Date........................

- India Effective = 1 July, 2017
- Jammu & Kashmir (late) = 8 July, 2017
- GST full form = goods & services Tax

- It is an indirect Tax.

* Old Taxes in India before G.S.T.

	Taxable event	Levy	Collect
1. VAT (Value added Tax)	sale of goods [within same state] (intra state)	State	State

Example :- Fridge

Seller	Buyer
↳ Pune	↳ Nagpur
Maharashtra	Maharashtra

80,000 Cr.
+ 5% VAT + 400 Cr.
84,000 Cr.

	Taxable event	Levy	Collect
2. C.S.T (Central Sales Tax)	Sales of goods [from one state to another] [Inter state Sales]	Parliament	State • selling • Producing • Origin state.

Example :-

Seller	Buyer
↓	↓
Pune	udaipur
Maharashtra	Rajasthan

1,00,000 Cr.
+ C.S.T 2% 20000
102000

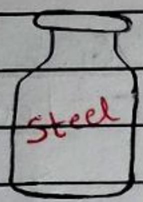
Spiral

Date......................

Excise Duty

	Levy	Collect
Manufacturing of goods in India	Parliament	C.G.

Example :-



Bottle
Manufacturing → Sale → 1000 ₹

Sales Value = ₹1000
+ Excise Duty 10% = + $\boxed{100}$ → C. Govt. deposit

11,000

+ VAT 5% = + $\boxed{55}$ → State Govt. deposit

1155

TAX ON TAX = Cascading effect of Tax

Service Tax

	Levy	Collect
Providing Service	Parliament	C.G.

Example :- Software, Teaching, Restaurant, Import / Export of services = Service Tax

Lec 2 24 Jan

Date.......................

5. Introducing GST through Article = 246 A

Article 265 → Tax → law
↓
Making
Article 246

Parliament

State legislature

⇒ GST Introduction :- Article 246 A

Simultaneously tax can be levied by Parliament as well as state legislature.

6. What do you mean by GST / Define GST

- Article 366 (12 A)

→ It is a tax on supply of goods or services or both except any tax on supply of Alcoholic liquor for human consumption.

Example :- wine / whisky / Rum etc → GST ✗
- State Excise duty ✓
- VAT / CST ✓

- Deodrant
- Sanitizer
- After shaving gel / lotion
- Thinner
- Medicines

} GST ✓

- Tobacco → Central Excise duty + GST ✓

Spiral

Lec 3 25 Jan Date........................

7. Number of states & union Territories in India

union Territory

J&K

Daman & DIY

Andaman & Nicobar

Chandigarh

Delhi

Lakshdeep

Puducherry

Dadra & Nagar Haweli

Ladakh

Merge

J&K, Delhi, Puducherry

Election

	State	U.T.
Constitution	28	8
GST Law	31	5

8. Types of supply & GST

Intra State supply (within same U.T. & state)

Inter State supply

Examples :

① Seller → Buyer
UP UP
Goods = 1000 Rs
GST = 12%
CGST 6% 60
SGST 6% 60
1120

① Seller → Buyer
MH Rajasthan
Goods = 10,000 Rs.
GST = 18%.
IGST = 1800 Rs.
11800

C. Govt rec. → half to Buying state. tf (900 Rs)

Spiral

Date.......................

② Seller → Buyer
Ladakh Ladakh
Goods = 5,000Rs.
GST = 12%.
CGST = 6% 300 rs
UTGST = 6%. 300 rs
5,600

② MH → Raj → Gujarat → UP → Bihar

IGST Half
CG → half
to final
Buying state

③ MP → Chandigarh
State UT
Goods = 50,000
GST 10% = Inter state supply
IGST ⇒ UT to UT.

Summarize

within same State	within same U.T.	Any other Combination
↓	↓	↓
CGST + SGST	CGST + UTGST	IGST

IGST
→ 1 state → UT
→ 1 state to another state
→ 1 UT to another UT

9. Number of GST Acts :-

	Total no.
• CGST Act	1
• SGST Act	31
• IGST Act	1
• UTGST Act	1
• Compensation to States Act	1
	35 Acts

Spiral

Date........................

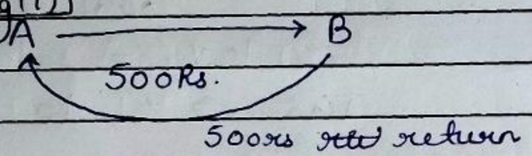
10. Definition of Goods :-

anything which is of Value (बिकाल सकते हैं)

- means movable property → legal tender which is in Circulation
(GST ×) excluding Money, securities and
including grass, Actionable claim / growing Crops, things attached ~~or~~ or forming part of the land severed under a Contract of sale.

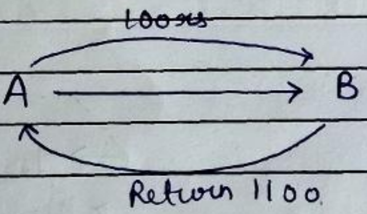
→ Property = Anything which is of Value.

→ Money = Eg (i)



- This is a pure transaction in money
- Not Covered in Goods
- So, No GST

Eg (ii)



- Transfer in money but it ~~is~~ has a separate Consideration [Interest] of ₹100
- It is a supply of Service
- GST should have been Charged but it is exempt [we will study in Ch-4]
- Money held for its Numismatic Value [old coins / notes] which are not in circulation ⇒ Goods ✓ GST ✓

Date........................

→ Securities

Reliance shares 1100 rs + GST ✗

→ shares / deb / ~~Bank~~ / MF's.

→ Securities is not goods

[Shares / deb / Bonds / MF's ~~fund~~ unit etc.]

GST ✗ ✗

$\boxed{\text{Eg(i)}}$

HDFC Bank share purchased for ₹1500 ✗
Commission paid is 20rs.

On 1500 = NO GST → not Covered under Goods.
On 20rs = It's a Service → GST will be Charged.

→ Actionable Claim

- A claim on which action can be taken i.e a person can approach the Court for recovery of money
- Court finds Valid ground for the recovery
- The claim should be unsecured

$\boxed{\text{Eg(ii)}}$

Debtor, Lottery, Bills receivable, Betting etc.