

CA INTERMEDIATE
PAPER-3B
GOODS & SERVICES TAX - MCQS
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CHAPTER-18A
BASIC CONCEPTS OF GST

1. When did GST come into effect in India?
(a) 30th June 2017 (c) 1st January 2017
(b) 1st April 2017 (d) 1st July 2017
2. Dealers not eligible for Opting Compounding Scheme
(a) Exporters
(b) Importers
(c) Interstate Suppliers and those liable to remit Tax on Reverse Charge Basis
(d) Manufacturing dealers
3. "Composite Supply" is a supply made by
(a) Composition Dealer (c) Taxable Supplier
(b) Non Taxable Supplier (d) Goods and Services provider
4. The Tax applicable to interstate supplies will be:
(a) SGST Only (c) IGST Only
(b) CGST Only (d) CGST + IGST
5. Which one of the following shall not be treated as supply?
(a) Rental (c) Sale of Land
(b) Lease (d) License

ANSWERS

1.	2.	3.	4.	5.
(d)	(c)	(c)	(c)	(c)



CHAPTER-18B
GST - LEVY AND COLLECTION OF TAX

1. The rate of tax shall be notified under CGST by-
 - (a) Central Government suo moto
 - (b) State Government suo moto
 - (c) GST Council suo moto
 - (d) Central Government as per the recommendations of the GST Council
2. GTA Services, provided to an Individual not registered under GST and not a business entity, in this case, who is liable to pay GST -
 - (a) Supplier
 - (b) Recipient
 - (c) Both
 - (d) None
3. Sponsorship services provided by Mr. X to M/s XY Ltd. in this case, who is liable to pay GST -
 - (a) Mr.X
 - (b) M/s XY Ltd.
 - (c) Both
 - (d) None
4. Services by a Recovery Agent to M/s ZZZ bank Ltd Who is liable to pay GST-•
 - (a) M/s ZZZ bank Ltd.
 - (b) Recovery Agent
 - (c) Both the above
 - (d) None of the above
5. Lottery procured from State Govt, by a lottery distributor, Who is liable to pay GST-
 - (a) Lottery Distributor
 - (b) State Government
 - (c) Both the above
 - (d) None of the above

ANSWERS

1.	2.	3.	4.	5.
(d)	(a)	(b)	(a)	(a)



CHAPTER-19

GST - EXEMPTION

1. Identify correct statement-

- (a) Transfer of a going concern wholly is exempted from GST
- (b) Transfer of a going concern partly is exempted from GST
- (c) Both(a)&(b)
- (d) Either (a) or (b)

2. Services by a hotel, inn, guest house, club or campsite for residential /lodging purposes having declared tariff of a unit of accommodation below

- (a) ₹ 10,000
- (b) ₹ 1,000
- (c) ₹ 2,000
- (d) ₹ 3,000

3. Transportation by-of agricultural produces, milk, salt and food grain including flour, pulses and rice, 'relief materials meant for victims of natural or man-made disasters are exempted

- (a) goods transport agency
- (c) a vessel - within India
- (b) a rail - within India
- (d) all of the above

4. Services by educational institution is not exempted if the services are to -

- (a) Any common man
- (c) Botha&b
- (b) Its own students, faculty / staff
- (d) None of the above

5. Identify the correct exemption -

- (a) Services by an artist by way of a performance in folk or classical art forms of music/ dance / theatre with consideration there for not exceeding ₹ 1 lakh
- (b) Services by an artist by way of a performance in folk or classical art forms of music/ dance with consideration there for not exceeding ₹ 1.5 lakh
- (c) Services by an artist by way of a performance in folk or classical art forms of music/ dance / theatre with consideration there for not exceeding ₹ 1.5 lakh
- (d) Services by an artist as a brand ambassador by way of a performance in folk or classical art forms of music/ dance / theatre with consideration there for not exceeding ₹ 1.5 lakh

ANSWERS

1.	2.	3.	4.	5.
(d)	(b)	(d)	(b)	(c)



CHAPTER-20

TIME VALUE AND PLACE OF SUPPLY

1. In case of supply of vouchers by a supplier ,the time of supply of vouchers when the supply with respect to the voucher is identifiable-
- | | |
|-----------------------------------|----------------------------------|
| (a) Date of issue of voucher | (c) Earlier of (a) & (b) |
| (b) Date of redemption of voucher | (d) (a) & (b) whichever is later |
2. The time of supply of service if the invoice is issued within 30 days from the date of provision of service
- | |
|-------------------------------------------------|
| (a) Date of issue of invoice |
| (b) Date on which the supplier receives payment |
| (c) Date of provision of service |
| (d) Earlier of (a) or (b) |
3. The value of supply of goods and services shall be-
- | | |
|-----------------------|-------------------|
| (a) Transaction value | (c) Market Value |
| (b) MRP | (d) None of above |
4. The value of supply should include-
- | |
|----------------------------------------------------------------------------------------------------------------|
| (a) Any non-GST taxes, duties, cesses, fees charged by supplier separately |
| (b) Interest, late fee or penalty for delayed payment of any consideration for any supply of goods or services |
| (c) Subsidies directly linked to the price except subsidies provided by the Central and State Government |
| (d) All of the above |
5. Deductions allowed from the transaction value-
- | |
|---------------------------------------------------------------------------------------------|
| (a) Discounts offered to customers, subject to conditions |
| (b) Packing Charges, subject to conditions |
| (c) Amount paid by customer on behalf of the supplier, subject to conditions |
| (d) Freight charges incurred by the supplier for CIF terms of supply, subject to conditions |

ANSWERS

1.	2.	3.	4.	5.
(a)	(d)	(a)	(d)	(a)



CHAPTER-21

INPUT TAX CREDIT

1. Definition of inputs includes capital goods.
 - (a) Yes
 - (b) No
 - (c) Certain capital goods only
 - (d) None of the above
2. Under section 16(2) of CGST Act how many conditions are to be fulfilled for the entitlement of credit?
 - (a) All the conditions
 - (b) Any two conditions
 - (c) Conditions not specified
 - (d) None of the above
3. Input tax credit on capital goods and Inputs can be availed in one installment or in multiple installments?
 - (a) In thirty six installments
 - (b) In twelve installments
 - (c) In one installment
 - (d) In six installments
4. What is the maximum time limit to claim the Input tax credit?
 - (a) Till the date of filing annual return
 - (b) 30th day of November of the following the financial year
 - (c) Earliest of (a) or (b)
 - (d) Later of (a) or (b)
5. Can Banking Company or Financial Institution withdraw the option of availing actual credit or 50% credit anytime in the financial year?
 - (a) Yes
 - (b) No
 - (c) Yes with permission of Authorized officer
 - (d) Not applicable
6. Can the unutilized input tax credit be transferred in case of change in constitution of business?
 - (a) Not possible
 - (b) No, it will be exhausted
 - (c) Yes, It will be transferred only if there is provision for transfer of liabilities
 - (d) It will be transferred only if it is shown in books of Accounts of transferor
7. A person is entitled to take credit of input tax as self-assessed in the return and credited to Electronic credit ledger on
 - (a) Final basis
 - (b) Provisional basis
 - (c) Partly Provisional and partly final basis
 - (d) None of the above



8. Is it mandatory that the tax on the supply has to be paid by the supplier so that the recipient can claim credit?
- (a) No (c) Optional
(b) Yes (d) Not Applicable
9. Input Tax credit as credited in Electronic Credit ledger can be utilized for
- (a) Payment of Interest (c) Payment of Fine
(b) Payment of penalty (d) Payment of Taxes
10. Works contract is,
- (a) Supply of goods
(b) Supply of services
(c) Supply of both
(d) Neither supply of goods nor supply of services

ANSWERS

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
(b)	(a)	(c)	(c)	(b)	(c)	(b)	(b)	(d)	(b)



CHAPTER-22

REGISTRATION

1. Aggregate turnover of ₹ 20 Lakh is calculated based on:
 - (a) Aggregate value of all taxable supplies, exempt supplies, export of goods/services and interstate supplies of a person having same PAN computed on all India basis.
 - (b) Aggregate value of all taxable supplies, exempt supplies, export of goods/services and interstate supplies of a person computed for each state separately.
 - (c) Aggregate value of all taxable intrastate supplies, export of goods/services and exempt supplies of a person having same PAN computed for each state separately.
 - (d) Aggregate value of all taxable supplies, exempt supplies, export of goods/services and interstate supplies of a person having same PAN computed on all India basis and excluding taxes if any charged under CGST Act, SGST Act and IGST Act.
2. Days with which a person should apply for registration:
 - (a) Within 60 days from the date he becomes liable for registration.
 - (b) Within 30 days from the date he becomes liable for registration.
 - (c) No Time Limit
 - (d) Within 90 days from the date he becomes liable for registration.
3. Which of the following statements are correct?
 - (a) Persons who are required to deduct tax u/s 51 shall obtain registration irrespective of the threshold specified.
 - (b) Persons who are required to collect tax u/s 52 shall obtain registration irrespective of the threshold specified.
 - (c) Both (a) and (b)
 - (d) None of the above
4. What is the validity of the registration certificate issued to casual taxable person and non-resident taxable person?
 - (a) 90 days from the effective date of registration
 - (b) Period specified in the application for registration
 - (c) Earliest of (a) or (b) above
 - (d) 180 days from the effective date of registration.
5. What are the consequences of obtaining registration by misrepresentation?
 - (a) Liable to cancellation of registration by proper officer.
 - (b) Liable to a fine not exceeding ₹ 1,00,000/-
 - (c) Imprisonment for a period of 6 months to 3 years.
 - (d) Both (b) and (c)

ANSWERS

1.	2.	3.	4.	5.
(d)	(b)	(c)	(c)	(a)



CHAPTER-23

TAX INVOICE, CREDIT AND DEBIT NOTES

1. Tax invoice must be issued by
 - (a) Every supplier
 - (b) Every taxable person
 - (c) Registered persons not paying tax under composition scheme
 - (d) All the above
2. A continuous supply of goods requires one of the following as a must:
 - (a) The goods must be notified by the Commissioner in this behalf
 - (b) The contract for supply lasts for a minimum period of 3 months
 - (c) The supply is made by means of a wire, cable, pipeline or other conduit
 - (d) Supplier invoices the recipient on a regular or periodic basis
3. In case of goods sent on sale on approval basis, invoice has to be issued:
 - (a) while sending the goods, another Invoice has to be issued by the recipient while rejecting the goods
 - (b) while sending the goods but the recipient can take credit only when the goods are accepted by him
 - (c) when the recipient accepts the goods or six months from the date of removal whichever is earlier
 - (d) when the recipient accepts the goods or three months from the date of supply whichever is earlier
4. The tax invoice should be issuedthe date of supply of service:
 - (a) Within 30 days from
 - (b) Within 1 month from
 - (c) Within 15 days from
 - (d) On
5. For an increase in the tax/ taxable value, a debit note for GST purposes:
 - (a) Should be issued by the supplier
 - (b) Should be issued by the recipient
 - (c) May be issued by the supplier
 - (d) May be issued by the recipient

ANSWERS

1.	2.	3.	4.	5.
(c)	(d)	(c)	(a)	(a)

**CHAPTER-24A
PAYMENT**

1. Payment For any intra-state supply, taxes to be paid are-----&-----
(a) CGST (c) Both (a) &(b)
(b) SGST (d) Either (a) or(b)
2. For any inter-state supply, tax to be paid is-----
(a) IGST (b) IGST, CGST (c) CGST, SGST (d) IGST, SGST
3. Every deposit made towards Tax, Interest, Penalty, Fee or any other amount by a Person shall be in-
(a) Electronic Cash Ledger (b) Electronic Credit Ledger
4. The Utilisation order of amount of Input Tax Credit (ITC) w.r.t CGST available in the Electronic Credit Ledger would be
(a) CGST, SGST/UTGST (c) CGST, IGST
(b) IGST, SGST/UTGST, CGST (d) IGST, CGST, SGST/UTGST
5. SGST /UTGST Credit shall be utilised towards payment of IGST, only when the balance of the ITC in CGST account is-----for payment of integrated tax
(a) Not available (c) Partly available
(b) Available (d) None of the above
6. In case of Non-payment of tax or any part thereof to the Government within the period prescribed, interest shall be levied at
(a) 21% (b) 24% (c) 18% (d) 12%

ANSWERS

1.	2.	3.	4.	5.	6.
(c)	(a)	(a)	(c)	(a)	(c)