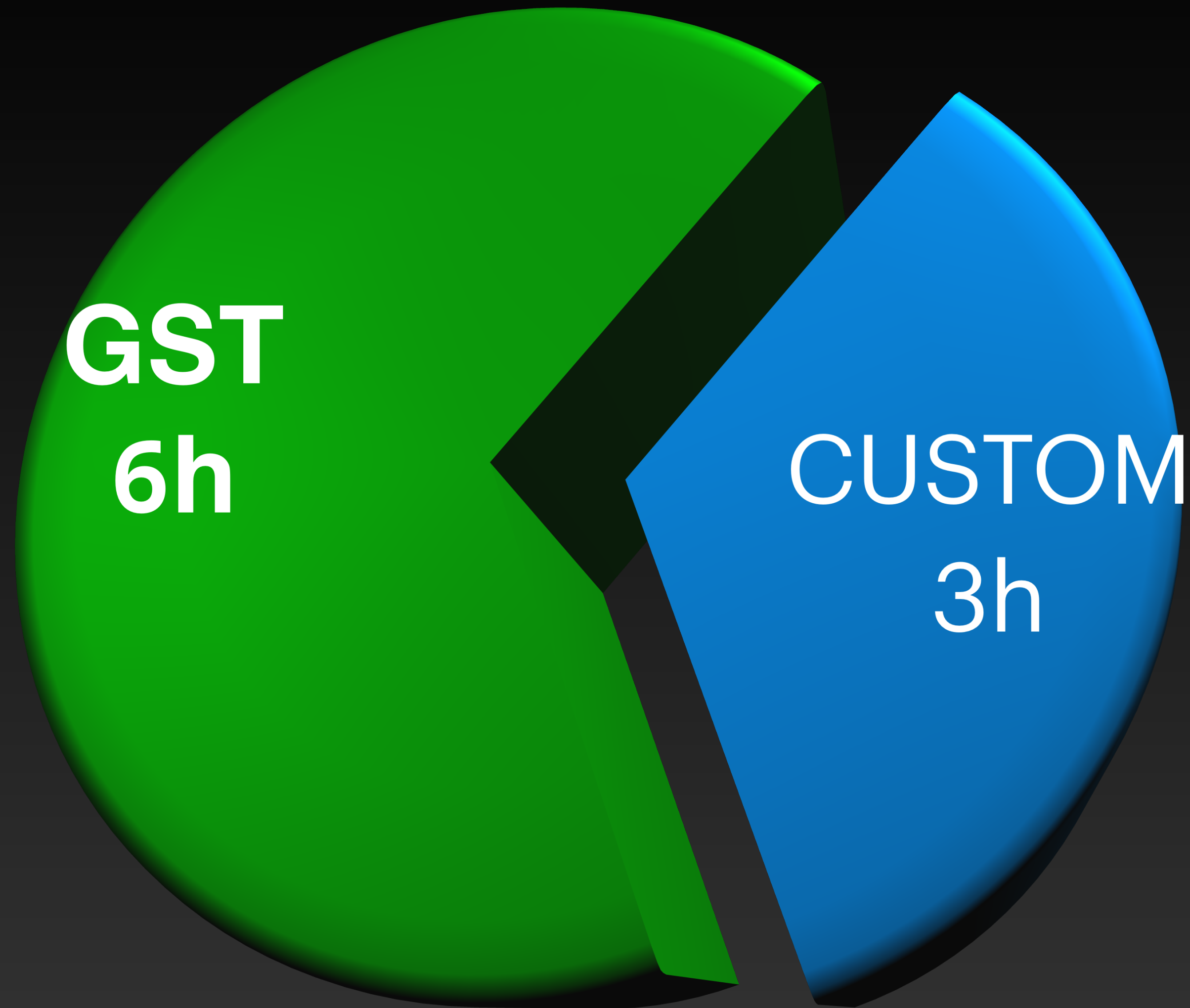


Workshop for UPSC EXAMINATION

FOR CMA's

By CA NIKHIL GOKHRU



- GST
- ① Supply Sec 7 + Sec 8
 - ② Charge of GST Sec 9 + 10
 - ③ Classification
 - ④ Time of Supply
 - ⑤ Value of Supply
 - ⑥ Place of Supply
 - ⑦ Imports, Exports & Refunds
 - ⑧ Anti profiteering clause
 - ⑨ Audit





beats Sunny to become most searched in India

What is GST?



ONE TAX
ONE NATION
ONE MARKET



GST

- Applicable in whole india from 1st July 2017
- Already levied in 160 countries
- 1st- France, 1954

↓ Various taxes subsumed under GST

(4) The existing Indirect Tax frame work in India suffer from various duties and taxes at Central as well as at State level:

Central Indirect taxes	State Indirect Taxes
Central Excise duty	State Value Added Tax
Excise duty levied under Medicinal and Toilet preparations (Excise duty) Act, 1955	Entertainment tax
Service Tax	Central Sales Tax
CVD on import	Entry tax
Spl. CVD on import	Purchase tax
Central surcharge	Luxury tax
Central Cesses	Betting and Gambling tax
	State surcharges
	State Cesses

In the GST regime, all the above taxes have been subsumed in the ambit of GST.





GST

How Indian Government Works



Central
Government

State
Government

Dual GST Model → BRAZIL & CANADA

Supply

Inter State Supply



IGST

Ex: Rate 12%

(ST → ST)
(ST - UT)

Intra State

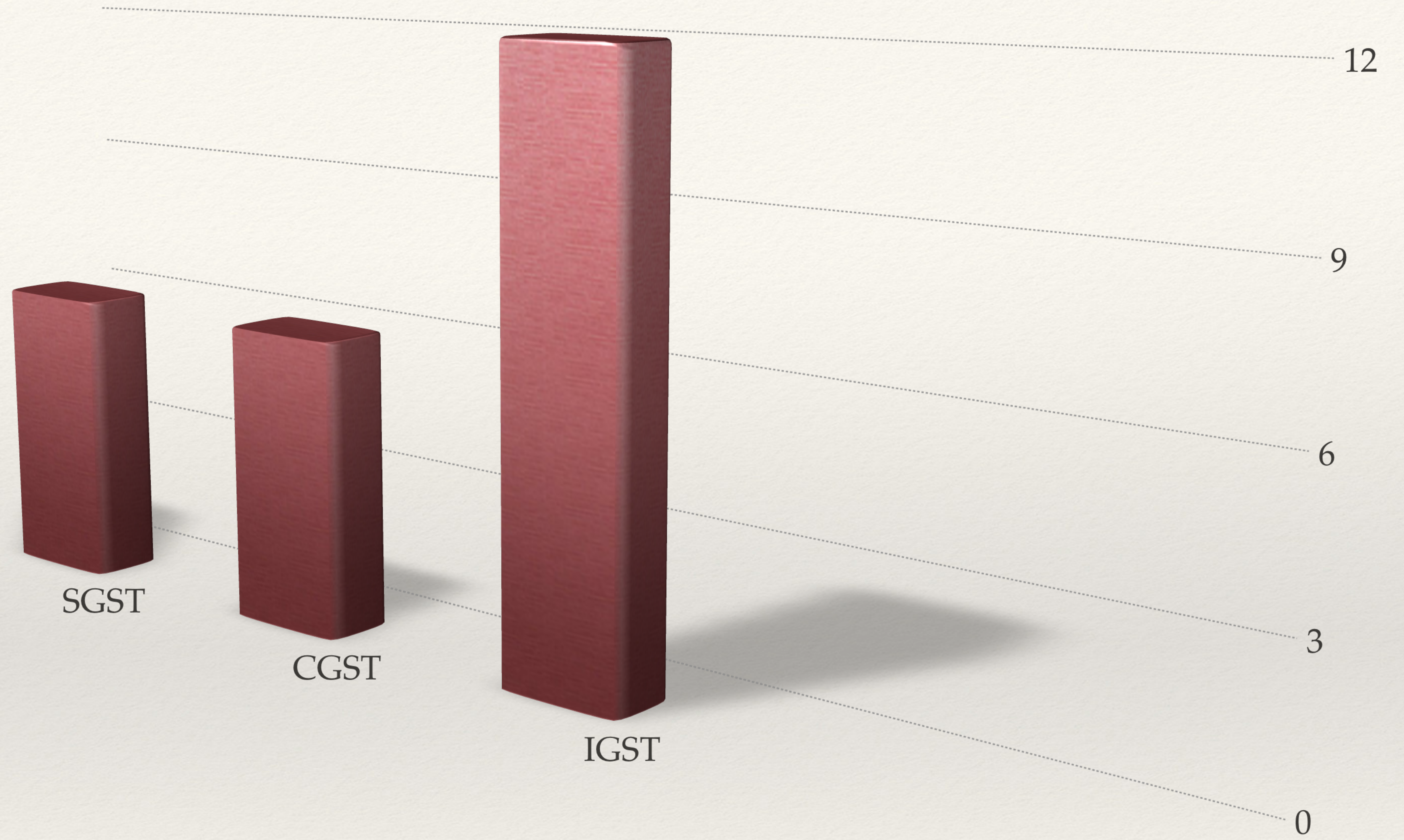
Supply



CGST + SGST

6% + 6%

(Same State)



Dual GST model

SGST	<ul style="list-style-type: none">• State GST• Collected by the State Government
CGST	<ul style="list-style-type: none">• Central GST• Collected by the Central Government
IGST	<ul style="list-style-type: none">• Integrated GST• Collected by the Central Government on inter-state supply of Goods and Services

Revenue of IGST is to be shared between Center and Consumer state Equally.

Example

GST Rate - 18%

Seller

MP

Supply

Buyer

RAJ

IGST → 18%

Seller

MP

Supply

MP

CGST 9%
SGST 9%

Purchase

IGST



Sale

CGST
SGST

Cross utilisation of credit

Credit

Tax

① IGST → IGST → CGST | SGST

② CGST → CGST → IGST → ~~IGST~~

③ SGST → SGST → IGST → ~~CGST~~

Thumb rule → First IGST Credit to be completely utilized then use Credit of CGST and then SGST

Tax

IGST

CGST

SGST

Input tax Credit

IGST

Rank I

Rank II

Rank II

CGST

Rank IV

Rank III

SGST

Rank VI

Rank V

MCQ-1

	<u>OP Bal of Credit</u>	<u>Current Month (ITC)</u>	<u>Gross tax Liability</u>
IGST	75000	25000	50000
CGST	60000	10000	85000
SGST	30000	10000	85000
	<u>165000</u>	<u>45000</u>	

Calculate minimum tax Payable in Cash

Sol

Total Bal of ITC

IGST 100000

CGST 70000

SGST 40000

Tax Payable

IGST
50000

CGST
85000

SGST
85000

less:

IGST

(50000)

(15000)

(35000)

CGST

x

(10000)

SGST

(40000)

Cash

0

0

100000

Bal. of ITC → Nil

MCQ-2

Mr. Ajay, a registered supplier of goods, pays GST under regular scheme and provides the following information for the month of August 2017 :

	Particulars	(₹)
(i)	Inter-state taxable supply of goods	10,00,000
(ii)	Intra state taxable supply of goods	2,00,000
(iii)	Intra state purchase of taxable goods	5,00,000

He has the following Input tax credit at the beginning of August 2017 :

Nature	ITC Amount in (₹)
CGST	20,000
SGST	30,000
IGST	25,000

Rate of CGST, SGST and IGST are 9%, 9% and 18% respectively.

Both inward and outward supplies are exclusive of taxes wherever applicable.

All the conditions necessary for availing the ITC have been fulfilled.

Compute the net GST payable by Mr. Ajay for the month of August 2017.

Sol Cal. of Gross Liability (Output tax Liability)

Particular	<u>Turnover</u>	IGST	CGST	SGST
Inter State	10,00,000	180000	-	-
Intra state	200000	x	18000	18000
Output tax liability		<u>180000</u>	<u>18000</u>	<u>18000</u>

Cal of Input tax Credit Balance.

Op Bal.	<u>Purchase</u>	JGst 25000	CGST 30000	SGST 30000
Inter State Purchases				
Intra State Purch 5,00,000				
			45000	45000
I TC Balance	<u>25000</u>	<u>65000</u>	<u>75000</u>	

Cal of tax Payable

Output tax	JGst 18000	CGST 18000	SGST 18000
JGst	(25000)	x	x
CGST	(47000)	(18000)	x
SGST	(57000)	x	(18000)
Cash	<u>51000</u>	<u>0</u>	<u>0</u>

Notes:

[As per sec 49 Credit of JGst should be utilized first before using credit of CGST or SGST]

Post GST Taxes

Petroleum Products → Central Excise + State VAT

Tobacco Products → Central Excise + GST + GST Comp. Cess

Import/Export of Goods → Basic Custom duty + GST + Other additional Custom duties

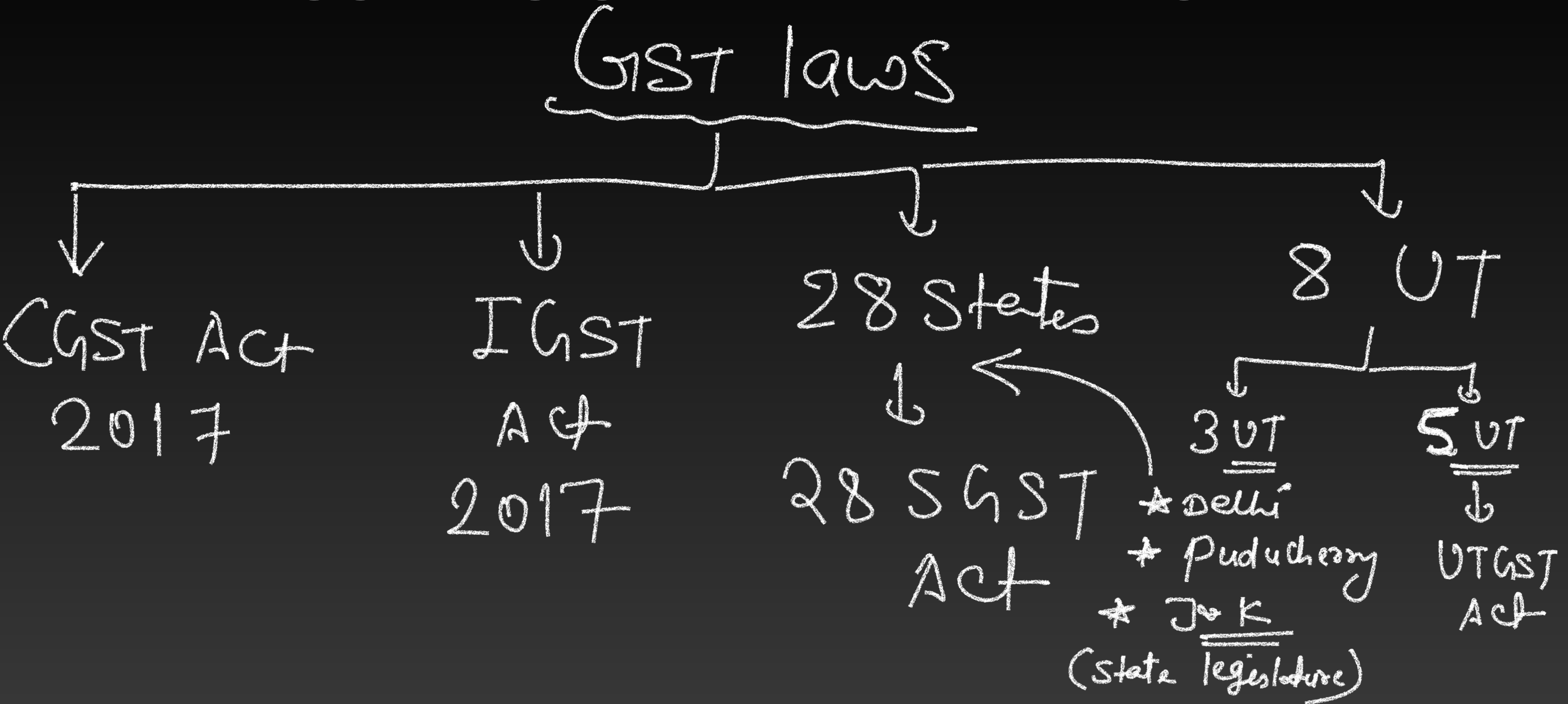
Alcoholic Products → State Excise + State VAT

Multiplexes + Entertainment activity → GST + Entertainment tax levied by local bodies

Real Estate → GST + Stamp duty

All Other Goods and Services → GST

GST LEGISLATIVE FRAMEWORK



The following are Union Territories without Legislature:

1. Lakshadweep
2. Daman and Diu and Dadra and Nagar Haveli
3. Andaman and Nicobar Islands
4. Ladakh
5. Chandigarh

MCO - 3

7. Balance in electronic credit ledger under CGST can be used against which liability?

- (a) CGST Liability only
- (b) CGST and IGST liability
- (c) CGST, IGST and SGST liability
- (d) None of them

Ans: CGST and IGST liability

Mcq-4

6. Balance in electronic credit ledger under IGST can be used against which liability?

- (a) IGST Liability only
- (b) IGST and CGST liability
- (c) IGST, CGST and SGST liability
- (d) None of them

Ans: (c)

MCQ-5

8. Which of the following taxes will be levied on imports?

(a) CGST

(b) SGST

(c) IGST

(d) CGST and SGST

Ans: (c)

MCO-6

5. What are the taxes levied on an intra-State supply?

(a) CGST

(b) SGST

(c) CGST and SGST

(d) IGST

Ans: CGST and SGST