

CHAPTER 1

INTRODUCTION TO GOODS & SERVICES TAX

- 1) **The first committee to design GST model was headed by -**
- a) Vijay Kelkar
 - b) Asim Das Gupta
 - c) Dr. Chindambaram
 - d) None of the above
- 2) **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
- 3) **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
- 4) **One of the following states does not fall under special category given under Art.279A of the Constitution -**
- a) Himachal Pradesh
 - b) Uttarakhand
 - c) Chattisgarh
 - d) Jammu & Kashmir
- 5) _____ was first country to adopt GST as indirect system of taxation.
- a) France
 - b) Germany
 - c) UK
 - d) India.
- 6) **GST has rolled out with effect from _____.**
- a) 01-07-2017
 - b) 15-07-2017
 - c) 01-04-2017
 - d) 01-09-2017

- 7) GST is _____ consumption tax.
- Origin based
 - Destination based
 - Purchase based
 - Sales based
- 8) India has adopted _____ model of GST based on federal structure.
- Dual
 - Single
 - Triple
 - None of the above.
- 9) The GST is recommended by the _____ on implementation of the Fiscal Responsibility and Budget Management [FRBM] Act, 2003.
- Kelkar task force
 - Chidambaram Task force
 - Jaitely task force
 - None of the above.
- 10) The first State which ratified the GST Bill in India.
- Kerela
 - Bihar
 - Jharkhand
 - Assam
- 11) The items which will be taxable both under current Central Excise Law and New GST even after the implementation of the GST Act.
- Motor Spirit
 - Alcoholic Liquor for Human Consumption
 - Tabacco and Tobacco Products
 - Natural Gas
- 12) The recommendation of the GST Council will be _____.
- Mandatory
 - Only Advisory Power
 - Mandatory and sometimes Advisory
 - Mandatory on States only.
- 13) The decision of the GST Council should be taken based on majority votes not less than:
- $\frac{1}{2}$ of the weighted votes

- b) $2/3^{\text{rd}}$ of the weighted votes
- c) $1/3^{\text{rd}}$ of the weighted votes
- d) $3/4^{\text{th}}$ of the weighted votes.

14) The weightage of the votes of the Central Government in GST Council Decision will be _____.

- a) $\frac{1}{2}$ of the votes
- b) $2/3^{\text{rd}}$ of the votes
- c) $1/3^{\text{rd}}$ of the votes
- d) $3/4^{\text{th}}$ of the votes

15) The quorum required for a meeting of the GST Council will be _____.

- a) $1/2$ of the votes
- b) $2/3^{\text{rd}}$ of the votes
- c) $1/3^{\text{rd}}$ of the votes
- d) $3/4^{\text{th}}$ of the votes

16) Which of the following taxes have been subsumed in GST?

- a) Central Sales Tax
- b) Central Excise Duty
- c) VAT
- d) All of the above.

17) List - I of the Constitution contains matters in respect of which _____ has the exclusive right to make laws.

- a) Central Government
- a) State
- b) Both Centre and State Governments
- c) None of the above.

18) GST is levied on supply of all goods and services except:

- a) Alcoholic liquor for human consumption
- b) Tobacco
- c) Health care services
- d) All of the above.

19) On Petroleum Crude, High Speed Diesel, Motor Spirit [Commonly known as Petrol], Natural Gas and Aviation Turbine Fuel:

- a) GST is not levied at all
- b) GST will be levied from a date to be notified on the recommendations of the GST Council.

- c) GST is levied, but exempt
- d) None of the above.

20) The functions of Goods and Services Network [GSTN] include:

- a) Facilitating registration
- b) Forwarding the returns to Central and State authorities.
- c) Computation and settlement of IGST
- d) All of the above.

21) Which article of the Constitution outlines the composition and functions of the GST Council?

- a) 270
- b) 279A
- c) 246A
- d) 269A

22) List-I of the Constitution contains matters in respect of which has the exclusive right to make laws.

- a) Central Government
- b) State
- c) 277 of the Constitution
- d) 279 of the Constitution

23) The mechanism of GST Council is to ensure _____ on different aspects of GST between the Central and the States & amongst the States. The Chairperson of the GST Council is _____.

- a) Uniformity; Prime Minister
- b) harmonization; Union Finance Minister
- c) synchronization; Union Finance Minister
- d) equalization; Union Minister of State of Revenue

24) Various taxes levied under different Acts were sub-summed under CGST Act, 2017 on the objective of one nation one tax. However, certain items still continue to be taxed both under the Central Excise law & GST law even after implementation of CGST Act, 2017. Find such items out of the following:

- a) Motor Spirit and Natural Gas
- b) Alcoholic liquor for human consumption
- c) Tobacco & Tobacco products
- d) All of the above

25) Who is chairperson of GST council -

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

26) When GST council constituted -

- a) 15.09.2016
- b) 13.09.2016
- c) 12.09.2016
- d) 20.09.2016

27) _____ of the Constitution provides that no tax shall be levied or collected except by authority of law?

- a) Article 254
- b) Article 265
- c) Article 245
- d) Article 256

28) The GST model has following rate structure:

- a) 0%, 5%, 12.5%, 18%
- b) 0%, 5%, 18%, 28%
- c) 5%, 12%, 18%, 28%
- d) 0%, 5%, 15%, 28%

29) _____ will be levied in place of Central Sales Tax (CST):

- a) CGST and SGST
- b) IGST
- c) SGST/UTGST
- d) CGST

30) _____ will be levied in place of Value Added Tax (VAT):

- a) CGST and SGST
- b) IGST
- c) UTGST/SGST
- d) CGST

31) Administration and levy of GST is as follows:

- a) Only Centre will levy and administer all CGST, SGST and IGST.
- b) Centre will levy and administer CGST and IGST and States will levy and administer SGST

- c) Centre will levy and administer IGST only and States will levy and administer CGST and SGST
- d) State will levy and administer SGST and IGST and IGST shall be distributed among Centre and State partially.

32) Which of the following commodities are not kept out of GST regime?

- a) Distribution and transmission of electricity
- b) Sale and purchase of real estate
- c) Alcoholic liquor
- d) Tobacco and tobacco products.

33) Who among the below is empowered under section 20 of Constitution (101st Amendment) Act, 2016 to issue order for making any modification in any provision of constitution?

- a) Chairman of GST council
- b) Finance Minister
- c) Prime Minister
- d) President

34) Which Article of the Indian Constitution defines the GST?

- a) Article 279A
- b) Article 366(12A)
- c) Article 265
- d) Article 270

35) How shall the Vice chairperson of the GST Council be elected?

- a) GST Council shall elect from its Members
- b) President shall nominate
- c) Prime Minister shall nominate
- d) States shall with majority elect the Vice chairperson

36) Goods & Services tax means a tax on _____ of goods or services or both.

- a) Sale
- b) Transfer
- c) Supply
- d) All of the above

37) Central excise shall continue on which of the following products?

- a) Petroleum crude
- b) High speed diesel
- c) Motor spirit
- d) All of the above

38) Territorial waters upto _____ nautical miles inside the sea will be a part of the State so far as the GST is concerned.

- a) 200
- b) 12
- c) 120
- d) 100

39) Which Article of the Indian Constitution empowers the Government of India to levy IGST in case of inter-State supply?

- a) Article 246A
- b) Article 279
- c) Article 269A(1)
- d) Article 366(26A)

40) Tobacco products shall be subject to which of the following taxes?

- a) Excise duty
- b) GST
- c) Excise duty plus GST
- d) VAT

41) Which section of the IGST says that petroleum shall later be brought under GST Ambit?

- a) Section 4
- b) Section 5(1)
- c) Section 5(2)
- d) Section 6

42) When was GST implemented in State of Jammu & Kashmir?

- a) 1st July 2017
- b) 8th July 2017
- c) 30th June 2017
- d) 1st August 2017

43) What can be the maximum rate of IGST that can be levied?

- a) 28%
- b) 40%
- c) 20%
- d) 50%

44) Which website is used for filing GST returns?

- a) www.cbic.gov.in
- b) www.gst.gov.in
- c) www.gstcouncil.gov.in
- d) All of the above

45) What is the meaning of the cascading effect?

- a) Charging tax on tax
- b) Dual taxation
- c) Non-eligibility of ITC
- d) None of the above

46) Which are the major deficiencies of the earlier taxation system?

- a) Multiplicity of taxes
- b) Non-availability of cross utilization of taxes
- c) Obstructed movements of goods
- d) All of the above

47) When the 4 Bills namely: CGST Bill 2017, SGST Bill 2017, UTGST Bill 2017 & GST (Compensation to States) Bill 2017 received the President's assent?

- a) 12th April 2017
- b) 30th June 2017
- c) 8th August 2016
- d) 1st July 2017

48) GST Compensation Cess shall be levied on _____

- a) Automobile sector
- b) Specified luxury goods or demerit goods
- c) Pan masala
- d) None of the above

49) GST Council is the _____ constituted under _____ for making recommendations on various issues relating to policy making, formulation of principles and implementation of policies under Goods and Services Tax regime having its Headquarters located at _____ .

- a) Apex Body; Article 279A; Delhi
- b) Board; Article 279A(i); NCR
- c) Committee of Ministers; Article 279A; NOID
- d) Apex Body; Article 286; Chennai

ANSWERS

QUE	ANS	QUE	ANS	QUE	ANS	QUE	ANS	QUE	ANS
1	B	11	C	21	B	31	B	41	C
2	D	12	B	22	A	32	D	42	B
3	D	13	D	23	B	33	D	43	B
4	C	14	C	24	C	34	B	44	B
5	A	15	A	25	C	35	A	45	A
6	C	16	D	26	C	36	C	46	D
7	B	17	A	27	B	37	D	47	A
8	A	18	A	28	C	38	B	48	B
9	A	19	B	29	B	39	C	49	A
10	D	20	D	30	C	40	C		