

F.No. 349/91/2017 -GST (Pt.II) / ²³⁸
Government of India / 8/11/17
Ministry of Finance
Central Board of Excise and Customs
GST Policy Wing

08th November, 2017

To

All India Transporters Welfare Association
M-5, Ashoka Centre,
Jhandewalan Extension,
New Delhi, 110055

Sir,

Sub: Representation regarding the issue faced in GST regime – reg.

Please refer to the representation given by your office and the discussion held in the office of Shri. Mahender Singh, Member (GST) on 10.10.2017.

2. The issues raised therein, pertaining to GST Policy Wing, have been examined. The point-wise reply to the issues raised is as follows:

Sl.No.	Issue	Comments/Clarification
1.	Whether "person" as defined under Notification No. 05/2017-Central Tax dated 19.06.2017 means any registered person vertical wise and whether a person one of whose vertical is GTA can utilise the exemption if another of his business vertical using the exemption be eligible if another business vertical provides any services, taxable under forward charge?	Yes, as long as the different businesses satisfy the definition of business vertical as defined in section 2(18) of the CGST Act, 2017, they can opt to do so.
2.	Request for exemption from GST on sale of second hand goods, where full tax has been paid at purchase and no ITC has been allowed, for assets like trucks, cars, scooters, crane, scrap like tyres spare parts etc.	The sale of old trucks, tyres, office equipment and other business assets is a supply within the meaning of section 7 of the CGST Act and would attract GST if the aggregate turnover of the GTA exceeds the threshold limit. The availability of ITC or otherwise has no impact on

3.	Request for exemption in respect of supply from: a) Unregistered vendor u/s 9(4) b) Inter Branch supply	the nature of transaction. a) Vide notification No. 38/2017-Central Tax (Rate), all supplies falling under section 9 (4) have been exempted from the levy of tax, until 30.3.2018. b) Inter-Branch supply – As per entry 2 of Schedule I to the CGST Act, 2017, “supply of goods or services or both between related persons or between distinct persons as specified in section 25, when made in the course or furtherance of business” is to be treated as supply even if made without consideration. Therefore, services as those mentioned in the illustration when provided by one branch of GTA to another (which shall be distinct persons according to section 25 of the CGST Act) will be treated as supplies irrespective of whether there is a flow of consideration or not and hence, shall be taxable. If both the persons are registered then this transaction will be treated like any other B2B supply, and tax will be chargeable.
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Yours faithfully

Himani
(Himani Bhayana) 8/11/2017

Joint Commissioner (GST)