***FAQs On Goods & Services Tax***

***2. Levy of and Exemption from Tax***

Q 9. Can composition scheme be availed if the taxable person effects inter-State supplies?

Ans. No, composition scheme is applicable subject to the condition that the taxable person does not affect interstate supplies.

Q 10. Can the taxable person under composition scheme claim input tax credit?

Ans. No, taxable person under composition scheme is not eligible to claim input tax credit.

Q 11. Can the customer who buys from a taxable person who is under the composition scheme claim composition tax as input tax credit?

Ans. No, customer who buys goods from taxable person who is under composition scheme is not eligible for composition input tax credit because a composition scheme supplier cannot issue a tax invoice.

Q 12. Can composition tax be collected from customers?

Ans. No, the taxable person under composition scheme is restricted from collecting tax. It means that a composition scheme supplier cannot issue a tax invoice.

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

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