

STEP 3: Limit Based Registration

Agg T/o $\leq$ Applicable limit = Kisi Bhi state/UT ME REGISTRATION NAHI KARANA.

Agg T/o $>$ Applicable limit = Registration is Required in those state/UT Jaha - Jaha - SE Taxable supply - de raha hai

Means:

- i) Agg (Outward) Supply
- ii) PAID BASED @ AGG INDTA CLUBBING
- iii) Value = A.V. i.e. INC. OTHER TAXES

LEVEL: A

IF DOING Taxable Supply FROM ANY OF THE 4 SPECIFIED STATE

- 1 • MANIPUR
- 2 • MIZORAM
- 3 • NAGALAND
- 4 • TRIPURA

THEN Limit will be 10 LAKH

LEVEL: B

IF DOING Taxable Supply FROM ANY OF THE 6 SPECIFIED STATE

- 5 • UTTARAKHAND
- 6 • ARUNACHAL PRADESH
- 7 • SIKKIM
- 8 • MEGHALAYA
- 9 • TELANGANA
- 10 • PUDUCHERRY

THEN Limit will be Rs 20 LAKH

LEVEL: C

IF DOING BUSINESS in other state/UT

Limit will be as follows.

Deals in Goods ONLY

IN General
Rs 40 LAKH

- # T-I-P.
 - # AERATED WATER
 - # BRICKS & BLOCKS
- 20 LAKH

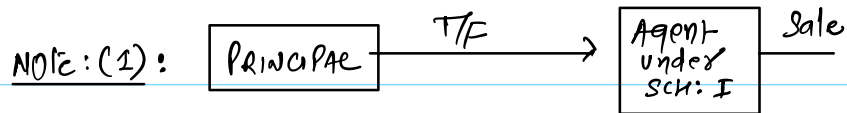
Deals in Services

Rs 20 LAKH

Deals in goods & service

IN General
Rs 20 LAKH

Goods + Intert-
Wali service
Rs 40 LAKH



"to be clubbed in the hands of Agent"



After J/W Goods Sold By R/M/S

To be clubbed in the hands of R/M/S.

NOTE: (3): Effective Date of Registration:

Applied for Registration within prescribed time
RC will be effective from the date of crossing the limit

not applied within prescribed time! RC will be effective from the date of grant of RC.

NOTE: 4 # Where PAN change - case: Old RC - surrendered & New RC needs to be obtained.

CHAPTER: Valuation / Computation of GST.

REGULAR Scheme (Sec: 15 + Circulars + Rules)

$$\text{GST} = \text{Value} \times \text{Rate of GST} \times \text{Rate of EXchange (IF Required)}$$

IN General

V/c: 15(1)
AV = T.V.

(OR)

Go FOR Rules.

Rule = 27

Rule = 28 $\left\{ \begin{array}{l} (1) \\ (2) \end{array} \right\} + \text{Rule 30, 31,}$

Rule = 29

FOR NOTIFIED Supplies

AV = Tariff Value fixed By Govt By Notification

N/N 3 49/2023

@ Rule: 31B, C, D

- (i) - Supply of online money Gaming
- (ii) - Supply of online gaming
- (iii) - Supply of Achievable claim in CASINO
- (iv) - following Supplies on which RSP/ MRP is Declared -

Rule = 31A = AV of Lottery & Horse Racing

Rule = 31B = AV = Online money Gaming

Rule = 31C = AV = CASINO

Rule = 31D = AV = Pan masala etc.

Rule = 32: Special-optimal method.

Rule = 33: AV = IN CASE of PURE Agent

Rule = 34: RATE of EXchange

Rule = 35 = AV = Where Given Value is INclusive of GST.

- (a) - Pan masala
- (b) - Unmanufactured tobacco; tobacco refuse [other than tobacco leaves]
- (c) - Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes
- (d) - Other manufactured tobacco and manufactured tobacco substitutes; "homogenised" or "reconstituted" tobacco; tobacco extracts and essences (other than biris)
- (e) - Products containing tobacco or reconstituted tobacco and intended for inhalation without combustion
- (f) - Products containing tobacco or nicotine substitutes and intended for inhalation without combustion

RSP/MRP : # maximum price as declared on package @ may be sold to ultimate consumer &
the price is Inclusive of GST

Multiple RSP : Then maximum of such RSP shall be deemed to be the RSP.

Alteration in RSP : # Where RSP is altered to increase the RSP
Before, During, After Supply
Then such altered RSP
shall be deemed to be the RSP.

Area wise MRP : # Different RSP - on different packages
Then respective RSP shall be taken.



WHAT IS TARIFF Value fixed By Govt for PAN MASALA etc U/R= 310

$$AV = (\text{Relevant RSP} - \text{GST}) = \text{xxx}$$

Rate of GST on PAN MASALA etc = 40%

Rate of compensation CESS on PAN MASALA etc = NIL

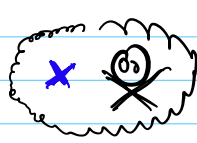
Section 15 with notifications and Circulars

#	Price actually paid or payable for supply of Goods / Services <i>to S or behalf of S</i>	XXX
	<u>Adjustments</u> ---- = <i>ID IOTS</i> =	
#	Incidental expenses eg. packing, loading etc.	Includible
#	Discount	
	*Pre supply / At the time of supply	Excludible
	*Post Supply (Provide agreement in advance for the same and Receptient reduce corresponding ITC)	Excludible
	Note: No claim Bonus is a discount Hence deductible.	
#	Interest on	
	*Delayed consideration and on credit card	Includible
	(Jab mila, jitna mila usko inclusive of GST maante hue GST Bharna hoga, if not received in actual, then no GST)	
	*Loan / advances / deposits	Excludible
#	Obligation / Liability of supplier paid by Receptient to III party on behalf of supplier	Includible
#	Other taxes eg Excise duty, VAT, custom duty ie any other old taxes (However TCS is not a tax, Moreover TDS deducted by Receptient so no question at the end of supplier)	Includible
#	*Unit linked Subsidy given by Government to supplier	Excludible
	*Otherwise subsidy	Includible
	Example: Given value: ₹10,000 Subsidy ₹ 1,000	
	Given value is after considering subsidy/ Net of subsidy	Given by Government ✓ AV=10,000
		Given <u>NON</u> by Government AV=11,000
	Given value is Before considering / deducting subsidy	Given by <u>Government</u> AV=9,000
		Given <u>NON</u> by <u>Government</u> AV=10,000

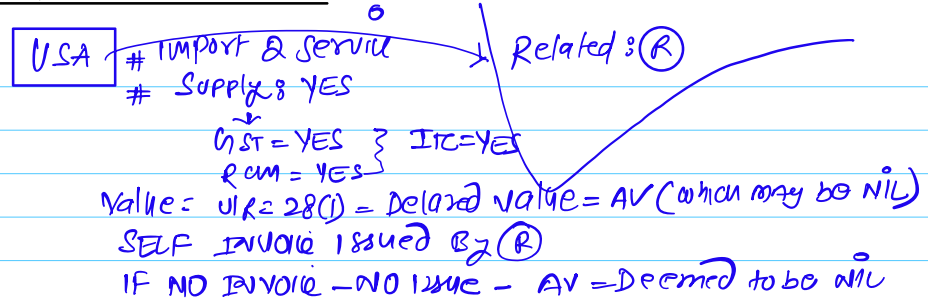
Note: Incentives received by the banks from Government to compensate bank charges which are transaction [Unit] linked will be called as subsidy and hence deductible.

Rule= 27, 28(1), 29, & 30, 31

110% BEST judgement
& cost.

Sequence	Rule= 27 + 30 + 31 Where consideration Not wholly or partly in Money	Rule: 28(1) + 30 + 31 Transactions in Between Deemed Distinct & Related PERSON	Rule: 29 + 30 + 31 Transaction in Between Principal & Agent.
<u>Specific</u>	NA	# Where (R) eligible to book full ITC: then the Declared Value (Even Nil) = AV	NA.
<u>Optimal</u>	NA	# Where :- → Goods Intended for for sale → further sale is of same goods → Sale made to URP → It is ONLY for goods AV = 90% & PRICE (2)	✓
Rank: 1	# OMV of Such Supply	✓	✓
	# Money value + value of Non money tax consideration		
	# OMV of Similar Supply	✓	✓
Rank: 2	# 110% & COST # <u>COST means:</u> • COST of PRODUCTION (M) • COST of PURCHASE (T) → • "COST & PROVISION of SERVICE (S): Optimal"	✓	✓
Rank: 3 ✓	BEST judgement	✓	✓

Circular Based on Rule: 28(1) :



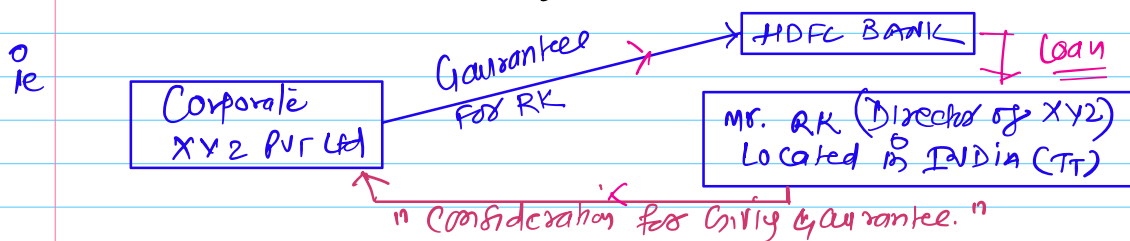
Rule = 28(2) : Corporate Guarantee

Where:

- (S) & (R) are Related ✓
- (R) Located in India ✓
- Service By way of Corporate Guarantee to Bank / F.I.
- ON Behalf of (R)
- AV of Corporate Guarantee: $\left[\frac{1/3 \text{ PA of Guarantee Amount Offered Sanctioned}}{\text{OR Actual Consideration}} \right]$

WHICHEVER IS HIGHER

~~60~~ **NOTE:** Where (R) is eligible to get full ITC = AV = Declared value: which may be NIL



Circular Based on Rule: 28(2) :

Q=1 Sanctioned limit 10cr But Actual use/DISBURSE = 6cr
Ans: [1/3 of 10cr (OR) Actual consideration]: whichever is higher

Q=2 Bank Transfer Case : ??

Ans: In general old guarantee shall continue - so no ITC again
However fresh guarantee is required then - FRESH ITC.

Q=3 Guarantee is provided by more than ONE Entity?

ANS: Suppose By XYZ: 60%, ABC: 40% (of 10cr)

③ XYZ, ABC

④ = RK

Gst for XYZ = $(6cr \times 1\% \text{ (or) Actual}) = \text{Higher}$

Gst for ABC = $(4cr \times 1\% \text{ (or) Actual}) = \text{Higher}$

Q=4 Guarantee Given By NTF Entity:

ANS: Import & Service $\rightarrow$ Supply $\rightarrow$ GST under RAM, @
 $(1\% \text{ PA or Actual}) = \text{HIGHER}$

Q=5 ✓ Time Provision - Part of the year @ 10cr Loan

(a) Guarantee Given for 6 months = $(10cr \times 1\% \times \frac{6}{12})$ or Actual = Higher

(b) Guarantee Given for 5 years = $(10cr \times \underline{1\%} \times \underline{5})$ or Actual = Higher

Q=6 Time Provision multiple years & Renewable EACH year?

Loan Amt = 10cr, Loan period = 5 year, Guarantee for 5 year
Renewable each year.

ANS: I year: $(10cr \times \underline{1\%} \times \underline{1 \text{ year}})$ or Actual = Higher

II year " " " " " "

& so on

Q=7 ④ Located Outside India

ANS: Rule = 28(2) = NA.

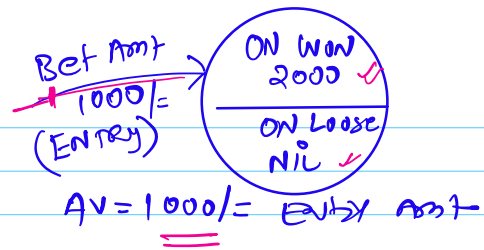
Rule = 28(1) = Applicable

Rule: 31A: AV = @ Lottery, Betting, Gambling & Horse Racing

(1) Lottery: AV = $\left[\begin{array}{c} \text{Face value of Ticket} \\ \text{OR} \\ \text{Notified value i.e. T.V.} \\ \text{C Higher} \end{array} \right] \times \frac{100}{140}$

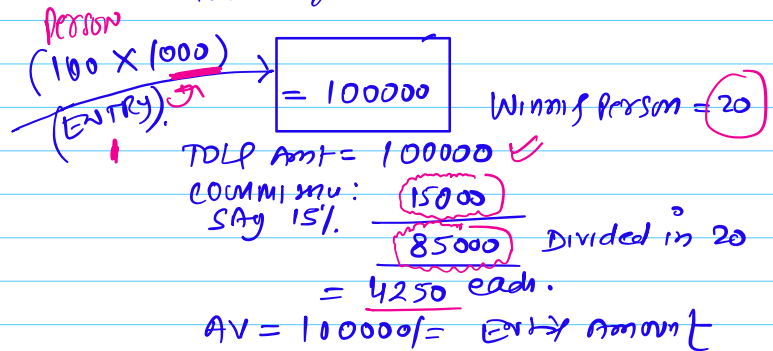
(ii) Betting/Gambling:

Model: (A) : Bookmaker:



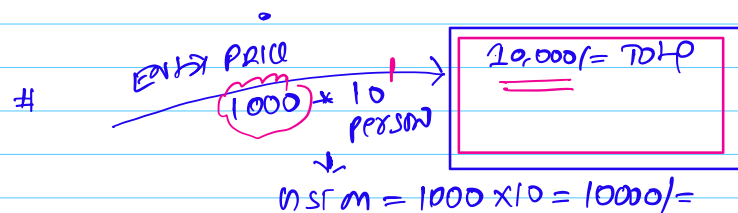
Model: (B) Totalisator: (Pool)

100 Player @ 1000 LAGANA HAI



Rule = 21 B&C : OMA & CASINO

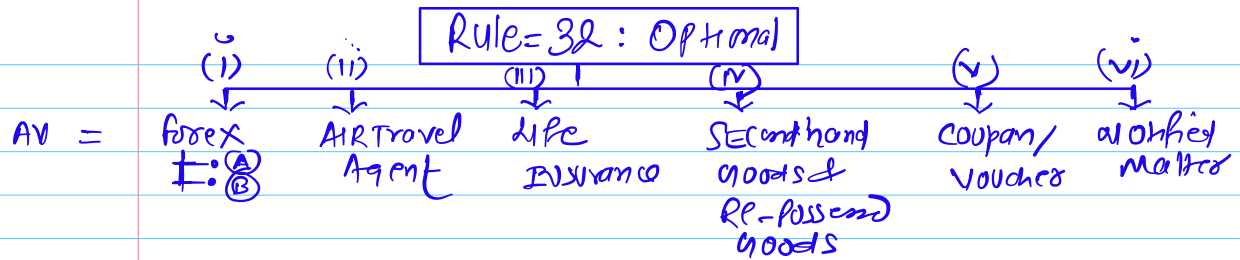
40% GST = 40000/-



- # Amount Withdrawal & Re-Enter = Again GST VES
- # Amt entered & Refund → Still GST IMPOSSIBLE.

Rule = 31 D : PAN MASALA etc

AV = (MRP - GST ONLY)

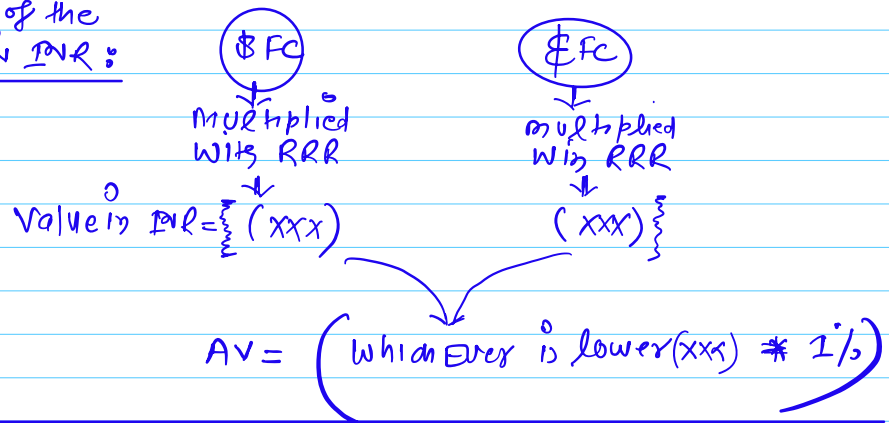


FOREX: Method: (A)

Where RBI Ref. Rate Available : T.V (INR) (Sale/Purchase) ~ RRR = Deemed AV

Where RBI Ref. Rate **NOT** Available : T.V (INR) (Sale/Purchase) * 1% = Deemed AV

Where NONE of the Currency is in INR :



METHOD: B

Per Transaction Value :	Deemed AV
(i) up to ₹ 1,00,000/-	1% of T.V (BUT minimum ₹ 250 per Transaction)
(ii) 1,00,001 to 10,00,000	1000 + (0.5% * EXCESS Amount over 1,00,000)
(iii) 10,00,001 to ∞	5500 + (0.1% * EXCESS Amount - over 10 lakhs) (BUT maximum 60,000 per Transaction)

NOTE: First of all calculate for ONE Transaction & check limit of 250 & 60,000 ₹

After that multiply with number of Transaction

NOTE: Lock in period same for

Air Travel Agent

Domestic: 5% of Basic Fare = AV

International: 10% of Basic Fare = AV

Life Insurance Business

ONLY Risk Cover Policies: = AV = Total Premium Amt

Risk Cover + Investment Policies

(i) Policy holder know the Amount Separately = AV = Risk Cover Portion.

(ii) Policy holder Don't know Amount Separately - -

+ Regular Premium Policy: Policy KA 1 Year = 25%.

+ Policy KA II & = 12.5%
Subsequent Year

+ ONE Time Premium Policy = 10%.

SECOND Hand Goods & Re possessed Goods

SECOND HAND: AV = Value Addition = (Sale Price - Purchase Price)

Re-possessed: AV = Value Addition = (Sale Price - Depreciated value)

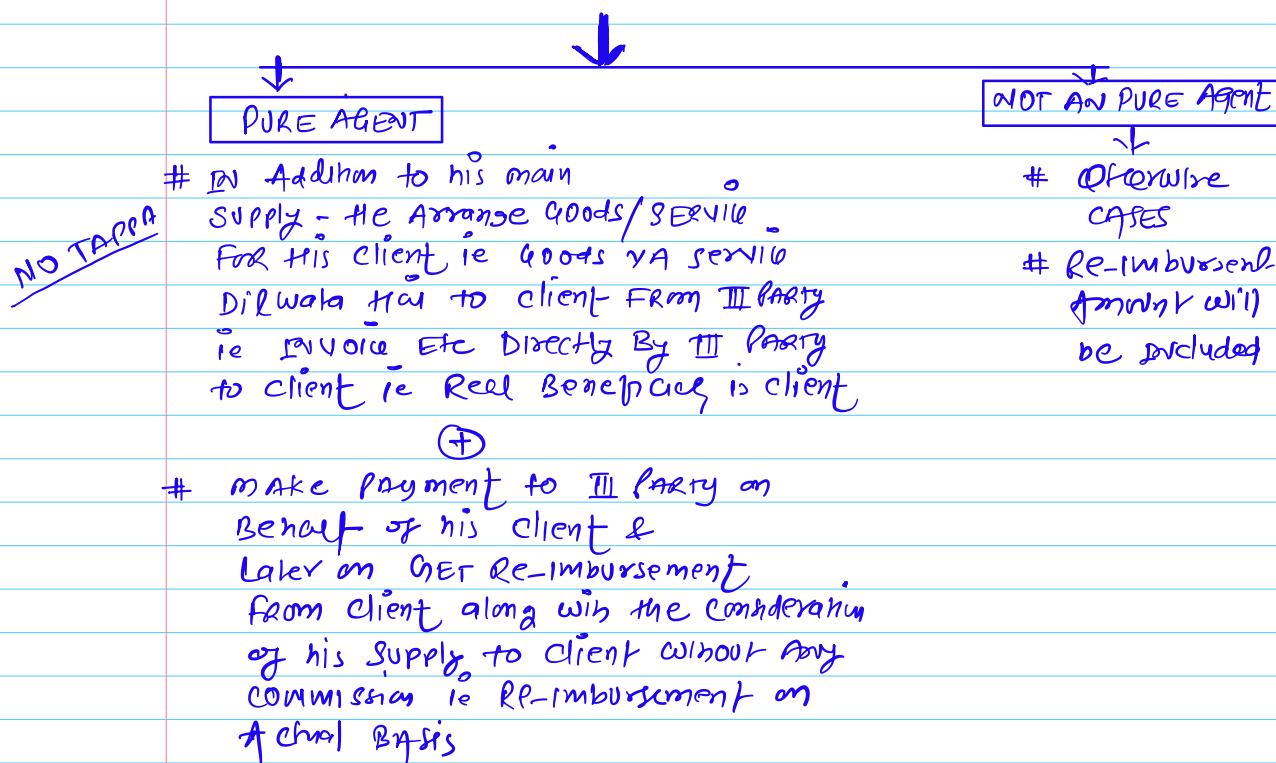
Value of New Goods x
1m. 5% per QT or PART
thereof from
Purchase Date to Sale
Date

Coupon/Voucher

AV = Purchasing Power of Coupon/Voucher

NOTED: NOT Relevant

Rule-33 CONCEPT OF PURE AGENT:



Rule-34 Rate of Exchange

IN CASE of Goods = ROE AS determined by CBIC for custom duty purpose

IN CASE of service = ROE AS decided by GAAP (i.e. Generally Accepted Accounting Principles)

Rule-35

$$AV = \left(\text{PRICE INC. of GST} \times \frac{100}{118} \right) \text{ (Where Rate of GST = 18\%)}$$

CBIC Circular: PSF/UDF (Passenger Service Fee/User Development Fee) collected by Aircraft Operator & given to Airport Authority - liable to GST in the hands of Airport Authority.