



# 50 GST MCQ's

**1) Compensation to states under GST(Compensation to States ) Act , 2017 is paid by**

- a) Central Government from consolidated fund of India
- b) Central Government from GST compensation fund of India**
- c) Central Government directly from the collection of compensation cess
- d) GST Council under Constitution of India.

**2) While computing compensation to states, tax revenue of this tax/ these taxes is excluded**

- a) petroleum crude, diesel, petrol, ATF and natural gas
- b) Alcohol for human consumption
- c) entertainment tax collected by local authorities
- d) All of the above**

**3) Input tax credit on compensation cess paid under GST(Compensation to States ) Act , 2017**

- a) is not available
- b) is available**
- c) is available but not fully
- d) is available after one year

**4) Input tax credit under GST(Compensation to States ) Act , 2017 includes GST Compensation Cess charged on any supply of**

- a) goods and/or services,
- b) Goods imported
- c) GST Compensation Cess payable on reverse charge basis;
- d) All of the above**

**5) Maximum rate of CGST prescribed by law for intrastate supply made is----**

- a) 18%
- b) 20%**
- c) 40%
- d) 28%+cess

**6) Input tax credit on Compensation cess paid under GST (Compensation to States) Act, 2017 is available for payment of**

- a) IGST only
- b) IGST and CGST only
- c) compensation under GST (Compensation to States) Act**
- d) None of the above

**7) IGST is payable when the supply is ---**

- a) Interstate**
- b) Intra-state
- c) Intra- UT
- d) All of the above

**8) Zero rated supply includes supplies made-**

- a) By SEZ unit in India
- b) to SEZ unit in India**
- c) Both (a & (b above
- d) None of the above

**9) With the introduction of GST, imports will be—**

- a) more expensive**
- b) cheaper
- c) neutral with no change
- d) None of the above

**10) The first committee to design GST model was headed by**

- a) Vijay Kelkar
- b) Asim Das Gupta**
- c) Dr. Chidambaram
- d) None of the above

**11) First discussion paper (FDP) which formed the basis for GST in 2009 was released by**

- a) Union Finance Ministry
- b) Dr. Manmohan Singh
- c) GST Council
- d) Empowered Committee**

**12) Roll out of GST requires constitutional amendment because—**

- a) existing laws were cascading
- b) the powers of levy were exclusive
- c) there are separate laws for goods and services
- d) All of the above**

**13) Works contract under GST is goods used in work relating to-**

- a) Immovable property
- b) Both movable and immovable property
- c) Immovable property treated as supply of service**
- d) Immovable property treated as supply of goods

**14) IGST deals with**

- a) Composition scheme
- b) Time of supply
- c) Service tax on imported services**
- d) All of the above

**15) The turnover limit of Rs. 50 Lakh for composition scheme is not applicable to the state of**

- a) Himachal Pradesh
- b) Assam
- c) Uttarakhand**
- d) None of the above

**16) A supplier is liable to get registered under GST if his aggregate turnover in a financial year crosses Rs. 20 lakh in a state or UT other than special category states if he is-**

- a) an interstate supplier
- b) an intra-state supplier**
- c) Electronic commerce operator
- d) Person liable to pay GST under reverse charge

**17) Registration under GST is not compulsory to-**

- a) Casual taxable person
- b) Input service distributor
- c) Non-resident taxable person
- d) None of the above**

**18) One of the following states does not fall under special category given under Art. 279A of the Constitution**

- a) Himachal Pradesh
- b) Uttarakhand
- c) Chhattisgarh**
- d) Jammu & Kashmir

**19) Exemption from registration is available to**

- a) Central & State Govt. Departments
- b) Agriculturists**
- c) a) & b) above
- d) None of the above

**20) Address for delivery**

- a) Recipient address mentioned in the tax invoice**
- b) Recipient address mentioned in the delivery challan
- c) Recipient address not necessary
- d) Recipient address mentioned in the Gate pass

**21) When President assent was obtained for central GST**

- a) 18th April 2017
- b) 22nd April 2017
- c) 5th April 2017
- d) 12th April 2017**

**22) What is applicability of GST**

- a) Applicable all over India except Sikkim
- b) Applicable all over India except Jammu and Kashmir
- c) Applicable all over India**
- d) Applicable all over India except Nagaland

**23) Money means**

- a) Indian legal tender
- b) Foreign currency
- c) Cheque/promissory note
- d) All the above**

**24) non-taxable territory means**

- a) Outside taxable territory**
- b) Inside taxable territory
- c) Inter-state taxable territory
- d) None of the above

**25) Person includes**

- a) Individual
- b) HUF
- c) LLP
- d) All the above**

**26) Goods and Service Tax council referred in which section**

- a) 279A of the constitution**
- b) 276 of the constitution
- c) 277 of the constitution
- d) 279 of the constitution

**27) Weight age of vote for centre at GST council**

- a) 1/4th of total votes cast
- b) 1/3rd of total votes cast**
- c) 1/2 of total votes cast
- d) Only B

**28) Weightage of States ( combined together) at GST council**

- a) 2/3rd of total votes cast**
- b) 1/3rd of total votes cast
- c) 1/4th of total votes cast
- d) None of the above

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**29) Who is chairperson of GST council**

- a) Finance secretary
- b) State Finance Minister
- c) Union Finance Minister**
- d) None of the above

**30) Taxable turnover of below Rs.1.5 crore assessee under control of**

- a) Centre
- b) State
- c) Both a and b**
- d) Only c

**31) Powers to declare certain activities/transactions as neither supply of goods nor of services**

- a) Schedule I
- b) Schedule III**
- c) Schedule II
- d) Schedule IV

**32) Mr. Mehta of Mumbai, a trader in Mumbai has opted for composition scheme of taxation under GST Determine the percentage (%) of total GST payable by him under composition scheme:**

- (a) 2.5% CGST & 2.5% UTGST**
- (b) 5% IGST
- (c) 0.5% CGST & 0.5% SGST
- (d) None of the Above

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**33) What is the rate applicable under CGST to a registered person being a manufacturer opting to pay taxes under composition scheme?**

- (a) 2.5%
- (b) 0%
- (c) 1%**
- (d) 5%

**34) Can a registered person opt for composition scheme only for one out of his 3 business verticals having same Permanent Account Number?**

- (a) No**
- (b) Yes
- (c) Yes, subject to prior approval of CG
- (d) None of the Above

**35) Can Mr. A avail credit on Input services or capital goods held in stock, in case of new registration/voluntary Registration**

- A) Yes
- B) No**
- C) Yes on Input services only
- D) Yes on capital goods only

**36) Is the principal entitled for credit of goods though he has not received the goods and has been sent to job worker directly by vendor**

- A) Yes**
- B) No
- C) Yes vendor should be located in same place
- D) None of the above

**37) An acknowledgement must be given on receipt of advance payment in respect of supply of goods or services:**

- A) Yes, in the form of a proforma invoice;
- B) Yes, as a receipt voucher.**
- C) Yes, the invoice must be raised to that extent;
- D) None of the above

**38) What will be the maximum amount of penalty u/s.67 for contravening any provision of the GST Act or Rules on which no separate penalty is prescribed?**

- A) Rs.25/-Thousand**
- B) Rs.10/-Thousand
- C) Rs.50/-Thousand
- D) Rs.1/-Lakh

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**39) If the officer fails to issue a notice to the taxable person after the seizure of the goods within 60 days or within extended time period at maximum of 6 months, what will be its impact?**

- A) Goods can still be detained up to the completion of the adjudication procedure
- B) Goods are to be returned**
- C) Either (A) or (B) at the discretion of the adjudicating authority
- D) None of the Above

**40) Suppose one dealer who was not liable to get registered in the earlier law or a manufacturer of the exempted goods became taxable under GST. How the tax element involved in his raw material stock or semi-finished goods or finished goods on the appointed day will be treated in GST?**

- A) Refunded under earlier laws
- B) Allowed as ITC in GST**
- C) Refunded under GST law
- D) No ITC Credit

**41) Suppose taxable identifiable goods under earlier law dispatched within 6 months prior to the appointed day (i.e.01-04-2017) are returned back after 6 months from the appointed day. How such return supply will be treated under GST?**

**A) It will be Subject to tax at the appropriate rate of GST**

- B) No GST
- C) At the half rate of the GST
- D) Only SGST is charged

**42) If one dealer fails to give the additional information for final registration in GST within the prescribed time period, what will be the fate of the provisional registration?**

**A) It will be cancelled giving SCN**

- B) He will be issued compulsory final Registration without allowing any ITC
- C) Either a) or b)
- D) None of the above

**43) Suppose, One existing dealer who has been issued Provisional Registration Certificate is not liable for registration under GST due to the below registrable limit or items not liable to tax under GST. What will be the option available to such dealers in the provisional registration period?**

**A) He may apply for the cancellation of the provisional registration**

- B) He has to wait for the completion of the provisional registration period of 6 months
- C) Cancellation will be permitted only after One year from the appointed day
- D) None of the Above

**44) If any actions are instituted against the admissibility of ITC under earlier law either before or after the implementation of GST, how it will be treated under GST?**

A) Collected as a tax arrears under earlier law

**B) Collected as a tax arrears in the GST**

- C) Either a) or b)
- D) None of the Above

**45) Mr. A obtains new registration, voluntary registration, change of scheme from composition to regular scheme and from exempted goods/services to taxable goods/services. He can avail credit on inputs lying in stock. What is the time limit for taking said credit**

**A) 1 year from the date of invoice**

- B) 3 year from the date of invoice
- C) 5 year from the date of invoice
- D) None of the above

**46) The default rule of place of supply of services made to any person other than a registered person if address on record doesn't exist shall be .....**

A) Location of the recipient of services

**B) Location of the supplier of services**

- C) Location where service is rendered
- D) Location where agreement for rendering of services is executed

**47) Manner of utilizing ITC for payment of IGST .....**

- A) (i) IGST (ii) SGST (iii) CGST (iv) Cash
- B) (i) CGST (ii) IGST (iii) SGST (iv) Cash
- C) (i) IGST (ii) Cash (iii) CGST (iv) SGST
- D) (i) IGST (ii) CGST (iii) SGST (iv) Cash**

48) A special Audit is conducted by :

- A) The CGST Officials
- B) The SGST Officials
- C) CA or Cost Accountant nominated by the Commissioner**
- D) Any of the above

49) The provider of AMC service outside India has entered into an agreement for an aircraft company PQR located in India AMC. The service provider provides repair service to the aircraft when it was in India. The place of service in this case is

- A) Outside India
- B) India, since the aircraft is in India when the service is provided**
- C) Outside India, since the aircraft is in India when the service is provided
- D) None of the above

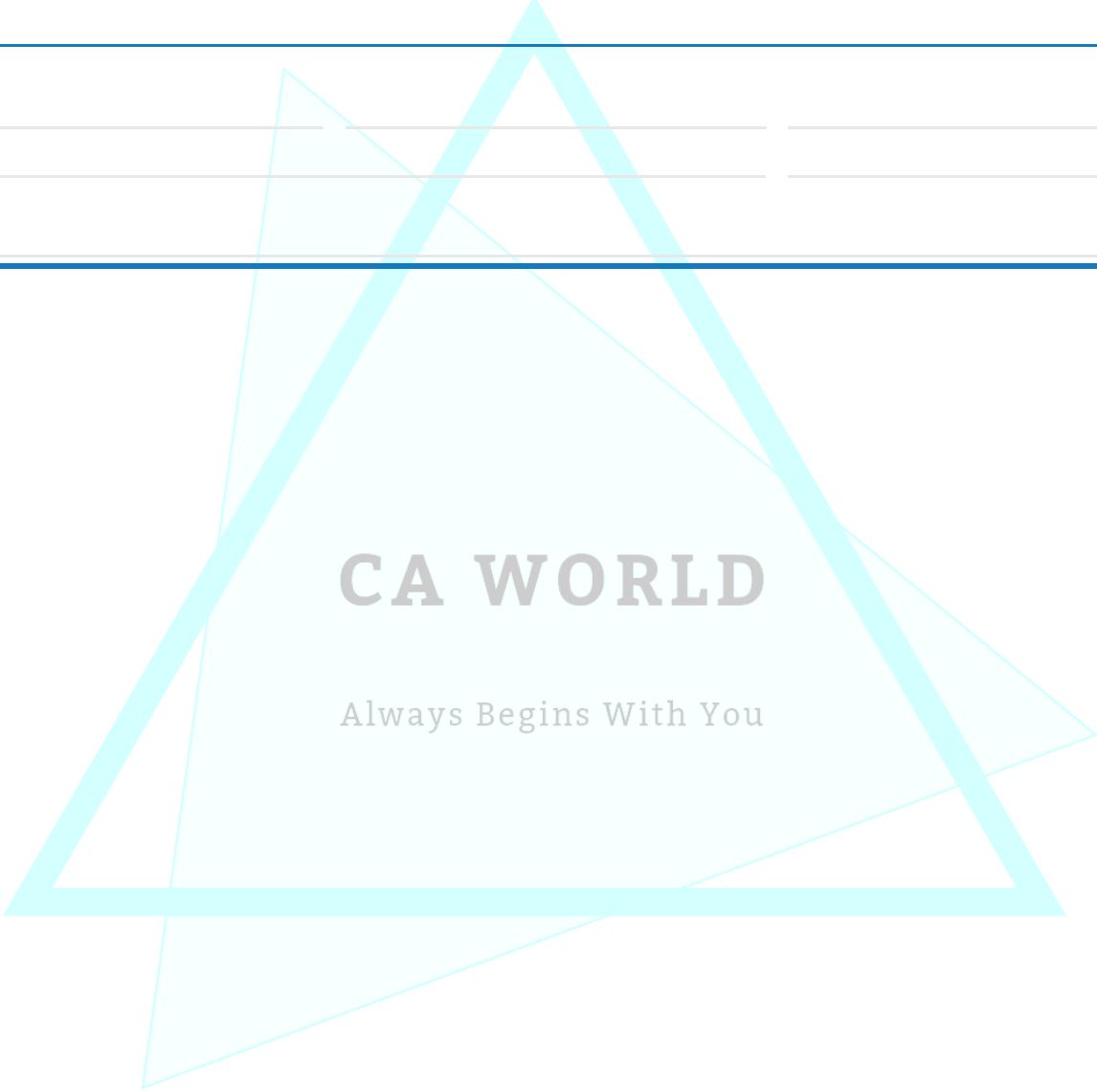
50) What happens if a taxable person has paid CGST & SGST or, as the case may be, CGST & UTGST (in SGST / UTGST Act) on a transaction considered by him to be an intra-state supply but which is subsequently held to be an inter-state supply?

- A) Seek refund**
- B) Adjust against future liability
- C) Take re-credit
- D) File a suit for recovery

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