# UNIT:2 GST ACTS CGST ACT, S GST ACT(Karnataka), IGST

#### DEFINITION U/S 2 OF CGST, SGST AND IGST ACTS 2017

### AGGREGATE TURNOVER [sec 2(6)]GST Act

Aggregate turnover means the aggregate value of all <u>taxable</u> and <u>non-taxable</u> supplies, <u>exempt</u> supplies and <u>exports</u> of goods and/or services of a person having a same PAN.

Aggregate turnover does not include the value of supplies on which tax is levied on reverse charge basis and the value of inward supplies

#### Example

Aggregate Turnover of Mr. X(Karnataka)

1.	Intra-state supplies	900000
2.	Inter-state supplies	600000
3.	Value of exports	200000
4.	Exempt supplies	400000
	Aggregate turnover	2100000

### ADJUDICATING AUTHORITY [sec 2(4)]CGST Act

- "Adjudicating Authority" means any authority, appointed or authorized to pass any other or decision under this Act.
- Appointment of many officers(Official Gazette) by Central Government for holding an inquiry against the person who has committed the specified offence.
- Does not include- CBEC(CBIT), Revisional Authority, Advance Ruling, Appellate Authority and Appellate Tribunal.

### Adjudicating Authority Composition and Powers

#### Composition

- Chairperson
- Bench consisting 2 members
- ► Term-5 years
- Attained the age of 62 years

#### **Powers**

- AA shall hold an enquiry
- Members can be assisted by legal practitioner or CA for presenting the case
- AA shall have same powers of a civil court conferred on the Appellate Tribunal
- Deal with complaint, expeditious endeavor to settle the dispute within 1 year (date receipt of complaint)

## AGENT [sec 2(5)]CGST Act

"Agent" means a person, including a factory, broker, commission agent, del credere (salesperson or broker for the principal and guarantor of credit to buyer) by whatever name called, who carries on business of supply or receipt of goods or services or both on behalf of others.

#### BUSINESS

- $\blacktriangleright$  As per Section 2(17) Business includes...
- Any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity,
- Any activity or transaction in connection with or incidental or ancillary to sub-clause(a)
- ► Supply or acquisition of goods including capital goods services in connection with commencement or closure of business.
- Provision by a club, association, society or any such body.
- Services provided by a race club, central government, state government undertakings.

### CAPITAL GOODS sec [2(19)] CGST Act

As per Section 2(19) of CGST Act,2017, the term "capital goods" means goods, the value of which is capitalized in the books of accounts of the person claiming ITC and which are used or intended to be used in the furtherance of business.

- A. Credit of ITC will not be available under:
- Capital goods exclusively effecting exempt supplies
- Capital goods exclusively used for non-business (personal) activities.

- B. Credit of ITC available for capital goods affecting taxable supplies and business activity without any restrictions
- C. Electronic credit ledger.
- D. Capital goods intended to be exclusively used for:
- Non-business purpose
- Effecting exempt suppliesLater to be used commonly for:
- Business or non-business purpose
- Effecting taxable and exempt supplies

# DONE FOR TODAY'S SESSION