

Aditya Surte

Taxable event plays a pivotal role in any indirect tax system. We are all aware of the taxable events under the erstwhile indirect tax regime, such as ‘manufacture’ under the Central Excise Act, 1944, ‘sale of goods’ under the State VAT laws and ‘provision of service’ under the Service Tax law. Under the GST regime, ‘supply’ is the taxable event. This means that only where a transaction or an activity falls within the scope of supply, it will be exigible to GST. Section 7 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the “CGST Act”), which lays down the scope of supply, reads as under: “7. (1) For the purposes of this Act, the expression “supply” includes – All forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made