

## Job Work

**1) I am a job worker. Is it mandatory for me to get registered under SGST Act, 2017?**

Job work is considered as services under the GST Act. If the total turnover of the job work exceeds the threshold limit of Rs. 20 lakhs in a year, then the job worker should get registration under the GST Act.

**2) I am a taxable person manufacturing taxable goods. Am I entitled to take credit of input tax on inputs sent by me to the job worker for job work?**

If the inputs were sent for job work prior to the appointed day (28-June-2017) and such inputs are returned to you on or after but within six months from the appointed day, you're eligible to claim input tax credit on the inputs. *(Sec. 141(1))*

If the inputs were sent for job work by you on or after the appointed day and such inputs are returned to you within one year from the appointed day, you're eligible to claim input tax credit on the inputs. *(Sec. 19)*

**3) I am a taxable person manufacturing taxable goods. I have sent my Capital goods for job work. Am I entitled to claim input tax credit on such capital goods?**

If the Capital Goods (except moulds and dies, jigs and fixtures, or tools) were sent for job work on or after the appointed day (28-June-2017) and such Capital goods are returned to you within a period of three years from the date of sending of such goods, you're eligible to claim input tax credit on the said capital goods. *(Sec. 19(7))*

**4) I am a taxable person. The inputs purchased are directly sent to the job worker for job work without being first brought to my place of business. Am I entitled to claim input tax credit on such inputs?**

You are entitled to take credit of input tax on inputs which are directly sent to job worker for job work without being brought to your place of business provided such inputs are returned to you within one year from the date of receipt of inputs by the job worker. *(Sec. 19)*

- 5) I am a taxable person. Certain semi-finished goods were sent to the job worker for job work. On completion of the job work, if the finished goods were sent from that place to a recipient without being brought to my place of business, am I entitled to claim input tax credit on such inputs?**

You may supply the goods from the place of business of a job worker without bringing it to your place of business, if the place of business of the job worker is declared as your additional place of business or the job worker is registered under section 25 of the TNGST Act, 2017. *(Sec. 143(1)(b))*

- 6) What happens when the goods sent for job work were not received within the stipulated time period?**

Where the inputs sent for job work are not received back by the principal after completion of job work (within a period of one year in case of inputs and three years in case of capital goods), it shall be deemed to be supplies by the principal to the job worker on the day when the said inputs/capital goods as the case may be were sent out and the supplier is liable to pay tax on such supplies along with applicable interest. [Sec.143(3) and 143(4)]