

CHAPTER 2

CHARGE OF TAX & APPLICATION OF CGST & IGST

- 1) **Intra-State supply is liable to _____.**
 - a. CGST
 - b. SGST/ UTGST
 - c. CGST and SGST/ UTGST
 - d. IGST

- 2) **The items which will be taxable both under current Central Excise Law and new GST even after the implementation of the GST Act.**
 - a. Motor Spirit
 - b. Alcoholic Liquor for Human Consumption
 - c. Tobacco and Tobacco Products
 - d. Natural Gas

- 3) **GST is a comprehensive tax regime covering both Goods and Services and be collected on value added at each stage supply chain. GST is thus levied on the basis of _____.**
 - a. Consumption principle
 - b. Destination principle
 - c. Set-off against that payable principle
 - d. Both consumption & destination base principle

- 4) **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

- 5) **Which of the following product is liable for Central Excise duty and not liable for GST?**
 - a. Aviation Turbine Fuel
 - b. Jewellery
 - c. Floor Tiles
 - d. Iron and Steel

- 6) **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 e recommendations of the GST Council

- c. GST is levied, but exempt
d. None of the above
- 7) GST is one of the biggest taxation reforms of Independent India being implemented with the aim of enhancing overall growth of the Nation. It is a comprehensive _____ indirect tax levy on goods as well as services _____.
- a. Supply based; National Level
b. Movement based; State Level
c. Destination based; National Level
d. Value based; State Level
- 8) India has adopted a dual model of GST where tax is charged concurrently by the Centre and the States. Therefore, for an intrastate sale, the GST as per CGST Act, 2017 is charged equally as:
- a. CGST & IGST
b. CGST & SGST
c. SGST & IGST
d. Both (B) & (C)
- 9) 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 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
- 10) The Tax applicable to interstate supplies will be:
- a. SGST Only
b. CGST Only
c. IGST Only
d. CGST + SGST
- 11) Supply of the following is not liable to CGST _____.
- a. Alcoholic liquor for industrial consumption
b. Alcoholic liquor for medicinal consumption
c. Alcoholic Liquor for human consumption
d. Lottery

12) The Central tax on the supply of _____ shall be levied with effect from such date as may be notified by the Government on the recommendations of the Council.

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

13) In case of supply of notified goods or services by unregistered supplier to notified registered person, the tax is to be paid by _____.

- a. Registered person being recipient
- b. Unregistered supplier
- c. Partly by unregistered supplier and partly by registered person
- d. None of the above

14) Whether Alcoholic Liquor for industrial and other usages is taxable under GST?

- a. No
- b. Yes
- c. Exempted
- d. Non-Taxable

15) The maximum rate of IGST can be:

- a. 20%
- b. 30%
- c. 40%
- d. None of the above

16) IGST is levied on:

- a. Inter-State supplies
- b. Intra-State Supplies
- c. Both (a) and (b)
- d. None of the above

17) What is the highest rate of tax applicable under IGST?

- a. 12%
- b. 18%
- c. 40%
- d. 8%

18) The liability to pay GST would depend on the mechanism the transaction aligns to the supplies who is not register der GST, neither issues a tax invoice nor collects the GST. Tax to the Government on such supply is paid by the recipient. This mechanism under GST is known as _____.

- a. Forward charge mechanism
- b. Reverse charge mechanism
- c. Composition levy mechanism
- d. Taxable supply mechanism

19) Import of services under the provisions of GST is to be treated as _____ and would be subject to tax which is to arged under _____.

- a. Inter-state supply, IGST
- b. Intra-state supply, SGST
- c. Inter-state supply, IGST on reverse charge
- d. Intra-state supply, SGST on reverse charge

20) The exempt supply has been defined as supply of any goods/services/both, which attract a Nil rate of tax, or which may be wholly exempt from tax, and therefore, also includes non-taxable supplies. Find which out of the following is covered as an exempt supply under GST.

- a. Branded Aata/ Besan/ Maida
- b. Service by Post Office
- c. Services by IRDA, SEBI, RBI, EPFO
- d. Services by the Government for transportation passenger

**ANSWERS**

QUE	ANS	QUE	ANS	QUE	ANS	QUE	ANS
1	C	6	B	11	C	16	A
2	C	7	C	12	D	17	C
3	D	8	B	13	A	18	B
4	A	9	C	14	B	19	C
5	A	10	C	15	C	20	C