



CHAPTER - 1

INTRODUCTION OF GST & CHARGE OF TAX

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S.No.	Description	Chap. code	Concept and Problem code	No. Illus.
1	Study Mat	1	02.03/02.04/02.06/02.07/02.08/03.10	6
2	Examination	1	-	-
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	Total No. of Illust.			22

01. Introduction to GST :-**MCQ 01.01.01.00****Who will legislate GST law?**

- (a) State Legislature (b) Parliament
(c) Both (d) Depends upon nature of supply

*[Hint:- Refer Article 246A of Constitution of India]***MCQ 01.01.02.00****What kind of tax is GST called as..?**

- (a) Consumption based tax (b) Movement based tax
(c) Destination based tax (d) None of the above

*[Hint:- GST is revenue of state where place of supply is determined which is generally destination based]***02. Sec 9 of CGST Act/ Sec 5 of IGST Act:- Charging Section****MCQ 01.02.03.00****Alcoholic liquor for human consumption is subjected to [Study Mat]**

- (a) State excise duty
(b) Central Sales Tax/Value Added Tax
(c) Both (a) and (b)
(d) GST

*[Hint :- Refer Entry 51 & 54 under List II of Schedule VII & also refer section 9(1) & 9(2) of CGST Act to know goods on which there is no levy of GST]***MCQ 01.02.04.00****Which of the following statements is incorrect?****[Study Mat]**

- (a) Alcoholic liquor for human consumption is outside the realm
(b) Manufacture/ production of alcoholic liquor is

subject to State excise duty.

(c) Inter- State/intra-State sale of the alcohol is subject to CST/ VAT respectively.

(d) Alcoholic liquor for human consumption is subject to GST.

(e) Un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor for human consumption is outside the purview of GST

*[Hint: Refer Entry 51 & 54 under List II of Schedule VII]***MCQ 01.02.05.00****Tobacco is:**

- (a) exempt from GST.
(b) subject to both GST and central excise duty.
(c) outside the realm of GST.
(d) subject to GST only.

*[Hint: Refer Schedule VII, Entry no.84 under List I & also refer section 9(1) & 9(2) of CGST Act to know goods on which there is no levy of GST]***MCQ 01.02.06.00****Presently, is leviable on of petroleum and diesel. [Study Mat]**

- (i) GST; supply
(ii) Central excise duty; manufacture/production
(iii) Central sales tax; inter-State sale
(iv) Value Added Tax; intra-State sale
(v) State excise duty; manufacture

Choose the most appropriate option

- (a) (ii), (iii) and (iv) (b) (i)
(c) (i) and (ii) (d) (i) and (v)

*[Hint: Refer GST levability]***MCQ 01.02.07.00****..... is leviable on of Tobacco.****[Study Mat]**

- (i) GST; supply
(ii) Central excise duty; manufacture/production
(iii) Central sales tax; inter-State sale
(iv) Value Added Tax; intra-State sale
(v) State excise duty; manufacture

Choose the most appropriate option

- (a) (ii), (iii) and (iv) (b) (i)
(c) (i) and (ii) (d) (i) and (v)

*[Hint: Refer GST levability]***MCQ 01.02.08.00****..... is leviable on of opium & Indian hemp. [Study Mat]**

- (i) GST; supply
(ii) Central excise duty; manufacture
(iii) Central sales tax; inter-State sale
(iv) Value Added Tax; intra-State sale
(v) State excise duty; manufacture

Choose the most appropriate option

- (a) (ii), (iii) and (iv) (b) (i)
(c) (i) and (v) (d) (i) and (ii)

*[Hint: Refer GST levability]***03. Various Taxes Subsumed/ Not subsumed under GST:-****MCQ 01.03.09.00****Various taxes have been subsumed in GST to make one nation one tax one market for consumers. Out of**

the following, determine which taxes have been subsumed in GST.

(i) Basic customs duty levied under Customs Act, 1962

(ii) Taxes on lotteries

(iii) Environment tax [RTP May 21][Study Mat]

(a) (ii)

(b) (ii) and (iii)

(c) (iii)

(d) (i), (ii) and (iii)

(Hint: The GST has replaced some taxes, which was levied earlier)

MCQ 01.04.10.00

Which of the following taxes is/are not subsumed in GST? [Study Mat]

(i) Service Tax

(ii) Customs Duty

(iii) Luxury Tax

(iv) Tax on lottery, betting and gambling

(v) Entertainment tax levied by local bodies

Choose the most appropriate option

(a) (ii) (b) (ii) and (v)

(c) (i), (iii), (iv) and (v) (d) (v)

(Hint:- The GST has replaced some taxes, which was levied earlier)

04. Dual GST Model in India:-

MCQ 01.04.11.00

What does dual GST concept mean?

(a) Charging CGST & IGST

(b) Charging SGST & IGST

(c) Charging both CGST & SGST

(d) None of the above

[Hint:- Centre and States simultaneously levy GST on intra-state taxable supply]

05. Article 279A & Article 265

MCQ 01.05.12.00

From the following, who will be the members of the GST Council?

1. Union Finance Minister

2. Union Minister of State in charge of Revenue or Finance

3. Chief Ministers of States

(a) 1 & 3

(b) 1 & 2

(c) 2 & 3

(d) All of the above

[Hint:- Refer Article 279A of Constitution of India]

MCQ 01.05.13.00

The recommendation of the GST Council will be __

(a) Mandatory

(b) Only Advisory Power

(c) Mandatory and sometimes Advisory

(d) Mandatory on States only

[Hint:- As per Supreme court Judgement]

MCQ 01.05.14.00

_____ provides that no tax shall be levied or collected except by authority of law.

(CA Inter MTP Sep 23)

(a) Article 269

(b) Article 245

(c) Article 265

(d) Article 246

[Hint:- As per Supreme court Judgement]

06. Common GST Portal/ Goods & Service Tax Network (GSTN):-

MCQ 01.06.15.00

GSTN is a -----

(a) Non-profit organisation

(b) Profit organisation

(c) None of the above

(d) One Person company

[Hint:- GSTN is a pvt. Ltd. company formed u/s 8 of Companies Act i.e. to promote non-profit objectives]

MCQ 01.06.16.00

Which of the following is not the role of GSTN in GST regime?

(a) Facilitating registration, forwarding return to Central and State authorities.

(b) Computation and Settlement of IGST, matching tax payment details with banking network

(c) Providing platform for litigation

(d) Providing various MIS reports to Central and State Governments, providing analysis on tax payer's profile, running the matching engine, reversal and reclaim of Input tax credit

[Hint:- Refer functions of GSTN]

07. Credit system under Dual GST Model & Manner of Credit Utilization:-

MCQ 01.07.17.00

Whether IGST revenue is to be apportioned to state?

(a) No

(b) Yes- apportioned to origin state

(c) Yes- apportioned to destination state

(d) Discretion of Parliament

[Hint:- GST being destination based tax- it is received by state where the goods &/or services are consumed]

MCQ 01.07.18.00

ITC of IGST can be utilised for payment of

(a) Only CGST

(b) Only SGST

(c) Only CGST & SGST

(d) Ist IGST then, CGST & SGST in any order

[Hint:- Refer Sec 49 read with Rule 88A:- manner of utilization of ITC]

MCQ 01.07.19.00

ITC of CGST can be utilised for payment of

(a) Only CGST

(b) Only SGST

(c) Ist CGST & then IGST

(d) Ist IGST & then CGST

[Hint:- Refer Sec 49 read with Rule 88A:- manner of utilization of ITC]

MCQ 01.07.20.00

ITC of SGST can be utilised for payment of

(a) Only CGST

(b) Only SGST

(c) Ist IGST & then SGST

(d) Ist SGST & then IGST

[Hint:- Refer Sec 49 read with Rule 88A:- manner of utilization of ITC]

MCQ 01.07.21.00

TT Pvt. Ltd., registered in Rajasthan, furnished following information for the month of June: (i) Inter-State sale of goods for ₹ 1,25,000 to JJ Enterprises registered in Haryana (ii) Inter-State purchases of goods from XYZ company, registered in Punjab, for ₹ 40,000 (iii) Intra-State purchases of goods from RR Traders, registered in Rajasthan, for ₹ 65,000 The applicable rate of GST is 18%. All the above amounts are exclusive of taxes. GST liability payable in cash is- (CA Inter RTP Nov 2020) [Study Mat]

(a) CGST ₹ 1,800 & SGST ₹ 1,800

(b) SGST ₹ 3,600

(c) IGST ₹ 3,600

(d) CGST ₹ 3,600

(Hint: IGST on outward supply :22,500,
IGST on inward supply: 7,200,
CGST & SGST on inward supply:11,700,
hence IGST 3,600)

Answer:-

01.01.01	c	01.04.11	c	01.07.21	c
01.01.02	c	01.05.12	b		
01.02.03	c	01.05.13	b		
01.02.04	d	01.05.14	c		
01.02.05	b	01.06.15	a		
01.02.06	a	01.06.16	c		
01.02.07	c	01.07.17	c		
01.02.08	c	01.07.18	d		
01.03.09	a	01.07.19	c		
01.03.10	b	01.07.20	d		