job worker will have to be compulsorily registered?

Ans. No, a Job worker is a supplier of services and will be obliged to take registration only when his turnover crosses the prescribed threshold of 20/10 Lakhs.

Q 28. Whether the goods will be permitted to be supplied from the place of business of a job worker?

Ans. Yes. But only in cases where the job worker is registered, or if not, the principal declares the place of business of the job worker as his additional place of business.

Q 29. At the time of registration will the assessee have to declare all his places of business?

Ans. Yes. The principal place of business and place of business have been separately defined under section 2(89) & 2(85) of the CGST/SGST Act respectively. The taxpayer will have to declare the principal place of business as well as the details of additional places of business in the registration form.

Q 30. Is there any system to facilitate smaller dealers or dealers having no IT infrastructure?

Ans. In order to cater to the needs of tax payers who are not IT savvy, following facilities shall be made available: -

Tax Return Preparer(TRP): A taxable person may prepare his registration application /returns himself or can approach the TRP for assistance. TRP will prepare the said registration document / return in prescribed format on the basis of the information furnished to him by the taxable person. The legal responsibility of the correctness of information contained in the forms prepared by the TRP will rest with the taxable person only and the TRP shall not be liable for any errors or incorrect information.

Q 31. Is there any facility for digital signature in the GSTN registration?

Ans. Tax payers would have the option to sign the submitted application using valid digital signatures. There will be two options for electronically signing the application or other submissions- by e-signing through Aadhar number, or through DSC i.e. by registering the tax payer's digital signature certificate with GST portal. However, companies or limited liability partnership entities will have to sign mandatorily through DSC only. Only level 2 and level 3 DSC certificates will be acceptable for signature purpose.

Q 32. What will be the time limit for the decision on the on line registration application?

Ans. If the information and the uploaded documents are found in order, the State and the Central authorities shall have to respond to the application within three common working days. If they communicate any deficiency or discrepancy in the application within such time, then the applicant will have to remove the discrepancy / deficiency within 7 days of such communication. Thereafter, for either approving the application or rejecting it, the State and the Central authorities will have 7 days from the date when the taxable person communicates removal of deficiencies. In case no response is given by the

departmental authorities within the said time line, the portal shall automatically generate the registration.

Q 33. What will be the time of response by the applicant if any query is raised in the online application?

Ans. If during the process of verification, one of the tax authorities raises some query or notices some error, the same shall be communicated to the applicant and to the other tax authority through the GST Common Portal within 3 common working days. The applicant will reply to the query/rectify the error/ answer the query within a period of seven days from the date of receipt of deficiency intimation.

On receipt of additional document or clarification, the relevant tax authority will respond within seven common working days from the date of receipt of clarification.

Q 34. What is the process of refusal of registration?

Ans. In case registration is refused, the applicant will be informed about the reasons for such refusal through a speaking order. The applicant shall have the right to appeal against the decision of the Authority. As per sub-section (2) of section 26 of the CGST Act, any rejection of application for registration by one authority (i.e. under the CGST Act / SGST Act) shall be deemed to be a rejection of application for registration by the other tax authority (i.e. under the SGST Act / UTGST Act/ CGST Act).

Q 35. Will there be any communication related to the application disposal?

Ans. The applicant shall be informed of the fact of grant or rejection of his registration application through an e-mail and SMS by the GST common portal. Jurisdictional details would be intimated to the applicant at this stage.

Q 36. Can the registration certificate be downloaded from the GSTN portal?

Ans. In case registration is granted; applicant can download the Registration Certificate from the GST common portal.

Q 37. Can cancellation of registration order be revoked?

Ans. Yes, but only in cases where the initial cancellation has been done by the proper officer suo moto, and not on the request of the taxable person or his legal heirs. A person whose registration has been cancelled suo moto can apply to the proper officer for revocation of cancellation of registration within 30 days from the date of communication of the cancellation order. The proper officer may within a period of 30 days from the date of receipt of application for revocation of cancellation or receipt of information/clarification, either revoke the cancellation or reject the application for revocation of cancellation of registration.

Q 38. Does cancellation of registration impose any tax obligations on the person whose registration is so cancelled?

Ans. Yes, as per Section 29(5) of the CGST/SGST Act, every registered taxable person whose registration is cancelled shall pay an amount, by way of debit in the electronic cash/credit ledger, equivalent to the credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock or capital goods or plant and machinery on the day immediately preceding the date of such cancellation or the output tax payable on such goods, whichever is higher.

3. Returns Process and matching of Input Tax Credit

Q 1. What is the purpose of returns?

Ans.

- a) Mode for transfer of information to tax administration;*
- b) Compliance verification program of tax administration;*
- c) Finalization of the tax liabilities of the taxpayer within stipulated period of limitation; to declare tax liability for a given period;*
- d) Providing necessary inputs for taking policy decision;*
- e) Management of audit and anti-evasion programs of tax administration*

Q 2. Who needs to file Return in GST regime?

Ans. Every person registered under GST will have to file returns in some form or other. A registered person will have to file returns either monthly (normal supplier) or quarterly basis (Supplier opting for composition scheme). An ISD will have to file monthly returns showing details of credit distributed during the particular month. A person required to deduct tax (TDS) and persons required to collect tax (TCS) will also have to file monthly returns showing the amount deducted/collected and other details as may be prescribed. A non-resident taxable person will also have to file returns for the period of activity undertaken.

Q 3. What type of outward supply details are to be filed in the return?

Ans. A normal registered taxpayer has to file the outward supply details in GSTR-1 in relation to various types of supplies made in a month, namely outward supplies to registered persons, outward supplies to unregistered persons (consumers), details of Credit/Debit Notes, zero rated, exempted and non-GST supplies, exports, and advances received in relation to future supply.

Q 4. Is the scanned copy of invoices to be uploaded along with GSTR-1?

Ans. No scanned copy of invoices is to be uploaded. Only certain prescribed fields of information from invoices need to be uploaded.

Q 5. Whether all invoices will have to be uploaded?

Ans. No. It depends on whether B2B or B2C plus whether Intra-state or Inter-state supplies.

For B2B supplies, all invoices, whether Intra-state or Inter-state supplies, will have to be uploaded. Why So? Because ITC will be taken by the recipients, invoice matching is required to be done.

In B2C supplies, uploading in general may not be required as the buyer will not be taking ITC. However still in order to implement the destination based principle, invoices of value more than Rs.2.5 lacs in inter-state B2C supplies will have to be uploaded. For inter-state invoices below Rs. 2.5 lacs and all intra-state invoices, state wise summary will be sufficient.

Q 6. Whether description of each item in the invoice will have to be uploaded?

Ans. No. In fact, description will not have to be uploaded. Only HSN code in respect of supply of goods and Accounting code in respect of supply of services will have to be fed. The minimum number of digits that the filer will have to upload would depend on his turnover in the last year.

Q 7. Whether value for each transaction will have to be fed? What if no consideration?

Ans. Yes. Not only value but taxable value will also have to be fed. In some cases, both may be different.

In case there is no consideration, but it is supply by virtue of schedule 1, the taxable value will have to be worked out as prescribed and uploaded.

Q 8. Can a recipient feed information in his GSTR-2 which has been missed by the supplier?

Ans. Yes, the recipient can himself feed the invoices not uploaded by his supplier. The credit on such invoices will also be given provisionally but will be subject to matching. On matching, if the invoice is not uploaded by the supplier, both of them will be intimated. If the mismatch is rectified, provisional credit will be confirmed. But if the mismatch continues, the amount will be added to the output tax liability of the recipient in the returns for the month subsequent to the month in which such discrepancy was communicated.

Q 9. Does the taxable person have to feed anything in the GSTR-2 or everything is auto-populated from GSTR-1?

Ans. While a large part of GSTR-2 will be auto-populated, there are some details that only recipient can fill like details of imports, details of purchases from non-registered or composition suppliers and exempt/non-GST/nil GST supplies etc.

Q 10. What if the invoices do not match? Whether ITC is to be given or denied? If denied, what action is taken against supplier?

Ans. If invoices in GSTR-2 do not match with invoices in counter-party GSTR-1, then such mismatch shall be intimated to the supplier. Mismatch can be because of two reasons. First, it could be due to mistake at the side of the recipient, and in such a case, no further action is required. Secondly, it could be possible that the said invoice was issued by supplier but he did not upload it and pay tax on it. In such a case, the ITC availed by the recipient would be added to his output tax liability, in short, all mismatches will lead to proceedings if the supplier has made a supply but not paid tax on it.

Q 11. What will be the legal position in regard to the reversed input tax credit if the supplier later realizes the mistake and feeds the information?

Ans. At any stage, but before September of the next financial year, supplier can upload the invoice and pay duty and interest on such missing invoices in his GSTR-3 of the month in which he had earlier failed to upload the invoice. The recipient shall be eligible to reduce his output tax liability to the extent of the amount in respect of which the supplier has rectified the mis-match. The interest paid by the recipient at the time of reversal will also be refunded to the recipient by crediting the amount in corresponding head of his electronic cash ledger.

Q 12. What is the special feature of GSTR-2?

Ans. The special feature of GSTR-2 is that the details of supplies received by a recipient can be auto populated on the basis of the details furnished by the counterparty supplier in his GSTR-1.

Q 13. How does a taxpayer get the credit of the tax deducted at source on his behalf? Does he need to produce TDS certificate from the deductee to get the credit?

Ans. Under GST, the deductor will be submitting the deductee wise details of all the deductions made by him in his return in Form GSTR-7 to be filed by 10th of the month next to the month in which deductions were made. The details of the deductions as uploaded by the deductor shall be auto populated in the GSTR-2 of the deductee. The taxpayer shall be required to confirm these details in his GSTR-2 to avail the credit for deductions made on his behalf. To avail this credit, he does not require to produce any certificate in physical or electronic form. The certificate will only be for record keeping of the tax payer and can be downloaded from the Common Portal.

Q 14. Which type of taxpayers need to file Annual Return?

Ans. All taxpayers filing return in GSTR-1 to GSTR-3, other than ISD's, casual/non-resident taxpayers, taxpayers under composition scheme, TDS/TCS deductors, are required to file an annual return. Casual taxpayers, non- resident

taxpayers, ISDs and persons authorized to deduct/collect tax at source are not required to file annual return.

Q 15. Is an Annual Return and a Final Return one and the same?

Ans. No. Annual Return has to be filed by every registered person paying tax as a normal taxpayer. Final Return has to be filed only by those registered persons who have applied for cancellation of registration. The Final return has to be filed within three months of the date of cancellation or the date of cancellation order.

Q 16. If a return has been filed, how can it be revised if some changes are required to be made?

Ans. In GST since the returns are built from details of individual transactions, there is no requirement for having a revised return. Any need to revise a return may arise due to the need to change a set of invoices or debit/ credit notes. Instead of revising the return already submitted, the system will allow changing the details of those transactions (invoices or debit/credit notes) that are required to be amended. They can be amended in any of the future GSTR- 1/2 in the tables specifically provided for the purposes of amending previously declared details.

Q 17. How can taxpayers file their returns?

Ans. Taxpayers will have various modes to file the statements and returns. Firstly, they can file their statement and returns directly on the Common Portal online. However, this may be tedious and time consuming for taxpayers with large number of invoices. For such taxpayers, an offline utility will be provided that can be used for preparing the statements offline after downloading the auto populated details and uploading them on the Common Portal. GSTN has also developed an ecosystem of GST Suvidha Providers (GSP) that will integrate with the Common Portal.

Q 18. What precautions, a taxpayer is required to take for a hassle free compliance under GST?

Ans. One of the most important things under GST will be timely uploading of the details of outward supplies in Form GSTR-1 by 10th of next month. How best this can be ensured will depend on the number of B2B invoices that the taxpayer issues. If the number is small, the taxpayer can upload all the information in one go. However, if the number of invoices is large, the invoices (or debit/ credit notes) should be uploaded on a regular basis. GSTN will allow regular uploading of invoices even on a real time basis. Till the statement is actually submitted, the system will also allow the taxpayer to modify the uploaded invoices. Therefore, it would always be beneficial for the taxpayers to regularly upload the invoices. Last minute rush will make uploading difficult and will come with higher risk of

possible failure and default. The second thing would be to ensure that taxpayers follow up on uploading the invoices of their inward supplies by their suppliers. This would be helpful in ensuring that the input tax credit is available without any hassle and delay. Recipients can also encourage their suppliers to upload their invoices on a regular basis instead of doing it on or close to the due date. The system would allow recipients to see if their suppliers have uploaded invoices pertaining to them. The GSTN system will also provide the track record about the compliance level of a tax payer, especially about his track record in respect of timely uploading of his supply invoices giving details about the auto reversals that have happened for invoices issued by a supplier. The Common Portal of GST would have pan India data at one place which will enable valuable services to the taxpayers. Efforts are being made to make regular uploading of invoices as easy as possible and it is expected that an enabling eco- system will be developed to achieve this objective. Taxpayers should make efficient use of this ecosystem for easy and hassle free compliance under GST.

Q 19. Is it compulsory for a taxpayer to file return by himself?

Ans. No. A registered taxpayer can also get his return filed through a Tax Return Preparer, duly approved by the Central or the State tax administration.

Q 20. What is the consequence of not filing the return within the prescribed date?

Ans. A registered person who files return beyond the prescribed date will have to pay late fees of rupees one hundred for every day of delay subject to a maximum of rupees five thousand. For failure to furnish Annual returns by due date, late fee of Rs. One hundred for every day during which such failure continues subject to a maximum of an amount calculated at a quarter percent [0.25%] of his turnover in a state, will be levied.

Q 21. Whether the amount of credit detected by the system on account of mismatch between GSTR-1 and GSTR-2 and recovered as output tax can be reclaimed?

Ans. Yes, once the mismatch is rectified by the supplier by declaring the details of the invoices or debit notes, as the case may be, in his valid return for the month/quarter in which the error had been detected. The said amount can be reclaimed by way of reducing the output tax liability during the subsequent tax period. [section 42(7)]. Similar provisions have also been made in Section 43 of the Act in respect of the credit notes issued by the supplier.

Q.22 What are the returns required to be filed under GST?

Ans. Following returns are required to be filed under GST:

Report Name	Purpose	Due date
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<i>GSTR-1 (Monthly)</i>	<i>Outward supplies</i>	<i>10 th of next month</i>
<i>GSTR-2 (Monthly)</i>	<i>Inward supplies</i>	<i>15 th of next month</i>
<i>GSTR-3 (Monthly)</i>	<i>Monthly Return</i>	<i>20 th of next month</i>
<i>GSTR-6 (Monthly)</i>	<i>ISD Return</i>	<i>13 th of next month</i>
<i>GSTR-7 (Monthly)</i>	<i>TDS return</i>	<i>10 th of next month</i>
<i>GSTR-9 (Annually)</i>	<i>Annual return</i>	<i>31 st December of next FY</i>
<i>GSTR-9B</i>	<i>Reconciliation Statement</i>	<i>Auto Populated</i>

4. GST Payment of Tax

Q 1. What are the Payments to be made in GST regime?

Ans. In the GST regime, for any intra-state supply, taxes to be paid are the Central GST (CGST), going into the account of the Central Government) and the State/UT GST (SGST, going into the account of the concerned State Government). For any inter-state supply, tax to be paid is Integrated GST (IGST) which will have components of both CGST and SGST. In addition, certain categories of registered persons will be required to pay to the government account Tax Deducted at Source (TDS) and Tax Collected at Source (TCS). In addition, wherever applicable, Interest, Penalty, Fees and any other payment will also be required to be made.

Q 2. Who is liable to pay GST?

Ans. In general, the supplier of goods or services is liable to pay GST. However, in specified cases like imports and other notified supplies, the liability may be cast on the recipient under the reverse charge mechanism. Further, in some notified cases of intra-state supply of services, the liability to pay GST may be cast on e-commerce operators through which such services are supplied. Also Government Departments making payments to vendors above a specified limit [2.5 lakh under one contract as per S.51(1)(d)] are required to deduct tax (TDS) and E-commerce operators are required to collect tax (TCS) on the net value [i.e. aggregate value of taxable supplies of goods and/or services but excluding such value of services on which the operator is made liable to pay GST under Section 9(5) of the CGST Act, 2017] of supplies made through them and deposit it with the Government.

Q 3. When does liability to pay GST arises?

Ans. Liability to pay arises at the time of supply of Goods as explained in Section 12 and at the time of supply of services as explained in Section 13. The time is generally the earliest of one of the three events, namely receiving payment, issuance of invoice or completion of supply. Different situations envisaged and different tax points have been explained in the aforesaid sections.

Q 4. How can payment be done?

Ans. Payment can be done by the following methods:

(i) Through debit of Credit Ledger of the tax payer maintained on the Common Portal – ONLY Tax can be paid. Interest, Penalty and Fees cannot be paid by debit in the credit ledger. Tax payers shall be allowed to take credit of taxes paid on inputs (input tax credit) and utilize the same for payment of output tax. However, no input tax credit on account of CGST shall be utilized towards payment of SGST and vice versa. The credit of IGST would be permitted to be utilized for payment of IGST, CGST and SGST in that order.

(ii) In cash by debit in the Cash Ledger of the tax payer maintained on the Common Portal. Money can be deposited in the Cash Ledger by different modes, namely, E-Payment (Internet Banking, Credit Card, Debit Card); Real Time Gross Settlement (RTGS)/ National Electronic Fund Transfer (NEFT); Over the Counter Payment in branches of Banks Authorized to accept deposit of GST.

Q 5. When is payment of taxes to be made by the Supplier?

Ans. Payment of taxes by the normal tax payer is to be done on monthly basis by the 20th of the succeeding month. Cash payments will be first deposited in the Cash Ledger and the tax payer shall debit the ledger while making payment in the monthly returns and shall reflect the relevant debit entry number in his return. As mentioned earlier, payment can also be debited from the Credit Ledger. Payment of taxes for the month of March shall be paid by the 20th of April. Composition tax payers will need to pay tax on quarterly basis.

Q 6. Whether time limit for payment of tax can be extended or paid in monthly installments?

Ans. No, this is not permitted in case of self-assessed liability. In other cases, competent authority has been empowered to extend the time period or allow payment in instalments. (Section 80 of the CGST/SGST Act).

Q 7. What happens if the taxable person files the return but does not make payment of tax?

Ans. In such cases, the return is not considered as a valid return. Section 2(117) defines a valid return to mean a return furnished under sub-section (1) of section 39 on which self-assessed tax has been paid in full. It is only the valid return that would be used for allowing input tax credit (ITC) to the recipient. In other words, unless the supplier has paid the entire self-assessed tax and filed his return and the recipient has filed his return, the ITC of the recipient would not be confirmed.

Q 8. Which date is considered as date of deposit of the tax dues – Date of presentation of cheque or Date of payment or Date of credit of amount in the account of government?

Ans. It is the date of credit to the Government account.

Q 9. Can a tax payer generate challan in multiple sittings?

Ans. Yes, a taxpayer can partially fill in the challan form and temporarily “save” the challan for completion at a later stage. A saved challan can be “edited” before finalization. After the tax payer has finalized the challan, he will generate the challan, for use of payment of taxes. The remitter will have option of printing the challan for his record.

Q 10. Can a challan generated online be modified?

Ans. No. After logging into GSTN portal for generation of challan, payment particulars have to be fed in by the tax payer or his authorized person. He can save the challan midway for future updation. However once the challan is finalized and CPIN generated, no further changes can be made to it by the taxpayer.

Q 11. Is the pre-registration of credit card necessary in the GSTN portal for the GST payment?

Ans. Yes. The taxpayer would be required to pre-register his credit card, from which the tax payment is intended, with the Common Portal maintained on GSTN. GSTN may also attempt to put in a system with banks in getting the credit card verified by taking a confirmation from the credit card service provider. The payments using credit cards can therefore be allowed without any monetary limit to facilitate ease of doing business.

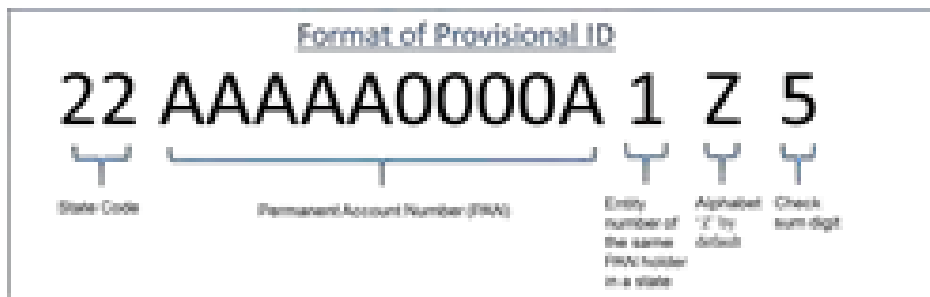
FAQs on updation of GST data on GAIL's website

Q 1. Which number is to be updated on GAIL's website?

Ans. Customer or vendor is required to update 15digit Provisional ID number which will be GSTIN under GST. It is distinct from ARN No.

Q 2. Is there any particular format of GSTIN?

Ans. GSTIN being allotted shall have the following format:



- i. *The first two digits of GSTIN will represent the state code according to Indian Census 2011. Each state has a unique two digit code like “27” for Maharashtra and “10” for Bihar.*
- ii. *The next ten digits of GSTIN will be the PAN number of the taxpayer.*
- iii. *13th digit indicates the number of registrations an entity has within a state for the same PAN.*
- iv. *It will be an alpha-numeric number (first 1-9 and then A-Z) and will be assigned on the basis of number of registrations a legal entity (having the same PAN) has within one state.*

For example, if a legal entity has single or one registration only within a state then it will be assigned the number “1” as 13th digit of the GSTIN. If the same legal entity gets another or second registration for a second business vertical within the same state, then the 13th digit of GSTIN assigned to this entity will become “2”. Similarly, if an entity has 11 registrations in the same

state then it will be assigned letter “B” in the 13th place. This way up to 35 business verticals of any legal entity can be registered within a state using this system.

- v. The fourteenth digit currently has no use and therefore will be “Z” by default.
- vi. The last digit will be a check code which will be used for detection of errors.

Q 3. While entering details following error message is being displayed “GST Number is not applicable for this State”?

Ans. Following action may be taken in such a case:

- a. Kindly open the link in Google Chrome browser instead of Internet Explorer
- b. Enter GST No in the field instead of copying and pasting in the field.

Q 4. While clicking on customer / vendor code button, field for entering customer / vendor code is not appearing?

Ans. Kindly open the link in Google Chrome browser and again click on customer/ vendor code button.

Q 5. While entering details following error message is being displayed “GST Number is not applicable for this State” even when link is opened using Google Chrome browser?

Ans. Kindly check the valid state code is being entered as per following list:

State Code	State Name
01	Jammu & Kashmir
02	Himachal Pradesh
03	Punjab
04	Chandigarh
05	Uttanchal
06	Haryana
07	Delhi
08	Rajasthan
09	Uttar Pradesh
10	Bihar
11	Sikkim
12	Arunachal Pradesh
13	Nagaland
14	Manipur

15	Mizoram
16	Tripura
17	Meghalaya
18	Assam
19	West Bengal
20	Jharkhand
21	Orissa
22	Chhattisgarh
23	Madhya Pradesh
24	Gujarat
25	Daman & Diu
26	Dadra & Nagar Haveli
27	Maharashtra
28	Andhra Pradesh
29	Karnataka
30	Goa
31	Lakshdweep
32	Kerala
33	Tamil Nadu
34	Pondicherry
35	Andaman & Nicobar Islands
36	Telangana
37	Andhra Pradesh (new)