

LEVY OF GST ON SALE/TRANSFER OF FIXED ASSETS



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TRANSFER OF FIXED ASSETS WITH CONSIDERATION



**Transfer of Fixed Assets with
Consideration (Supply as per Section
7(1)(a) of CGST Act**

**ITC was availed at
the time of
purchase**

GST will be payable as per
Section 18(6) of CGST Act
which states

- 1) GST on sale value
 - 2) ITC availed -5% per
quarter
- Whichever is higher

**ITC was not availed at
the time of purchase
(applicable to all assets
except vehicles**

GST will be payable
on Transaction value

TRANSFER OF FIXED ASSETS WITHOUT CONSIDERATION



Transfer of Fixed Assets without Consideration

ITC was availed at the time of purchase (Supply as per Schedule 1 of CGST Act, 2017)

GST will be payable as per Section 18(6) of CGST Act which states

- 1) GST on sale value**
 - 2) ITC availed -5% per quarter**
- Whichever is higher . As there is no consideration so ITC availed will be reversed as per calculation**

ITC was not availed at the time of purchase (applicable to all assets including vehicles)

No consideration ,no ITC availed ,so GST will not be applicable (As per my View)

TRANSFER OF VEHICLES



Transfer of Vehicles

ITC was availed at the time of purchase

GST will be payable as per Section 18(6) of CGST Act which states

- 1) GST on sale value
 - 2) ITC availed -5% per quarter
- Whichever is higher . As there is no consideration so ITC availed will be reversed as per calculation (As per my view)

ITC was not availed at the time of purchase applicable to vehicles only (NN:8/2018 – Central Tax Rate)

GST will be levied on margin of supplier (Consideration Received – WDV on the date of supply) where the margin of such supply is negative, it shall be ignored

WDV as per Income Tax Act (As per my view)

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