

FAQs

FAQ	Reply
What is Goods and Services Tax (GST)?	It is a destination based tax on consumption of goods and services. It is proposed to be levied at all stages right from manufacture up to final consumption with credit of taxes paid at previous stages available as setoff. In a nutshell, only value addition will be taxed and burden of tax is to be borne by the final consumer.
What is the taxable event under GST? Taxable event under GST is supply of goods or services or both. CGST and SGST/ UTGST will be levied on intra-State supplies. IGST will be levied on inter-State supplies.	Taxable event under GST is supply of goods or services or both except those specifically exempted. CGST and SGST/ UTGST will be levied on intra-State supplies. IGST will be levied on inter-State supplies.
What is meant by Reverse Charge?	It means the liability to pay tax is on the recipient of supply of goods and services instead of the supplier of such goods or services in respect of notified categories of supply.
Is the reverse charge mechanism applicable only to services?	No, reverse charge applies to supplies of both goods and services, as notified by the Government on the recommendations of the GST Council.
What is Output Service of Railways under GST?	At present there are three activities that are qualified as output service of Railways. They are:- <ul style="list-style-type: none">• Transportation of Goods by Indian Railways;• Transportation of Passenger by Indian Railways;• Rental of Immovable Property• Sale of Scrap
In which class and category of trains, GST is applicable?	GST is applicable on total fare of AC and First class only of all categories of trains. GST is not applicable in other classes like second sleeper, second class (reserved & unreserved) etc.

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What is the rate of GST on passenger fare?	GST is levied @5% on the total passenger fare of AC and First class.
Whether any difference of fare shall be collected if the ticket has been booked before 01.07.2017?	No
If the ticket is booked on or after 01.07.2017, whether refund of GST is applicable in case of cancellation of ticket?	Yes, however GST would be levied on the cancellation/clerkage charge.
If the ticket is booked before 01.07.2017, whether service tax shall be refunded in case of cancellation of tickets after 01.07.2017?	Yes. However, GST shall be levied on the cancellation/clerkage charge.
Whether in case of upgradation of tickets, collection of difference of fare, issuing of Excess Fare Tickets etc., GST shall be applicable?	Yes.
What are the exemptions given to IR in respect of Output/Input Services ?	<p>Exemptions have been granted :</p> <ul style="list-style-type: none">• from the levy of GST in respect of Passengers travelling in Second class, Metro, Sleeper Class, Transportation by Rail of Agricultural Produce, relief materials, milk, salt, food grain including flours, pulses and rice, railway equipment and materials, defence and military equipments, etc.• On Services of leasing of assets (rolling stock assets including wagons, coaches, locos) by Indian Railways Finance Corporation to Indian Railways.• On Inter-state movement of trains between stations/ workshops/ sheds/ depots, etc., for the purpose of :

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	<p>(1) Carrying goods or passengers or both; or</p> <p>(2) For repairs and maintenance;</p>
<p>how has Indian Railway registered in GST ? How are the GST compliances ensured ?</p>	<p>Ministry of Railway has initiated process of Registration in each State/UT. Provisional GSTIN numbers of Ministry of Railways in each State/UT are already notified. In each State/UT, General Manager of a Zonal Railway has been nominated as the Principal Officer for taking care of GST compliance</p>
