**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. What principles were adopted for subsuming the above taxes under GST?**

*Ans. The various Central, State and Local levies were examined to identify their possibility of being subsumed under GST. While identifying, the following principles were kept in mind:*

*(i) Taxes or levies to be subsumed should be primarily in the nature of indirect taxes, either on the supply of goods or on the supply of services.*

*(ii) Taxes or levies to be subsumed should be part of the transaction chain which commences with import/ manufacture/ production of goods or provision of services at one end and the consumption of goods and services at the other.*

*(iii) The subsumation should result in free flow of tax credit in intra and inter-State levels. The taxes, levies and fees that are not specifically related to supply of goods & services should not be subsumed under GST.*

*(v) Revenue fairness for both the Union and the States*

*individually would need to be attempted.*

**Q 5. 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 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 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 11. 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 12. 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.50 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 13. 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 14. 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 15. 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 16. What is the scope of composition scheme under GST?**

*Ans. Small taxpayers with an aggregate turnover in a preceding financial year up to [Rs. 50 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 50 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.*

**Q 17. Whether the composition scheme will be optional or compulsory?**

*Ans. Optional.*

**Q 18. 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 19. Whether actionable claims liable to GST?**

*Ans. As per section 2(52) of the CGST/SGST Act actionable claims are to be considered as goods. Schedule III read with Section 7 of the CGST/SGST Act lists the activities or transactions which shall be treated neither as supply of goods nor supply of services. The Schedule lists actionable claims other than lottery, betting and gambling as one of such transactions. Thus only lottery, betting and gambling shall be treated as supplies under the GST regime. All the other actionable claims shall not be supplies.*

**Q 20. 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 21. Where is the power to levy GST derived from?**

*Ans. Article 246A of the Constitution, which was introduced by the Constitution (101st Amendment) Act, 2016 confers concurrent powers to both, Parliament and State Legislatures to make laws with respect to GST i. e. central tax (CGST) and state tax (SGST) or union territory tax (UTGST). However, clause 2 of Article 246A read with Article 269A provides exclusive power to the Parliament to legislate with respect to inter-State trade or commerce i.e. integrated tax (IGST).*

**Q 22. What is the taxable event under GST?**

*Ans. Taxable event under GST is supply of goods or services or both. CGST and SGST/ UTGST will be levied on intra-State supplies. IGST will be levied on inter-State supplies.*

**Q 23. Whether supplies made without consideration will also come within the purview of supply under GST?**

*Ans. Yes, but only those activities which are specified in Schedule I to the CGST Act / SGST Act. The said provision has been adopted in IGST Act as well as in UTGST Act also.*

**Q 24. What are composite supply and mixed supply? How are these two different from each other?**

*Ans. Composite supply is a supply consisting of two or more taxable supplies of goods or services or both or any combination thereof, which are bundled in natural course and are supplied in conjunction with each other in the ordinary course of business and where one of which is a principal supply. For example, when a consumer buys a television set and he also gets warranty and a maintenance contract with the TV, this supply is a composite supply. In this example, supply of TV is the principal supply, warranty and maintenance service are ancillary.*

*Mixed supply is combination of more than one individual supplies of goods or services or any combination thereof made in conjunction with each other for a single price, which can ordinarily be supplied separately. For example, a shopkeeper selling storage water bottles along with refrigerator. Bottles and the refrigerator can easily be priced and sold separately.*

**Q 25. What is the treatment of composite supply and mixed supply under GST?**

*Ans. Composite supply shall be treated as supply of the principal supply. Mixed supply would be treated as supply of that particular goods or services which attracts the highest rate of tax.*

***Q 26. Are all goods and services taxable under GST?***

*Ans. Supplies of all goods and services are taxable except alcoholic liquor for human consumption. Supply of petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel shall be taxable with effect from a future date. This date would be notified by the Government on the recommendations of the GST Council.*

**Q 27. What is meant by Reverse Charge?**

*Ans. It means the liability to pay tax is on the recipient of supply of goods and services instead of the supplier of such goods or services in respect of notified categories of supply.*

**Q 28. Is the reverse charge mechanism applicable only to services?**

*Ans. No, reverse charge applies to supplies of both goods and services, as notified by the Government on the recommendations of the GST Council.*

**Q 29. What will be the implications in case of receipt of supply from unregistered persons?**

*Ans. In case of receipt of supply from an unregistered person, the registered person who is receiving goods or services shall be liable to pay tax under reverse charge mechanism.*

**Q 30. Can any person other than the supplier or recipient be liable to pay tax under GST?**

*Ans. Yes, the Central/State government can specify categories of services the tax on which shall be paid by the electronic commerce operator, if such services are supplied through it and all the provisions of the Act shall apply to such electronic commerce operator as if he is the person liable to pay tax in relation to supply of such services.*

**Q 31. What is the threshold for opting to pay tax under the composition scheme?**

*Ans. The threshold for composition scheme is Rs. 50 Lakhs of aggregate turnover in the preceding financial year. The benefit of composition scheme can be availed up to the turnover of Rs. 50 Lakhs in current financial year.*

**Q 32. What are the rates of tax for composition scheme?**

*Ans. There are different rates for different sectors. In normal cases of supplier of goods (i.e. traders), the composition rate is 0.5 % of the turnover in a State or Union territory. If the person opting for composition scheme is manufacturer, then the rate is 1% of the turnover in a State or Union territory. In case of restaurant services, it is 2.5% of the turnover in a State or Union territory. These rates are under one Act, and same rate would be applicable in the other Act also. So, effectively, the composition rates (combined rate under CGST and SGST/UTGST) are 1%, 2% and 5% for normal*

*supplier, manufacturer and restaurant service respectively.*

**Q 33. A person availing composition scheme during a financial year crosses the turnover of Rs.50 Lakhs during the course of the year i.e. say he crosses the turnover of Rs.50 Lakhs in December? Will he be allowed to pay tax under composition scheme for the remainder of the year i.e. till 31st March?**

*Ans. No. The option availed shall lapse from the day on which his aggregate turnover during the financial year exceeds Rs.50 Lakhs.*

**Q 34. Will a taxable person, having multiple registrations, be eligible to opt for composition scheme only for a few of registrations?**

*Ans. All registered persons having the same Permanent Account Number (PAN) have to opt for composition scheme. If one registered person opts for normal scheme, others become ineligible for composition scheme.*

**Q 35. Can composition scheme be availed of by a manufacturer and a service supplier?**

*Ans. Yes, a manufacturer can opt for composition scheme generally. However, a manufacturer of goods, which would be notified on the recommendations of the GST Council, cannot opt for this scheme. This scheme is not available for services sector, except restaurants.*

**Q 36. Who are not eligible to opt for composition scheme?**

*Ans. Broadly, five categories of registered person are not eligible to opt for the composition scheme. These are:*

*(i) supplier of services other than supplier of*

*restaurant service;*

*(ii) supplier of goods which are not taxable under the CGST Act/SGST Act/UTGST Act.*

*(iii) an inter-State supplier of goods;*

*(iv) person supplying goods through an electronic commerce operator;*

*(v) manufacturer of certain notified goods.*

**Q 37. Can the registered person under composition scheme claim input tax credit?**

*Ans. No, registered person under composition scheme is not eligible to claim input tax credit.*

**Q 38. Can the customer who buys from a registered person who is under the composition scheme claim composition tax as input tax credit?**

*Ans. No, customer who buys goods from registered person who is under composition scheme is not eligible for composition input tax credit because a composition scheme supplier cannot issue a tax invoice.*

**Q 39. Can composition tax be collected from customers?**

*Ans. No, the registered person under composition scheme is not permitted to collect tax. It means that a composition scheme supplier cannot issue a tax invoice.*

**Q 40. How to compute ‘aggregate turnover’ to determine eligibility for composition scheme?**

*Ans. The methodology to compute aggregate turnover is given in Section 2(6). Accordingly, ‘aggregate turnover’ means value of all outward supplies (taxable supplies +exempt supplies +exports + inter-state supplies) of a person having the same PAN and it excludes taxes levied*

*under central tax (CGST), State tax (SGST), Union territory tax (UTGST), integrated tax(IGST) and compensation cess. Also, the value of inward supplies on which tax is payable under reverse charge is not taken into account for calculation of ‘aggregate turnover’.*

**Q 41. What are the penal consequences if a person opts for the composition scheme in violation of the conditions?**

*Ans. If a taxable person has paid tax under the composition scheme though he was not eligible for the scheme then the person would be liable to penalty and the provisions of section 73 or 74 shall be applicable for determination of tax and penalty.*

**Q 42. Does the GST Law empower the Government to exempt supplies from the levy of GST?**

*Ans. Yes. In the public interest, the Central or the State Government can exempt either wholly or partly, on the recommendations of the GST council, the supplies of goods or services or both from the levy of GST either absolutely or subject to conditions. Further the Government can exempt, under circumstances of an exceptional nature, by special order any goods or services or both. It has also been provided in the SGST Act and UTGST Act that any exemption granted under CGST Act shall be deemed to be exemption under the said Act.*

**Q 43. 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 44. 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 45. 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 46. 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 47. 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 48. 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 49. 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 50. 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 51. 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 52. 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 53. 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 54. Whether the Registration granted to any person is permanent?**

*Ans. Yes, the registration Certificate once granted is permanent unless surrendered, cancelled, suspended or revoked.*

**Q 55. 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 56. 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 57. Who is a Non-resident Taxable Person?**

*Ans. In terms of Section 2(77) of the CGST/SGST Act, a non-resident taxable person means any person who occasionally undertakes transactions involving supply of goods and/or services whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India.*

**Q 58. 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 59. 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 60. 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 61. 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 62. 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 63. 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 64. 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.*