

Ghanshyamdas Jalan College of Science, Commerce & Arts

Subject: Indirect Tax

T.Y. B.Com

Semester - VI

MCQ on GST

1. GST Stands for

- (a) Goods and Supply Tax (b) Government Sales Tax
- (c) Goods and Services Tax (d) Good and Simple Tax

2. Petroleum products have been temporarily been kept out of GST.

- (a) One
- (b) Two
- (c) Three
- (d) Five

3. Goods and Services Tax is a tax levied on goods and services imposed at each point of .

- (a) Sale
- (b) Service
- (c) Supply
- (d) Manufacturing

4. Indian GST model has tier rate structure.

- (a) 3
- (b) 4
- (c) 5
- (d) 6

5. The items which will be taxable both under Central Excise Law and the GST even after the implementation of the GST Act.

- (a) Motor spirit
- (b) Tobacco and Tobacco Products
- (c) Alcoholic liquor for human consumption
- (d) Natural Gas

6. Goods and Services Tax is a tax levied on goods and services imposed at each point of

- (a) Demand
- (b) Cash sale
- (c) Supply
- (d) Manufacturing

7. The definition of goods under section 2(52) of the CGST Act does not include-

- (a) Grass (b) Money and securities
- (c) Actionable claims (d) Growing crops

8. _____ is not included in the term "Goods" under GST Law:

- (a) Movable Property (b) Actionable Claim
- (c) Securities (d) Growing Crops

9. The activities to be treated as supply of goods or supply of services as referred to in of CGST Act, 2017.

- (a) Schedule I of CGST Act (b) Schedule II of CGST Act
- (c) Schedule III of CGST Act (d) Section 7

10. Activities or transactions undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities, as may be notified by the Government on the recommendations of the Council, shall treated as .

- (a) Supply of goods (b) Supply of services
- (c) Neither as a supply of goods nor a supply of services
- (d) Either as a supply of goods or a supply of services

11. Transfer of the title in goods shall be considered as .

- (a) Supply of goods (b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

12. Transfer of right in goods or of undivided share in goods without the transfer of title thereof shall be considered as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

13. Transfer of title in goods under an agreement which stipulates that property in goods shall pass at a future date upon payment of full consideration as agreed shall be considered as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

14. Lease, tenancy, easement, licence to occupy land shall be considered as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

15. Lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly shall be treated as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

16. Any treatment or process which is applied to another person's goods shall be treated as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

17. Where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, whether or not for a consideration, such transfer or disposal is a by the person.

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

18. Where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration, the usage or making available of such goods is a .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

19. Renting of immovable property is .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

20. Construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier, shall be treated as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

21. Temporary transfer or permitting the use or enjoyment of any intellectual property right shall be treated as .

- (a) Supply of goods
- (b) Supply of services
- (c) Neither as a supply of goods nor a supply of services
- (d) Either as a supply of goods or a supply of services

22. Development, design, programming, customisation, adaptation, up gradation, enhancement, implementation of information technology software shall be treated as .

- (a) Supply of goods
- (b) Supply of services
- (c) Neither as a supply of goods nor a supply of services
- (d) Either as a supply of goods or a supply of services

23. Agreeing to the obligation to refrain from an act, or to tolerate an act or a situation, or to do an act is .

- (a) Supply of goods
- (b) Supply of services
- (c) Neither as a supply of goods nor a supply of services
- (d) Either as a supply of goods or a supply of services

24. Transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration shall be treated as-

- (a) Supply of goods
- (b) Supply of services
- (c) Neither as a supply of goods nor a supply of services
- (d) Either as a supply of goods or a supply of services

25. Works contract as defined in section 2 (119) shall be treated as .

- (a) Supply of goods
- (b) Supply of services
- (c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

26. Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration is .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

27. Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration shall be treated as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

28. Services by an employee to the employer in the course of or in relation to his employment is

(a) Supply of goods (b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

29. Services by any court or Tribunal established under any law for the time being in force is

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

30. The functions performed by the Members of Parliament, Members of State Legislature, Members of Panchayats, Members of Municipalities and Members of other local authorities shall be treated as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

31. The duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity shall be considered as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

32. The duties performed by any person as a Chairperson or a Member or a Director in a body established by the Central Government or a State Government or local authority and who is not deemed as an employee before the commencement of this clause shall be considered as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

33. Services of funeral, burial, crematorium or mortuary including transportation of the deceased shall be treated as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

34. Actionable claims, other than lottery, betting and gambling shall be treated as .

(a) Supply of goods

(b) Supply of services

(c) Neither as a supply of goods nor a supply of services

(d) Either as a supply of goods or a supply of services

35. _____ means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.

(a) Mixed Supply (b) Principal Supply

(c) Inward Supply (d) Exempt Supply

36. What are the taxes levied on an intra-State supply?

(a) CGST (b) SGST

(c) CGST and SGST (d) IGST

37. What is the maximum rate prescribed under CGST Act?

(a) 12% (b) 28%

(c) 20% (d) 18%

38. Who will notify the rate of tax to be levied under CGST Act?

(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

39. Which of the following taxes will be levied on imports?

(a) CGST (b) SGST

(c) IGST (d) CGST and SGST

40. Is there any ceiling limit prescribed on the rate under IGST?

(a) 14% (b) 40%

(c) 26% (d) 30%

41. Which of the following persons can opt for composition scheme?

(a) Person making any supply of goods which are not leviable to tax under this Act

(b) Person making any inter-State outward supplies of goods and services (except restaurant services)

(c) Person effecting supply of goods through an e-commerce operator liable to collect tax at source

(d) Person providing restaurant services

42. 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) 1%
- (c) 0.5%
- (d) No composition for manufacturer

43. What is the rate applicable under CGST to a registered person being a hotelier (providing restaurant and accommodation services) opting to pay taxes under composition scheme?

- (a) 1% (b) 0.5%
- (c) 2.5%
- (d) Not eligible for composition scheme thus liable to pay normal tax

44. Which of the following will be excluded from the computation of 'aggregate turnover'?

- (a) Value of taxable supplies
- (b) Value of exempt Supplies
- (c) Non-taxable supplies
- (d) Value of inward supplies on which tax is paid on reverse charge basis

45. What will happen if the turnover of a registered person opting to pay taxes under composition scheme during the year 2019-20 crosses threshold limit?

- (a) He can continue under composition scheme till the end of the financial year
- (b) He will be liable to pay tax at normal rates of GST on the entire turnover for the financial year 2019-20
- (c) He will cease to remain under the composition scheme with immediate effect
- (d) He will cease to remain under the composition scheme from the quarter following the quarter in which the aggregate turnover exceeds threshold limit

46. What is the threshold limit of turnover in the preceding financial year for opting to pay tax under composition scheme for a trader in Mumbai?

- (a) ` 30 lacs
- (b) ` 10 lacs
- (c) ` 150 lacs

(d) ` 75 lacs

47. ABC Ltd is manufacturer of goods opting for Composition Scheme has effected turnover of ` 60 Lakhs during the financial year 2019-20. The CGST portion for composition tax payable by ABC Ltd is

(a) ` 30,000 (b) ` 60,000

(c) ` 30,000 (d) ` 1,50,000

48. Which one of the following is true?

(a) Entire income of any trust is exempted from GST

(b) Entire income of a registered trust is exempted from GST

(c) Incomes from specified/defined charitable activities of a trust are exempted from GST

(d) Incomes from specified/defined charitable activities of a registered trust (u/s 12AA of Income Tax Act) are exempted from GST

49 Select the correct statement?

(a) Transfer of a going concern wholly is not exempt from GST

(b) Transfer of a going concern is partly exempt from GST

(c) Transfer partly as going concern is exempted from GST

(d) Transfer of a going concern is exempt from GST

50 Services to a single residential unit is, exempted if:

(a) It is pure labour service only

(b) It is works contract only

(c) It is a part of residential complex only

(d) It is on ground floor without further super structure

51. Transportation of passengers is exempted -

(a) In an air-conditioned railway coach

(b) In a vessel for public tourism purpose between places in India

(c) In a metered cab/auto rickshaw / e rickshaw

(d) In gas Auto

52. Core services of which organization is not exempted -

(a) Services provided by the Insurance Regulatory and Development Authority of India to insurers

(b) Services provided by the Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992) by way of protecting the interests of investors

(c) Services by Port Trusts

(d) Services by the Reserve Bank of India

53. Which of the following is not exempted -?

(a) Health care service to human beings by authorized medical practitioners / para medics

(b) Health care services to Animals/Birds

(c) Slaughtering of animals

(d) Rearing horses

54. Services by a Non-Profit entity (Registered or Unregistered) are exempted -

(a) If they are to its own members provided the contribution received is up to ` 7500 , per month from a member

(b) If they are to its own members, provided the contribution received is up to ` 7500 per month from a member towards sourcing goods/services from any third person for common use of members

(c) If they are to its own members, provided the contribution is less than ` 7500 per month from a member towards sourcing goods/services from any third person for common use of members

(d) If they are to its own members, provided the contribution is up to ` 7500 per month per member for common use specified members

55. Which of the following are exempted services?

(a) Services by an artist by way of a performance in folk or classical art forms of music/ dance/ theatre with consideration therefor 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 therefor 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 therefor 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 therefor not exceeding ` 1.5 lakh

56. Distribution of electricity by a distribution utility is a:

(a) Non-taxable supply (b) Exempt Supply

(c) Nil Rated Supply (d) Neither supply of goods nor supply of services

57. Mr.A sold goods to Mr. B. Determine the TOS in accordance with the provisions of Section 12 of the CGST Act, 2017 in case supply involves movement of goods.

Date of removal - 3rd Oct. 2019

Date of Invoice - 1st Oct. 2019

Date when goods made available to the recipient - 4th Oct. 2019

Date of receipt of payment - 25th Nov. 2019

(a) 3rd Oct. 2019 (b) 1st Oct. 2019

(c) 4th Oct. 2019 (d) 25th Nov. 2019

58. Determine the Time of supply in accordance with provisions of Section 12 of the CGST Act, 2017 in case supply involves movement of goods.

Date of Removal of goods : 03-10-2019

Date of Invoice : 01-10-2019

Date goods made available to recipient : 04-10-2019

Date of receipt of payment : 25-11-2019

59 Indirect Taxes - Goods and Services Tax Act (T.Y.B.Com.: SEM-VI)

(a) Date of Removal of goods : 03-10-2019

(b) Date of Invoice : 01-10-2019

(c) Date goods made available to recipient : 04-10-2019

(d) Date of receipt of payment : 25-11-2019

60. Determine the Time of supply in accordance with provisions of Section 12 of the CGST Act, 2017 in case supply involves movement of goods.

Date of Removal of goods : 05-11-2019

Date of Invoice : 04-11-2019

Date goods made available to recipient : 06-11-2019

Date of receipt of payment : 01-10-2019

- (a) Date of Removal of goods : 05-11-2019
- (b) Date of Invoice : 04-11-2019
- (c) Date goods made available to recipient : 06-11-2019
- (d) Date of receipt of payment : 01-10-2019

61. Mr. A sold goods to Mr. B. Determine the TOS in accordance with the provisions of Section 12 of the CGST Act, 2017 in case supply does not involve movement of goods.

Date of delivery - 2nd Oct. 2019 (Date when the goods made available to the recipient)

Date of Invoice - 3rd Oct. 2019

Date of receipt of payment - 15th Nov. 2019

- (a) 2nd Oct. 2019 (b) 3rd Oct. 2019
- (c) 15th Nov. 2019 (d) 1st Nov. 2019

62. Determine the Time of supply in case goods are supplied on approval basis

Removal of goods : 01-12-2019

Issue of Invoice : 15-12-2019

Accepted by recipient : 05-12-2019

Receipt of payment : 25-12-2019

- (a) Removal of goods : 01-12-2019 (b) Issue of Invoice : 15-12-2019
- (c) Accepted by recipient : 05-12-2019 (d) Receipt of payment : 25-12-2019

63. 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) When the recipient accepts the goods or ten months from the date of supply whichever is earlier
- (c) When the recipient accepts the goods or six months from the date of supply whichever is earlier
- (d) When the recipient accepts the goods or three months from the date of supply whichever is earlier

64. Determine the Time of supply in accordance with provisions of Section 12 of the CGST Act,

2017 in case recipient of goods is liable to pay tax under reverse charge mechanism.

Date of Invoice : 01-10-2019

Date of receipt of goods : 15-10-2019

Date of payment in books : 10-10-2019

Date of debit of payment in Bank A/c : 12-10-2019

(a) Date of Invoice : 01-10-2019 (b) Date of receipt of goods : 15-10-2019

(c) Date of payment in books : 10-10-2019

(d) Date of debit of payment in Bank A/c : 12-10-2019

65. What is the time of supply of service if the invoice is not issued within 30 days from the date of supply of service and no advance payments are received?

(a) Date of issue of invoice by the supplier

(b) Date of completion of supply of service

(c) Date of receipt of payment by the supplier

(d) Date of receipt of payment or date of issue of invoice whichever is earlier

66. What is the time of supply of service for the supply of taxable services up to ` 1000 in excess of the amount indicated in the taxable invoice?

(a) At the option of the supplier – Invoice date or Date of receipt of consideration

(b) Date of issue of invoice

(c) Date of receipt of consideration

(d) Date of entry in books of account

67. Determine the TOS in accordance with provisions of CGST Act, 2017.

Date of actual supply of service - 10th Nov. 2019

Date of Invoice - 30th Nov. 2019

Date on which payment received - 15th Dec. 2019

(a) 10th Nov. 2019 (b) 30th Nov. 2019

(c) 15th Nov. 2019 (d) 10th Dec. 2019

68. Determine the TOS in accordance with provisions of CGST Act, 2017

Date of actual supply of service - 10th Nov. 2019

Date of Invoice - 30th Nov. 2019

Date on which payment received - 15th Nov. 2019

(a) 10th Nov. 2019 (b) 30th Nov. 2019

(c) 15th Nov. 2019 (d) 10th Dec. 2019

69. Determine the TOS in accordance with provisions of CGST Act, 2017

Date of actual supply of service - 10th Nov. 2019

Date of Invoice - 22th Dec. 2019

Date on which payment received - 12th Dec. 2019

(a) 10th Nov. 2019

(b) 22th Dec. 2019

(c) 12th Dec. 2019

(d) 10th Dec. 2019

70. In case of taxable supply of services, invoice shall be issued within a period of from the date of supply of service.

(a) 30 days (b) 45 days

(c) 60 days (d) 90 days

71. Continuous supply of services” means a supply of services who provided, or agreed to be provided, continuously or on recurrent basis, under a contract, for a period exceeding MONTHS with periodic payment obligations and includes supply of such services as the Government may, subject to such conditions, as it may, by notification, specify

(a) Three (b) Four

(c) Six (d) Twelve

72. From the following information determine the TOS of goods where goods are taxed on reverse charge basis

Date of issue of invoice by the supplier - 30th Nov. 2019

Date of receipt of goods - 30th Nov. 2019

Date of payment by the recipient - 10th Dec. 2019

Entry of receipt of services in the recipient's BOA - 12th Dec. 2019

(a) 30th Nov. 2019 (b) 10th Dec. 2019

(c) 12th Dec. 2019 (d) 30th Dec. 2019

73. A Ltd. is located in India and W Ltd. located in USA are associated enterprises (as A Ltd. Holds 51% of the shares of W Ltd.). W Ltd. provides some technical services to A Ltd. in India. From the following details, determine the TOS for A Ltd. (as importation of services is the case of (RCM) Agreed Consideration - \$ 10,000.

Date on which services are supplied on W Ltd. - 16th Dec. 2019

Date on which invoice is sent by W Ltd. - 19th Dec. 2019

Date of entry in the Books of Account of A Ltd. - 30th Dec. 2019

Date on which payment is made by A Ltd. - 23rd March 2020

(a) 16th Dec. 2019 (b) 19th Dec. 2019

(c) 30th Dec. 2019 (d) 23rd March 2020

74. There was increase in tax rate from 20% to 24% w.e.f. 1.09.2019. Which of the following rate is applicable when services are provided after change in rate of tax in September 2019, but invoice issued and payment received, both in August, 2019 :

(a) 20% as it is lower of the two

(b) 24% as it is higher of the two

(c) 20% as invoice and payment were received prior to rate change

(d) 24% as the supply was completed after rate change

75. There was increase in tax rate from 20% to 24% w.e.f. 1.9.2019. Which of the following rate is applicable if the supplier has opted for composition levy and invoice was issued after change in rate of tax in September, 2019 but payment received, and goods supplied in August, 2019 :

(a) 20% as it is lower of the two

(b) 24% as it is higher of the two

(c) 20% as payment was received in the period during which the supply was effected

(d) 24% as invoice being one of the factors was issued after rate change