**FAQs On Goods & Services Tax**

**6. Valuation in GST**

**Q 12. What are the methods provided for determining the value, in terms of draft GST Valuation Rules?**

Ans. Three methods are prescribed under GST Valuation Rules for determining the transaction value i.e., comparative method, computation method and residual method, which are required to be followed sequentially. Besides, some specific valuation methods have been specified like in case of pure agents and money changers. Further specific rules may later be notified in case of Insurer, Air travel Agent and distributor or selling agents of lottery.

**Q 13. What are the inclusions specified in Section15(2) which could be added to Transaction Value?**

Ans. The inclusions specified in Section 15(2) which could be added to Transaction Value are as follows:

a) Any amounts paid by recipient that are obligation of supplier to pay;

b) Money value of goods or services provided free or at concession by recipient;

c) Royalties and license fees payable by recipient as a condition of supply;

d) Taxes levied under any other law(s) (other than SGST / CGST or IGST);

e) Expenses incurred by supplier before supply and charged separately;

f) Subsidy realized by supplier on the supply;

g) Reimbursements claimed separately by supplier;

h) Discounts allowed ‘after’ supply except when known before supply; (Discounts allowed as a normal trade practice and reflected on the face

of the invoice shall not be included).

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