**FAQs on Goods & Services Tax**

**10. Input Tax Credit**

**Q 13. A dealer paying tax on compounding basis crosses the compounding threshold and becomes a regular taxable person. Can he avail ITC and if so from what date?**

Ans. As per section 16(3) of the MGL, he can avail ITC in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the day immediately preceding the date from which he becomes liable to pay tax under section 7.

**Q 14. Mr. B, a registered taxable person was paying tax under composition rate up to 30th July, 2017. However, w.e.f 31st July, 2017, Mr. B becomes liable to pay tax under regular scheme. Is he eligible for ITC?**

Ans. Mr. B is eligible for input tax credit on inputs heldin stock and inputs contained in semi-finished or finishedgoods held in stock as on 30th July, 2017.

Source:http://cbec.gov.in/resources//htdocscbec/deptt\_offcr/faqongst.pdf;jsessionid=825C7C194F0FC0652FFE5A809FE81F69

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