

GIB/MH/Safset Agencies/15.01.2019/AAR-312

Advance Ruling Category : Classification and Rate

State : Maharashtra

Order No.: GIB/MH/Safset Agencies/15.01.2019/AAR-312

Name of Entry :

Safset Agencies Private Limited

Date : 15-01-2019

Breif Issue :

Facts & Issue Of The Case :

Applicant is an auctioneer dealing in various goods such as paintings, vintage collectibles, sculptures, classic miniatures paintings etc. The advance ruling has been sought on the following issues:

- Whether applicant is dealing in second hand goods and tax is to be paid on the difference between selling price and purchase price as stipulated in Rule 32(5) of CGST Rules, 2017?
- The classification and HSN code of goods listed in the table in “Issues for Determination” and GST rates applicable to such goods.

In this case there will be no payment of GST and therefore the question of ITC would not arise. In this situation it is seen that the government will not get any tax on the sale by the seller.

Decision of Advance Ruling Authority :

Decision :

- i. The liability will be discharged by the applicant on the difference between selling price and purchase price as stipulated in Rule 32(5) of CGST rules, 2017 only in respect of old cars, old jewellery and old watches.
- ii. Paintings will be classifiable under Heading 9701 and the applicant must pay GST of 12% on the sale value, motor vehicles falls under Heading 8703 and attract 28% GST except Tariff item 870310 10; sub heading 8703 80. Antique jewellery will fall under Tariff item 9706 00 00 and will be liable to tax @ 12% GST , old watches falls under heading 9101 and rate shall be 18%.
- iii. If the antique books are under 100 years of age then they will be classified under appropriate heading of the GST tariff and shall be covered under tariff item 9706 00 00 and will be liable to tax @12% GST. Specific details and description of ‘collectibles (books) ‘ has not been mentioned by the applicant the question cannot be answered.