CHAPTER - III

LEVY AND COLLECTION OF TAX

Section 7 : Scope of supply

(1) For the purposes of this Act, the expression "supply" includes—

(a) 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 for a consideration by a person in the course or furtherance of business;

(b) import of services for a consideration whether or not in the course or furtherance of business [1][and];

(c) the activities specified in Schedule I, made or agreed to be made without a consideration; [2][………]

[3]**[(d)** ………………..].

[4]**[(1A)** where certain activities or transactions constitute a supply in accordance with the provisions of sub-section (1), they shall be treated either as supply of goods or supply of services as referred to in Schedule II.]

(2) **Notwithstanding** anything contained in sub-section (1),––

(a) activities or transactions specified in Schedule III; or

(b) such activities or transactions undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities, as may be notified by the Government on the recommendations of the Council,

shall be treated neither as a supply of goods nor a supply of services.

(3) Subject to the provisions of [5][sub-sections (1), (1A) and (2)], the Government may, on the recommendations of the Council, specify, by notification, the transactions that are to be treated as—

(a) a supply of goods and not as a supply of services; or

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1 Inserted vide The Chhattisgarh Goods and Services Tax (Amendment) Act, 2018 (No. 25 of 2018) dt. 05/10/2018 w.e.f. 01/07/2017.

2 Omitted the word "and" vide The Chhattisgarh Goods and Services Tax (Amendment) Act, 2018 (No. 25 of 2018) dt. 05/10/2018 w.e.f. 01/07/2017.

3 Omitted vide The Chhattisgarh Goods and Services Tax (Amendment) Act, 2018 (No. 25 of 2018) dt. 05/10/2018 w.e.f. 01/07/2017. Prior to omission it read as under:

"**(d)** the activities to be treated as supply of goods or supply of services as referred to in Schedule II.

4 Inserted new sub-section vide The Chhattisgarh Goods and Services Tax (Amendment) Act, 2018 (No. 25 of 2018) dt. 05/10/2018 w.e.f. 01/07/2017.

5 Substituted vide The Chhattisgarh Goods and Services Tax (Amendment) Act, 2018 (No. 25 of 2018) dt. 05/10/2018 w.e.f. 01/07/2017. Prior to substitution it read as under: sub-sections (1) and (2)

(b) a supply of services and not as a supply of goods.