

Chapter 9: Levy and Collection

SYNOPSIS

9.0 Levy and Collection
Multiple Choice Questions (MCQs)

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9.0 Levy and Collection

CGST Act, 2017	IGST Act, 2017
Section 9(1): CGST will be levied and collected on all intra-State supplies of goods or services or both, except on the supply of alcoholic liquor for human consumption.	Section 5(1): IGST will be levied and collected on all inter-State supplies of goods or services or both, except on the supply of alcoholic liquor for human consumption. IGST also be levied on import of goods.
Section 9(2): CGST yet to be levied on <ul style="list-style-type: none"> • Petroleum crude, • High speed diesel, • Motor spirit (commonly known as petrol), • Natural gas and • Aviation turbine fuel 	Section 5(2): IGST yet to be levied on <ul style="list-style-type: none"> • Petroleum crude, • High speed diesel, • Motor spirit (commonly known as petrol), • Natural gas and • Aviation turbine fuel.
Section 9(3): Govt. will decide who is liable to pay GST under Reverse Charge.	Section 5(3): Govt. will decide who is liable to pay GST under Reverse Charge.
Section 9(4): supply by a not registered person, to a registered person, reverse charge applicable. Reverse charge provisions would not be applicable if the aggregate value of such supplies of goods or services or both received by a taxable person from any or all the suppliers, who are not registered, does not exceeds ₹5,000 in a day. This Section 9(4) of the CGST Act, 2017 has been suspended till 30th September 2019 (22/2018-Central Tax (Rate), dated 06-08-2018). <u>Notification to exempt tax on goods or services received from Unregistered person rescinded w.e.f. 1-2-2019.</u> w.e.f. 1-2-2019: Section 9(4) of the CGST Act, 2017, The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both".	Section 5(4): supply by a not registered person, to a registered person, reverse charge applicable. Reverse charge provisions would not be applicable if the aggregate value of such supplies of goods or services or both received by a taxable person from any or all the suppliers, who are not registered, does not exceeds ₹5,000 in a day. This Section 9(4) of the CGST Act, 2017 has been suspended till 30th September 2019 (22/2018-Central Tax (Rate), dated 06-08-2018). <u>Notification to exempt tax on goods or services received from Unregistered person rescinded w.e.f. 1-2-2019.</u> w.e.f. 1-2-2019: Section 5(4) of the IGST Act, 2017, The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both".
Section 9(5): Electronic Commerce Operator (ECO) is liable to pay tax. Or Any person representing such electronic commerce operator for any purpose in the taxable territory shall be	Section 5(5): Electronic Commerce Operator (ECO) is liable to pay tax. Or Any person representing such electronic commerce operator for any purpose in the taxable territory shall be

CGST Act, 2017	IGST Act, 2017
liable to pay tax provided ECO not located in taxable territory.	liable to pay tax provided ECO not located in taxable territory.
Or	Or
Where an ECO does not have a representative in the taxable territory, such ECO shall appoint a person in the taxable territory for the purpose of paying tax and such person shall be liable to pay tax.	Where an ECO does not have a representative in the taxable territory, such ECO shall appoint a person in the taxable territory for the purpose of paying tax and such person shall be liable to pay tax.

Notified services taken from unregistered person liable to tax on reverse charge basis w.e.f. 1st April, 2019

The Central Government vide *Notification No. 07/2019-Central Tax(R)*, dated 29th March 2019 has notified that the registered person specified below shall in respect of supply of specified goods or services or both received from an unregistered supplier shall pay tax on reverse charge basis as recipient of such goods or services

Sl. No.	Category of supply of goods and services	Recipient of goods and services
1.	Supply of such goods and services or both other than services by way of grant of development rights, long term lease of land or FSI which constitute the shortfall from the minimum value of goods or services or both required to be purchased by a promoter for construction of project, in a financial year.	Promoter
2.	Cement falling in chapter heading 2523 in the first schedule to the Customs Tariff Act, 1975 (51 of 1975) which constitute the shortfall from the minimum value of goods or services or both required to be purchased by a promoter for construction of project, in a financial year (or part of the financial year till the date of issuance of completion certificate or first occupation, whichever is earlier)	Promoter
3.	Capital goods falling under any chapter in the first schedule to the Customs Tariff Act, 1975 (51 of 1975) supplied to a promoter for construction of a project	Promoter

Simplified Approach:

