**FAQs On Goods & Services Tax**

**4. Meaning and Scope of Supply**

**Q 13. What are inter-state supplies and intra-state supplies?**

Ans. Inter-state and intra-state supplies have specifically been defined in Section 3 & 3A of IGST Act respectively. Broadly, where the location of the supplier and the place of supply are in same state it will be intra-state and where it is in different states it will be inter-state supplies.

**Q 14. Whether transfer of right to use goods will be treated as supply of goods or supply of service? Why?**

Ans. Transfer of right to use goods shall be treated as supply of service because there is no transfer of title in such supplies. Such transactions are specifically treated as supply of service in Schedule-II of MGL

**Q 15. Whether Works contracts and Catering services will be treated as supply of goods or supply of services? Why?**

Ans. Works contract and catering services shall be treated as supply of service as specified in Schedule-II of MGL.

**Q 16. Whether goods supplied on hire purchase basis will be treated as supply of goods or supply of services? Why?**

Ans. Supply of goods on hire purchase shall be treated as supply of goods as there is transfer of title, albeit at a future date.

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