**FAQs On Goods & Services Tax**

**6. Valuation in GST**

**Q 1. What is the value of taxable supply to be adopted for the levy of GST?**

Ans. The value of taxable supply of goods and services shall ordinarily be ‘the transaction value’ which is the actually the price paid or payable, when the parties are not related and price is the sole consideration. The MGL further elaborates various inclusions and exclusions from the ambit of transaction value. For example, the transaction value shall not include refundable deposit, discount allowed before or at the time of supply.

**Q 2. What is transaction value?**

Ans. Transaction value refers to the price actually paid or payable for the supply of goods and or services where the supplier and the recipient are not related and price is the sole consideration for the supply. It includes any amount which the supplier is liable to pay but which has been incurred by the recipient of the supply.

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

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