



SUPER 25 QUESTIONS OF INTRODUCTION TO GST

ONE DAY BEFORE

PAST PAPERS & MQP's

Q1. Explain the concept and features of indirect taxation.

[Dec 2024 & 2023, 7 Marks] [MQP Dec 2024, 7 Marks]

Answer:

Concept and features of indirect taxation

- (i) Tax on goods and services - Indirect tax is levied at the time of supply or manufacture or purchase or sale or import or export of goods. Further, it is also levied on supply.
- (ii) Burden - Tax, being indirect tax paid by the seller, shall be recovered by the seller from the buyer. Thus, one can say that burden of indirect tax is shifted from seller to buyer and ultimately borne by the consumers of such goods and services.
- (iii) Inflationary in nature - Cost of goods and services increases due to levy of indirect taxes thus, indirect taxes promote inflation.
- (iv) Social welfare - It is a useful tool to promote social welfare by checking the consumption of harmful goods or sin goods through higher rate of tax.
- (v) Wider tax base - Majority of goods and services are liable to indirect tax with very low threshold limits, so tax base is much wider in case of indirect tax in comparison to direct tax.
- (vi) Regressive in nature - All persons (rich or poor) will bear equal wrath of tax on goods or services consumed by them irrespective of their ability. In other words, indirect tax does not create any difference between rich and poor. Poor people are also required to pay equal percentage of tax on certain goods and service of mass consumption. Thus, it may increase the disparities between rich and poor.
- (vii) No pinch - Seller (the person on which indirect tax is levied) does not perceive a direct pinch of tax as it is recovered by him from the buyer and then he is paying to the Government. On the other hand, since it is inbuilt in the price of goods, the ultimate payer (i.e, the buyer) pay without knowing that he is paying any tax to the Government.



Q2. Who are the members of the GST Council? State any five recommendations that can be made by the GST Council.

What would be the role of GST Council? Or

"The GST Council stands as the backbone of the whole GST law." What is the role of GST Council under GST? Or

Enumerate any five matters on which the GST Council may make recommendation under Article 279A of the constitution of India.

[Dec 2024, 7 Marks]

Answer:

Members of the GST Council

The GST Council shall consist of the following members, namely: -

- (a) The Union Finance Minister is the Chairperson;
- (b) The Union Minister of State, in-charge of Revenue of finance is the member;
- (c) The Minister In-charge of finance or taxation or any other Minister nominated by each State Government are the members.

The recommendations that can be made by GST Council are as under: -

- (i) the taxes, cesses and surcharges levied by the Union, the States and the local bodies which may be subsumed in the goods and services tax;
- (ii) the goods and services that may be subjected to, or exempted from the goods and services tax;
- (iii) model Goods and Services Tax Laws, principles of levy, apportionment of Goods and Services Tax levied on supplies in the course of inter-State trade or commerce under article 269A and the principles that govern the place of supply;
- (iv) the threshold limit of turnover below which goods and services may be exempted from goods and services tax;
- (v) the rates including floor rates with bands of goods and services tax;
- (vi) any special rate or rates for a specified period, to raise additional resources during any natural calamity or disaster;
- (vii) special provision with respect to the States of Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand; and any other matter relating to the goods and services tax, as the Council may decide.



Q3. State the difficulties / limitations in pre-GST regime in the context of indirect taxes, which were removed with the introduction of GST.

[June 2024 & June 2023, 7 Marks]

Answer:

- (i) In pre-GST regime, Indian indirect tax was highly fragmented. Centre and States were separately taxing the goods and services. There were many taxes like excise duty, service tax, VAT, CST, purchase tax, entertainment tax, octroi.
- (ii) In addition, there was multiplicity of rates, laws and procedures. This caused heavy compliance burden.
- (iii) Imposition of tax on tax was another serious problem. For example, VAT was levied on value that included excise duty.
- (iv) Input tax credit chain broke as goods moved from one State to another, resulting in hidden cost for their business.
- (v) Further, pre-GST, there were tax nakas at every inter-state border, creating bottlenecks in inter-state transport of goods.
- (vi) As a result, logistics sector remained inefficient and it adversely affected the businesses.
- (vii) Every State was effectively a distinct market for the industry as well as consumer.
- (viii) Industry's choice of locating factories or warehouses was heavily influenced by the prevailing tax regime than pure business consideration.

To curb all these, Goods and Services Tax (GST) was introduced in the system with the idea of One Nation One Tax.

Q4. Write a short note (meaning, functions and salient features) on GST Network (GSTN).

What is GSTN and its role in the GST regime? Or Discuss any two functions of GSTN or Discuss the need and functions of the common GST portal.

[June 2024, 7 Marks]

Answer:

GST Network (GSTN)

A common platform is needed which could act as a clearing house and verify the claims and inform the respective government to transfer the funds. This is possible with the help of a strong IT infrastructure. Accordingly, government has established common GST electronic portal, a website managed by goods and services Network GSTN for the tax payer and common IT infrastructure for central and states.

GSTN (a non-profit government owned organisation) is a special purpose Vehicle. The functions of the GSTN. Would Inter Alia include:



1. Facilitating registration
2. Forwarding the returns to central and state authorities
3. Competition and settlement of IGST
4. Matching of tax payment details with banking network
5. Providing various NIS reports to the central and the state governments based on the tax sphere written information
6. Providing analysis of tax payers' profile
7. Running the matching engine for matching reversal and reclaim of input tax credit

Salient features of GST

1. Incorporated in March 2013 as section 25- 100 percent government owned company with paid up capital of 10,00,00,000
2. Two function as a common pass through portal for tax payers
 - Submit registration application
 - File returns
 - Make tax payments
3. To develop back end modules for states
4. Infosys Ltd appointed as managed service provider
5. Appointed more than 70 GST Suvidha providers.

Q5. Explain the benefits of GST to (i) Business and Industry; and (ii) for Central and State Governments.

[Dec 2023, 7 Marks] [MQP Dec 2024, 7 Marks]

Or

Discuss the key benefits of the Goods and Services Tax (GST) to (i) business and industry sector; and (ii) for the consumer.

[MQP June 2025, 7 Marks]

Answer:

(i) Benefits of GST to Business and industry

- **Easy Compliance:** A robust and comprehensive IT system would be the foundation of the GST regime in India. Therefore, all tax-payer services such as registrations, returns, payments, etc. would be available to the taxpayers online, which would make compliance easy and transparent.
- **Uniformity of tax rates and structures:** GST will ensure that indirect tax rates and structures are common across the country, thereby increasing certainty and ease of doing business. In other words, GST would make doing business in the country tax neutral, irrespective of the choice of place of doing business.



- **Removal of cascading:** A system of seamless tax-credits throughout the value-chain, and across boundaries of States, would ensure that there is minimal cascading of taxes. This would reduce hidden costs of doing business.
- **Improved competitiveness:** Reduction in transaction costs of doing business would eventually lead to an improved competitiveness of the trade and industry.
- **Gain to manufacturers and exporters:** The subsuming of major Central and State taxes in GST, complete and comprehensive set-off of input goods and services and phasing out of Central Sales Tax (CST) would reduce the cost of locally manufactured goods and services. This will increase the competitiveness of Indian goods and services in the international market and give boost to Indian exports. The uniformity in tax rates and procedures across the country will also go a long way in reducing the compliance cost.

(ii) Central and State Governments

- **Simple and easy to administer:** Multiple indirect taxes at the Central and State levels are being replaced by GST. Backed with a robust end-to-end IT system, GST would be simpler and easier to administer than all other indirect taxes of the Centre and State levied so far.
- **Better controls and leakage:** GST will result in better tax compliance due to a robust IT infrastructure. Due to the seamless transfer of input tax credit from one stage to another in the chain of value addition, there is an inbuilt mechanism in the design of GST that would be incentive tax compliance by traders.
- **Higher revenue efficiency:** GST is expected to decrease the cost of collection of tax revenues of the Government, and will therefore lead to higher revenue efficiency.
- **Boost to 'Make in India' initiative:** GST will give major boost to the 'Make in India' initiative of government of India by making goods and services produced in India competitive in the national as well as international market.

iii. For the consumer:

- **Single and transparent tax proportionate to the value of goods and services:** Due to multiple indirect taxes being levied by the Centre and State, with incomplete or no input tax credits available at progressive stages of value addition, the cost of most goods and services in the country today are laden with many hidden taxes. Under GST, there would be only one tax from the manufacturer to the consumer, leading to transparency of taxes paid to the final consumer.
- **Relief in overall tax burden:** Because of efficiency gains and prevention of leakages, the overall tax burden on most commodities will come down, which will benefit consumers.



Q6. Write short note on Constitution of GST Council and also state any four issues on which GST Council may give its recommendations.

[Dec 2023, 7 Marks]

Answer:

The GST Council shall consist of Union Finance Minister as a Chairperson, Union Minister of State in charge of Finance as a member, the State Finance Minister or State Revenue Minister or any other Minister nominated by each State as a member of the Council. The GST Council shall select one of them as Vice Chairperson of Council

GST Council is to make recommendations to the Central Government and the State Governments on

1. tax rates,
2. exemptions,
3. threshold limits,
4. dispute resolution,
5. GST legislations including rules and notifications etc.

Q7. Briefly explain the difference between Direct Taxes and Indirect Taxes.

[June 2023, 7 Marks] [MQP June 2025, 7 Marks] [MQP Dec 2024, 7 Marks]

Answer:

Direct Taxes	Indirect Taxes
Payer of tax and sufferer of tax one and same (i.e., impact and incidence on the same person)	Payer of tax not sufferer of tax whereas sufferer of tax is not paying directly to the Government (i.e., impact on one head and incidence on other head)
Income based taxes	Supply based taxes
Rate of taxes are different from person to person	Rate of duties are not differed from person to person
Entire revenue goes to Central Government of India	Revenue source to Central Government of India as well as State Governments (i.e., CGST and SGST)
Previous year income assessed in the assessment year	There is no previous year and assessment year concept
Central Board of Direct Taxes (CBDT) is an important part of Department of Revenue.	Central Board of Indirect Taxes & Customs (CBIC). is an important part of Department of Revenue.
Progressive nature.	Regressive nature.



Q8. Discuss, the role of the Goods and Services Tax (GST) Council in India.

[MQP Dec 2024, 7 Marks]

Answer:

Functions of the GST Council:

1. **Policy Formulation:** The Council is responsible for recommending policy changes related to GST, including the rates, exemptions, and thresholds.
2. **Rate Setting:** It decides on the GST rates for different goods and services, which can vary between essential items and luxury goods.
3. **Revenue Distribution:** The Council determines how revenue from GST will be shared between the Central and State governments.
4. **Resolving Disputes:** It addresses disputes and concerns raised by states regarding the implementation of GST, facilitating a collaborative approach.
5. **Simplification of Compliance:** The Council works towards simplifying compliance procedures and ensuring ease of doing business for taxpayers.
6. **Reviewing GST Framework:** It periodically reviews the GST structure and makes recommendations for improvement based on evolving economic conditions.
7. **Enhanced Tax Compliance:** By addressing issues and providing clarity on GST-related matters, the Council fosters a conducive environment for tax compliance among businesses.
8. **Economic Stability:** The Council's role in ensuring a balanced approach to taxation helps maintain economic stability and promotes growth across sectors.
9. **Cooperative Federalism:** The Council embodies the principles of cooperative federalism, as it brings together the Central and State governments to make collective decisions regarding GST.
10. **Flexibility and Adaptability:** The Council's ability to recommend changes to tax rates and policies allows the GST framework to adapt to economic changes and emerging challenges.

Q9. Enumerate any seven state taxes which are subsumed in the Goods and Services Tax.

[MQP Dec 2023, 7 Marks]

Answer:

State taxes which are subsumed in the Goods and Services Tax:

- (i) State VAT/ Sales Tax
- (ii) Central Sales Tax
- (iii) Purchase Tax
- (iv) Luxury Tax
- (v) Entry Tax (all forms)



- (vi) Entertainment Tax (other than those levied by local bodies)
- (vii) Tax on advertisement.

Q10. List some of the benefits that GST may accrue to the economy.

Solution

GST may accrue following benefits to the economy:

- a) **Creation of unified national market:** GST aims to make India a common market with common tax rates and procedures and remove the economic barriers, thereby paving the way for an integrated economy at the national level.
- b) **Boost to 'Make in India' initiative:** GST may give a major boost to the 'Make in India' initiative of the Government of India by making goods and services produced in India competitive in the national as well as international market. This would make India a manufacturing hub.
- c) **Boost to investments, exports and employment:** Under the GST regime, the principle of exporting only the cost of goods or services and not taxes is being followed. This may boost Indian exports thereby improving the balance of payments position. Exporters are being facilitated by grant of provisional refund of 90% of their claims within 7 days of issue of acknowledgement of their application, thereby resulting in the easing of position with respect to cash flows.
Further, the subsuming of major Central and State taxes in GST, complete and comprehensive set-off of input tax on goods and services and phasing out of Central Sales Tax (CST) may reduce the cost of locally manufactured goods and services. Resultantly, the competitiveness of Indian goods and services in the international market may increase to give boost to investments and Indian exports.
With a boost in exports and manufacturing activity, more employment would be generated and GDP would increase.

Q11. Explain with the help of examples how a particular transaction of goods and services is taxed simultaneously under Central GST (CGST) and State GST (SGST)?

Solution

The Central GST and the State GST is levied simultaneously on every intra-State supply of goods or services or both made by registered persons except the exempted goods and services as well as goods and services which are outside the purview of GST. Further, both are levied on the same price or transaction value. The same can be better understood with the help of following examples:

- 1. **Example I:** Suppose 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 also located within the same State for, say INR 100, the



dealer would charge CGST of 10 and SGST of 10 in addition to the basic price of the goods. The CGST component will go into a Central Government account while the SGST portion into the account of the concerned State Government (viz. U.P.).

It is important to note that he might not actually pay INR 20 (10 + 10) in cash as he would be entitled to set-off this liability against the CGST or SGST aid on his eligible purchases (inputs, input services and capital goods) assuming that all his purchases are intra-State. However, 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. CGST credit cannot be used for payment of SGST and vice versa.

2. **Example II:** Suppose, again 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 100, the ad company would charge CGST of 10 as well as SGST of 10 at the basic value of the service. The CGST component will go into a Central Government account while the SGST portion into the account of the Maharashtra Government.

He might not actually pay 20 (10+10) in cash as it would be entitled to set-off this liability against the CGST or SGST paid on his eligible purchases (say, of inputs such as stationery, office equipment, services of an artist etc.) assuming that all his purchases are intra-State. However, 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. CGST credit cannot be used for payment of SGST and vice versa.

Q12. Why was the need to amend the Constitution of India before introducing the GST?

Solution

Earlier, the fiscal powers between the Centre and the States were clearly demarcated in the Constitution with almost no overlap between the respective domains. The Centre had the powers to levy tax on the manufacture of goods (except alcoholic liquor for human consumption, opium, narcotics etc.) while the States had the powers to levy tax on the sale of goods. In the case of inter-State sales, the Centre had the power to levy the Central Sales Tax but the tax was collected and retained entirely by the States. As for services, it was the Centre alone that was empowered to levy service tax.

Introduction of the GST necessitated the amendments in the Constitution so as to simultaneously empower the Centre and the States to levy and collect this tax. The Constitution of India was amended by the Constitution (101st Amendment) Act, 2016 for this purpose. Article 246A of the Constitution introduced thereby empowered the Centre and the States to simultaneously levy and collect the GST.



Q13. GST is a destination-based tax on consumption of goods or services or both. Discuss the validity of the statement.

Solution

The given statement valid. GST is a destination-based tax on consumption of goods or services or both. GST is known as destination- based tax since the tax would accrue to the taxing authority which has jurisdiction over the place of consumption which is also termed as place of supply.

For example, if A in Delhi produces the goods and sells the goods to B in Haryana. In this case, the tax would accrue to the State of Haryana and not to the State of Delhi. On the other hand, under pre-GST regime, origin- based taxation was prevailing in such cases. Under origin-based taxation, the tax used to accrue to the State from where the transaction originated. In the given of case, Delhi under origin-based taxation, the central sales tax would have been levied by Centre and collected by the State and not by the State of Haryana.

Q14. Discuss the leviability of GST or otherwise on the following:

- a) **Alcoholic liquor for human consumption**
- b) **Petroleum crude, diesel, petrol, Aviation Turbine Fuel (ATF) and natural gas**
- c) **Tobacco**
- d) **Opium, Indian hemp and other narcotic drugs and narcotics**

Solution

- a) **Alcoholic liquor for human consumption:** is outside the realm of GST. The manufacture/production of alcoholic liquor continues to be subjected to State excise duty and inter-State/intra-State sale of the same is subject to CST/VAT respectively.
- b) **Petroleum crude, diesel, petrol, ATF and natural gas:** As regards petroleum crude, diesel, petrol, ATF and natural gas are concerned, they are not presently leviable to GST. GST will be levied on these products from a date to be notified on the recommendations of the GST Council.

Till such date, central excise duty continues to be levied on manufacture/production of petroleum crude, diesel, petrol, ATF and natural gas and inter-State/intra-State sale of the same is subject to CST/VAT Respectively.

- c) **Tobacco:** Tobacco is within the purview of GST. i.e. GST is leviable on tobacco. However, Union Government has also retained the power to levy excise duties on tobacco and tobacco products manufactured in India. Resultantly, tobacco is subject to GST as well as central excise duty.

Opium, Indian hemp and other narcotic drugs and narcotics: Opium, Indian hemp and other narcotic drugs and narcotics are within the purview of GST, i.e. GST is leviable on them. However, State Governments have also retained the power to levy excise duties



on such products manufactured in India. Resultantly, Opium, Indian hemp and other narcotic drugs and narcotics are subject to GST as well as State excise duties.

Q15. Under Goods and Services Tax (GST), only value addition is taxed and burden of tax is to be borne by the final consumer. Examine the validity of the statement.

Solution

The statement is correct. Goods and Services Tax is a destination-based tax on consumption of goods and services. It is levied at all stages right from manufacture up to final consumption with credit of taxes paid at previous stages available as setoff. Resultantly, only value addition is taxed and burden of tax is to be borne by the final consumer.

Q16. Which are the commodities which have been kept outside the purview of GST? Examine the status of taxation of such commodities after introduction of GST.

Solution

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. Therefore, alcohol for human consumption is kept out of GST by way of definition of GST in the Constitution. Five petroleum products viz. petroleum crude, motor spirit (petrol), high speed diesel, natural gas and which aviation turbine fuel have temporarily been kept out of the purview of GST; GST Council shall decide the date from they shall be included in GST. The erstwhile taxation system (CST/VAT & central excise) still continues in respect of the said commodities.

Q17. A dual GST has been implemented in India. Elaborate.

What type of GST is proposed to be implemented? Why is Dual GST required? Or A dual GST has been implemented in India. Elaborate.

Solution

A dual GST has been implemented in India with the Centre and States simultaneously levying it on a common tax base. The GST levied by the Centre on intra-State supply of goods and / or services is called the Central GST (CGST) and that levied by the States/ Union territory is called the State GST (SGST)/ Union GST (UTGST). Similarly, Integrated GST (IGST) is levied and administered by Centre on every inter-State supply of goods and/or services.

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 GST, to the division of powers prescribed in the Constitution for which they need to raise resources. A dual therefore, keeps with the Constitutional requirement of fiscal federalism.



Q18. Discuss Article 269A pertaining to levy and collection of GST on inter-State supply.

Solution

Article 269A of the Constitution stipulates that Goods and Services Tax 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.

Here, supply of goods, or of services, or both in the course of import into the territory of India shall be deemed to be supply of goods, or of services, or both in the course of inter-State trade or commerce.

The amount so apportioned to a State shall not form part of the Consolidated Fund of India. Where an amount collected as IGST has been used for payment of SGST or vice versa, such amount shall not form part of the Consolidated Fund of India/State respectively. This is to facilitate transfer of funds between the Centre and the States.

Parliament is empowered to formulate the principles for determining the place of supply, and when a supply of goods, or of services, or both takes place in the course of inter-State trade or commerce.

Q19. Discuss Article 246A which grants the power to make laws with respect to Goods and Services Tax.

Solution

Article 246A stipulates that Parliament, and, the Legislature of every State, have power to make laws with respect to goods and services tax imposed by the Union or by such State. Parliament has exclusive power to make laws with respect to goods and services tax where the supply of goods, or of services, or both takes place in the course of inter-State trade or commerce.

However, in respect to petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel, the aforesaid provisions shall apply from the date to be notified by the Government on the recommendations by the GST Council.



Q20. Write a short note on lists provide under seventh schedule to the constitution of India.

Solution

Seventh Schedule to Article 246 of the Constitution contains three lists which enumerate the matters under which the Union and the State Governments have the authority to make laws.

1. List -I (Union List): It contains the matters in respect of which the Parliament (Central Government) has the exclusive right to make laws.
2. List -II (State List): It contains the matters in respect of which the State Government has the exclusive right to make laws.
3. List -III (Concurrent List): It contains the matters in respect of which both the Central & State Governments have power to make laws.

Q21. Discuss the deficiencies of the existing indirect taxes which led to the need for ushering into GST regime.

Solution

Deficiencies in the erstwhile indirect tax regime:

- a) Certain transactions were subject to double taxation and were taxed as both goods and services, since under the earlier regime, distinction between goods and services was often blurred.
- b) CENVAT did not include chain of value addition in the distributive trade after the stage of production. Similarly, in the State-level VAT, CENVAT load on the goods was not removed leading to the cascading of taxes.
- c) Though CENVAT and State-Level VAT were essentially value added taxes, set off of one against the credit of another was not possible as CENVAT was a central levy and State-Level VAT was a state levy.
- d) There were several taxes in the States, such as, Luxury Tax, Entertainment Tax, etc. which were not subsumed in the VAT. Hence for a single transaction, multiple taxes in multiple forms were required to be paid.
- e) VAT on goods was not integrated with tax on services, at the State level, to remove the cascading effect of service tax. With service sector being the fastest growing sector in the economy, the exclusion of services from the tax base of the States potentially eroded their tax- buoyancy.
- f) CST was another source of: distortion in terms of its cascading nature since it was non-VATABLE. Being an origin-based tax, CST was also against one of the basic principles of consumption taxes that tax should accrue to the jurisdiction where consumption takes place.



Q22. Elaborate the principles that were borne in mind while subsuming various central, State and local levies, under GST.

Solution

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:

1. 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.
2. 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.
3. The subsuming of taxes 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.
4. Revenue fairness for both the Union and the States individually would need to be attempted.

Q23. GST is a simplified tax structure. Justify the statement.

Solution

GST is a simplified tax structure. The statement is justified. Simpler tax regime with fewer exemptions along with reduction in multiplicity of taxes under GST has led to simplification and uniformity in tax structure. The uniformity in laws, procedures and tax rates across the country makes doing business easier. Common system of classification of goods and services across the country ensures certainty in tax administration across India.

Q24. List the taxes, which are not subsumed in GST

Solution

- (a) Basic Customs Tax
- (b) Property tax and stamp duty
- (c) Electricity duty
- (d) Excise duty on alcohol
- (e) Excise duty on petrol, diesel etc.
- (f) Entertainment tax charged by local bodies (municipality).



Q25. How will decisions be taken by GST Council?

Solution

Article 279-A of the Constitution of India makes provisions as to GST Council. It provides that every decision of the GST Council shall be taken at a meeting by a majority of not less than $\frac{3}{4}$ th of the weighted votes of the Members present and voting.

The vote of the Central Government shall have a weightage of $\frac{1}{3}$ rd of the votes cast and the votes of all the State Governments taken together shall have a weightage of $\frac{2}{3}$ rd of the total votes cast in that meeting.

One half of the total number of members of the GST Council shall constitute the quorum at its meetings.