

**GIB/RJ/IMF COGNITIVE/09.01.2019/AAR-19**

**Advance Ruling Category :** Input Tax Credit

**State :** Rajasthan

**Order No.:** GIB/RJ/IMF COGNITIVE/09.01.2019/AAR-19

**Name of Entry :**

IMF Cognitive Technology Pvt Ltd

**Date :** 09-01-2019

**Breif Issue :**

**Issue & Fact of the Case:**

Whether the input tax credit of Central Tax paid in Haryana be available to the applicant who is registered in Rajasthan State, whereby such tax is paid on inward supplies used for business of person registered in Rajasthan.

The applicant is a company incorporated and registered under the companies Act, 2013 and engaged in development, designing and trading in all type of computer software and is also engaged in export of software, is registered in the state of Rajasthan Goods and Services Tax law.

The Appellant claims the credit of taxes paid on Goods and Services, which are used in the course or furtherance of business and the place of supply of such Goods/Services is the State of registered place of business i.e. Rajasthan.

The company procured hotel services in the state of Haryana by paying CGST and SGST. Such hotel services are being used exclusively for the purpose of business.

Eligibility for input tax credit is governed by the provision of **Section 16(1) of CGST Act, 2017**, Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.”

**Decision of Advance Ruling Authority :**

**Decision:**

The Ruling observed that in the GST regime SGST and CGST charged for the services provided and availed in a state would be eligible for ITC within the state where such services were provided and consumed, hence input tax credit of central tax paid in Haryana is not available to the applicant.

For reference AAAR Ruling - [GIB/Raj/IMF/08.05.2019/AAAR-47](#)