

B.COM 4TH SEM

INDIRECT TAX

2018

Q.1 Answer the following question as directed :

1x10=10

A. Who is considered as the architect of the Indirect Tax reform in India?

Ans: According to India Today Ashim Dasgupta is the architect of the Indirect tax reform in India. "[click here](#)"

B. Where and When GST was first implemented?

Ans: France was the first country to implement the GST in 1954.

C. India is the first country in the world to introduce dual GST. Write true or false.

Ans: False.

D. GST is a ----- based tax on consumption of goods and services .

Ans: Destination

E. What is "Debit note"?

Ans : A Debit note is a commercial document issued by a buyer to a seller as a means of formally requesting a Credit Note.

F. Can unregistered person issue tax invoice?

Ans : No.

G. Write down the full form of GSTIN.

Ans : Goods and Service Tax Identification Number .

H. GST threshold limit for registration of North Eastern States is ----- Lakhs.

Ans : 10 Lakhs.

I . The authority to modify the GST rates on goods and service lies with the GST council . Write true or False.

Ans: True.

By, Suraj Karmakar.

J . What is Composite Supplies under GST Act?

Ans : Composite supply means a supply is comprising two or more goods or services , Which are naturally bundled and supplies in with each other in the ordinary course of business , one of which is principal supply.

Q.2 Answer the following question in brief.

2X5=10

A. What is consumption type of VAT?

Ans : follow page no 1.7 (B.B Dam) ,types of VAT , point no (iii).

B. Mention two commodities that are kept outside the scope of GST.

Ans: Commodities that are not in the GST;

- i. Alcohol for human consumption .
- ii. Petroleum products (Petroleum crude , motor sprit, light speed diesel, natural gas and aviation turbine fuel)
- iii. And Electricity.

C. When a “Bill of supply” can be issued?

Ans: In GST law there are some cases where the supplier is not allowed to charge any tax and hence a tax invoice cannot be issued by such registered person . They are required to issued a document called “Bill of supply” in place of “tax invoice” . A “bill of supply” is required to be issued in the following cases.

1. Supply of tax free goods.
2. Supply of exempted goods.
3. Supplier who has opted for composition levy scheme.

D. Mention the persons who are not liable for GST registration .

Ans: The person who are not liable for the GST registration are mentions below:

1. An agriculturist, however the exemption is only to the extent of supply of produce out of cultivation of land .
2. Individual advocates , including senior advocates.
3. Individual sponsorship service providers , including players.

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E. What is ZERO rated supplies under GST Act?

Ans: GST is not applicable in INDIA for exports . Hence all exports supplies of a taxpayer registered under GST would be classified as a zero rated supply. According to the GST act , zero rated supply means any of the following supplies of goods or services,

1. Exports of goods or services or both.
2. Supply of goods or services or both to a special Economic zone developer.
3. Supply of goods or services or both to a special economic zone unit.

Q.3 Describe briefly any four of the following :

5X4=20

A. Explain briefly the main features of VAT.

Ans: Follow page no 1.10 (B.B Dam)

B. What are the main features of GST Council?

Ans: Follow page no 2.19 (B.B Dam)

C. What is tax invoice ? When should a tax invoice be issued for supply of goods ?

Ans: A tax invoice is an invoice sent by the registered dealer to the purchaser showing the amount of tax payable . It includes the description , quantity , value of goods and services and the tax charged . Business need to charge various taxes from their customers on the products and services and report it to the government . A tax invoice is issued by one registered vendors to another to get input tax credit .

A tax invoice be issued for supply of goods in this following condition:

1. **WHEN MOVEMENT OF GOODS ARE INVOLVED:** If the goods are such that movement of goods are involved , then taxable invoice has to be issued before or the time of removal of the goods.
2. **IN OTHER CASE:** If supply of goods does not require movement of goods , then taxable invoice has to be issued at the time the goods are delivered to recipient.

_A tax invoice be issued for supply of services in the following condition :

1. Invoice is to be issued before or after provision of service. However maximum time period allowed for issue of invoice is 30 days from date of provision of service.

D. What are the difference between Casual Taxble Person and Non – Resident taxable person?

Ans: Follow page no 4.24 (B.B Dam).

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E. Write Short note on “E-Way Bill”.

Ans: E-Way bill is the short form of Electronic way Bill. It is a unique document or bill , which is electronically generated for the specific movement of goods from one place to another , either intra state or inter state of value more than INR 50,000 , required under the current GST regime . When e-way bill is generated , a unique e-way bill number (EBN) is made available to the supplier , recipient and the transporter.

F. What is Aggregate Turnover? Mntion the items that are not considered which calculating Aggregate Turnover.

Ans: Page no 4.4 and 4.5 (B.B Dam).

Q.4 Mention the main features of GST . Explain the benefits likely to accure to all stakeholders because of introduction of GST in India.

4+6=10

Or

Discuss the procedure for obtaining registration under GST Act.

10

Ans: For 1st question – Follow book page no : 1.23 and 1.26 (B.B Dam)

For 2nd question – Follow book page no : 4.18 or 4.21 (B.B Dam)

Q.5 Explain with hypothetical examples how dual GST Model work while calculating CGST, SGST, UGST , and IGST.

2 ½ X4=10

Or

Write a short notes on the following as per GST Act:

2 ½ X4=10

- 1. Business Vertical.**
- 2. Capital Goods .**
- 3. Adjudicating Authority.**
- 4. Place of Business.**

Ans: For 1st question follow page no: 2.7

For 2nd question follow page no : 2.13 to 2.16

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Q.6 What is Input Tax credit ? Explain the condition and documents required for claiming input tax credit.

2+4+4=10

Or

Mention the provision of the AGST Act ,2017 relating to apportionment of credit and blocked credit.

5+5=10

Ans: FIRST QUESTION

The concept is not entirely new as it already existed under the pre-GST indirect taxes regime (service tax, VAT and excise duty). Now its scope has been widened under GST. Earlier, it was not possible to claim input tax credit for Central Sales Tax, Entry Tax, Luxury Tax and other taxes. In addition, manufacturers and service providers could not claim the Central Excise duty. During the pre-GST era, cross-credit of VAT against service tax/excise or vice versa was not allowed. But under GST, since these taxes will be subsumed into one tax, there will not be the restriction of setting off this input tax credit.

The condition and documents required for claiming input tax credit are discuss below:

- 1. Owner's tax invoice or debit note or document evidence of payment**
- 2. Receipt of goods and/or services**
- 3. Goods delivered by supplier to other person on the direction of a registered person against a document of transfer of title of goods**
- 4. Furnishing of a return**
- 5. Where goods are received in lots or installments ITC will be allowed to be availed when the last lot or installment is received**
- 6. Failure of the supplier towards supply of goods and/or services within 180 days from the date of invoice, ITC already claimed by recipient will be added to output tax liability and interest to paid on such tax involved. On payment to supplier, ITC will be again allowed to be claimed**
- 7. No ITC will be allowed if depreciation has been claimed on the tax component of a capital good**
- 8. Time limit to claim ITC against an Invoice or Debit Note is earlier of below dates:**

The due date of filing GST Return for September of next Financial year

OR

Date of filing the Annual Returns relevant for that Financial year

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FOR 2ND QUESTION

Follow Book Page no 3.30(B.B Dam)

Q.7 Give the meaning of Assessment . Mention the various type of assessment under the AGST Act 2017.

2+8=10

Or

Mention Different rates structure of GST . Explain the activities to be treated as supply of goods or supply of services.

4+6=10

Ans: For 1st question follow book (*B.B Dam*) page no 5.53

For 2nd question

1st part:

2nd part: Follow book 5.12 or “[click here](#)”