**FAQs on Goods & Services Tax**

**10. Input Tax Credit**

**Q 30. Section 29 of the MGL provides that the ITC would be confirmed only if the inward details filed by the recipient are matched with the outward details furnished by the supplier in his valid return. What happens if there is a mismatch?**

Ans. In case of mismatch between the inward and outward details, the supplier would be required to rectify the mis-match within a period of two months and if the mis-match continues, the ITC would have to be reversed by the recipient.

**Q 31. What will be the tax impact when capital goods on which ITC has been taken are supplied by taxable person?**

Ans. As per section 16(15) of the MGL, in case of supply of capital goods on which input tax credit has been taken, the registered taxable person shall pay an amount equal to the input tax credit taken on the said capital goods reduced by the percentage points as may be specified in this behalf or the tax on the transaction value of such capital goods, whichever is higher.

**Q 32. What is the recovery mechanism for wrongly availed credit?**

Ans. As per section 16(16) of the MGL, the wrongly availed credit would be recovered from the registered taxable person in terms of section 51 of MGL.

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