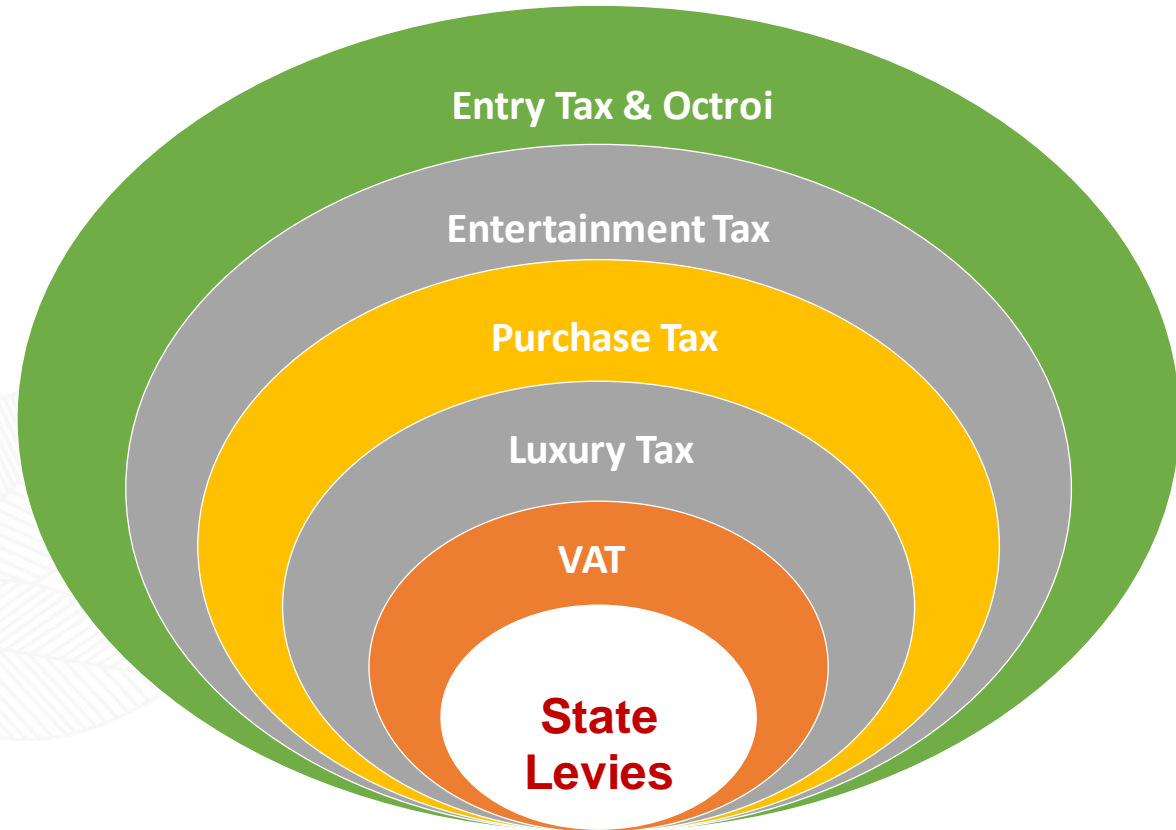
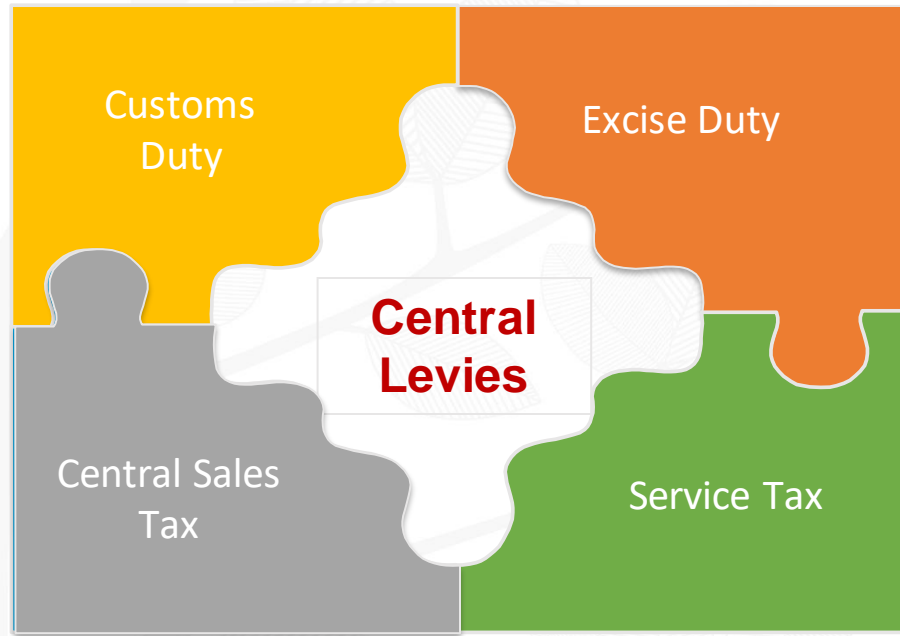




# **GOODS AND SERVICES TAX (GST)**

Pushkar Harshe

# Existing Indirect Tax Structure



# Tax structure under GST

**CGST**

- Stands for Central GST
- Tax collected by Central Government
- Applicable on supplies within the state

**SGST**

- Stands for State GST
- Tax collected by State Government
- Applicable on supplies within the state

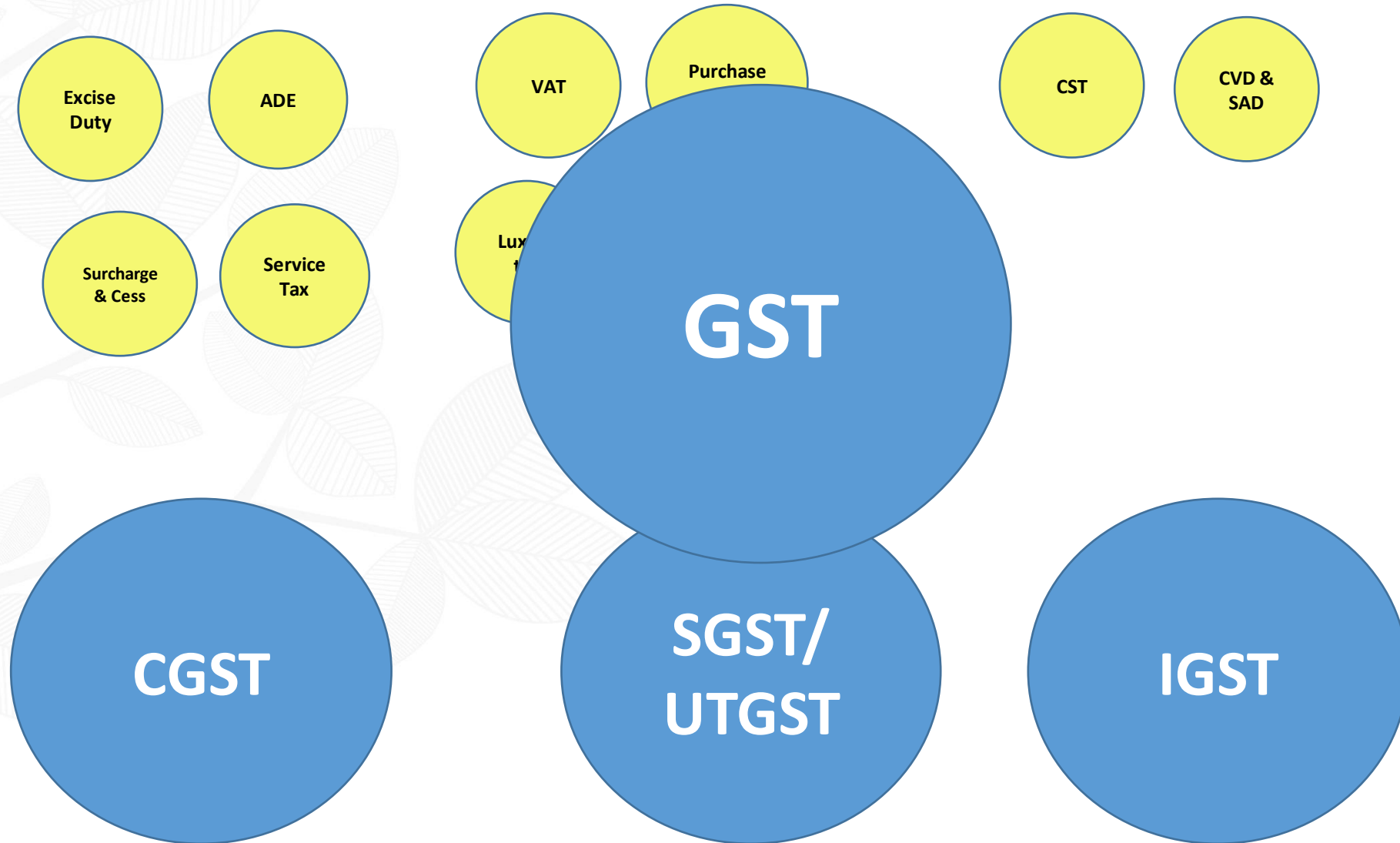
**UTGST**

- Stands for Union Territory GST
- Tax collected by Union Territory
- Applicable on supplies within the Union Territory

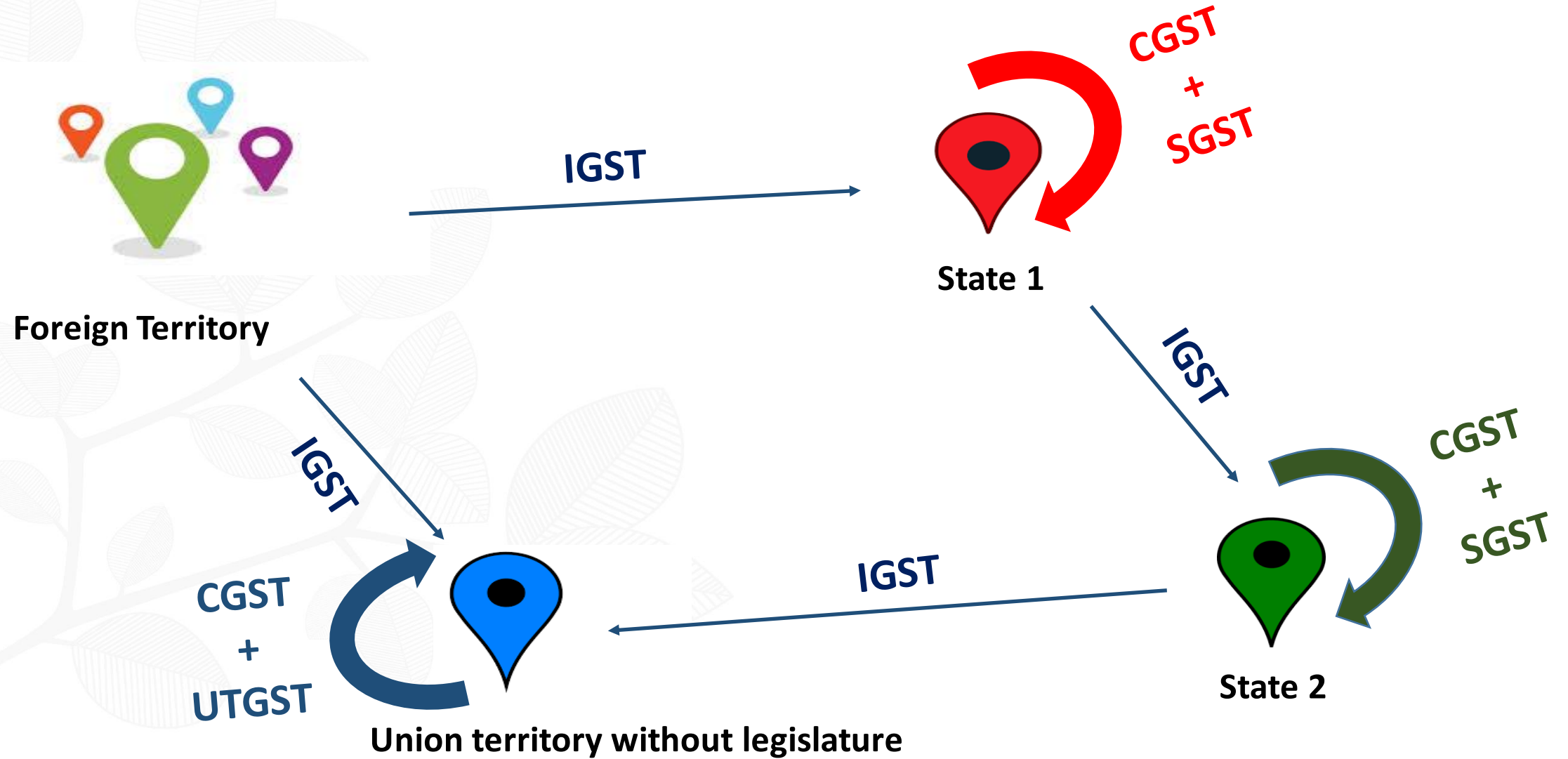
**IGST**

- Stands for Integrated GST
- Tax collected is shared between Centre and State
- Applicable on interstate and import transactions

# Taxes Likely to be subsumed under GST



# Understanding CGST, SGST, UTGST & IGST



# Features of Constitution Amendment Act

- Concurrent jurisdiction for levy & collection of GST by the Centre (CGST) and the States (SGST)
- Centre to levy and collect IGST on supplies in the course of inter-State trade or commerce including imports
- Compensation for loss of revenue to States for five years
- GST on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas & aviation turbine fuel to be levied from a later date on recommendations of Council

# Taxes Not Likely to be Subsumed under GST

## Central Taxes:

- Customs Duty
- Other Customs Duty like anti-dumping duty, Safeguard duty etc.,
- Export Duty

## State Taxes:

- Road & Passenger Tax
- Toll Tax
- Property Tax
- Electricity Duty
- Stamp Duty & Registration Fees

# Goods Not Covered under GST

## ➤ 5 Petroleum Products

- *Petrol*
- *Diesel*
- *Petroleum Crude*
- *Aviation fuel*
- *Natural Gas*

## ➤ Alcohol for Human Consumption

## ➤ Power Sector



# Comparison of Tax scenario under Current & GST regimes

	Current Regime		GST Regime
Manufacturing Cost	4,00,000		4,00,000
Excise @ 12%, Infrastructure cess @ 1%	52,000	CGST@9%	36,000
VAT@12.5%	56,500	SGST@9%	36,000
Dealer Invoice Value	5,08,500		4,72,000
Dealer Cost (4,00,000+52,000)	4,52,000		4,00,000
Margin	50,000		50,000
Sale Price for Dealer	5,02,000		4,50,000
VAT@12.5%	62,750	CGST@9%	40,500
		SGST@9%	40,500
Price @ which the car is sold to the customer	5,64,750		5,31,000
		Saving to the customer= Rs. 33,750	

# Highlights of ITC

1

## Availability of ITC on 'ALL Inward Supplies'

- Across the Supply Chain- *Manufacturer till it reaches consumer*
- Across the States

2

## Furtherance of Business Concept

“Used or intended to be used in the course or furtherance of  
Business”

# ITC Claim

**1**

Possession of Tax Invoice / Debit or Credit Note / Supplementary Invoice issued by a supplier

**2**

The said goods/services have been received

**3**

Returns have been filed

**4**

The tax charged has been paid to the government by the supplier

**5**

Matching of Invoices and Reversal

# Type of Returns

## Regular Dealer

Form Type	Frequency	Due Date	Details to be furnished
<b>Form GSTR-1</b>	Monthly	10 <sup>th</sup> of succeeding month	Details of outward supplies of taxable goods and/or services effected
<b>Form GSTR-2A</b>	Monthly	11 <sup>th</sup> of succeeding Month	Auto-populated details of inward supplies made available to the recipient on the basis of Form GSTR-1 furnished by the supplier
<b>Form GSTR-2</b>	Monthly	15 <sup>th</sup> of succeeding month	Details of inward supplies of taxable goods and/or services claiming input tax credit. Addition (Claims) or modification in Form GSTR-2A to be submitted in Form GSTR-2.
<b>Form GSTR-1A</b>	Monthly	20 <sup>th</sup> of succeeding month	Details of outward supplies as added, corrected or deleted by recipient
<b>Form GSTR-3</b>	Monthly	20 <sup>th</sup> of succeeding month	Monthly return on the basis of finalisation of details of outward supplies and inward supplies along with the payment of tax amount
<b>Form GSTR-3A</b>	--	--	Notice to a registered taxable person who fails to furnish returns under section 27 and section 31
<b>Form GSTR-9</b>	Annually	31 <sup>st</sup> Dec of next fiscal	Annual Return - Furnish the details of ITC availed and GST paid which includes local, interstate and import/exports.

**Ratna Steels GSTR-1A**

No	Amt	GST
6	1,00,000	18,000

**FORM GST MIS-1**  
Super Cars Ltd Eligible ITC  
40,500

**Super Cars Ltd GSTR-2**

In.No	Value	GST
7	50,000	9,000
8	25,000	4,500
10	50,000	9,000
6	1,00,000	18,000

**Ratna Steels Outward Supplies Register**

No	Qty	Amt	GST
6	100	1,00,000	18,000
7	50	50,000	9,000
8	25	25,000	4,500
10	50	50,000	9,000
Tot.	225	2,25,000	40,500

**GSP**



**FORM GSTR-3**  
Ratna Steels  
Monthly Return  
Payment

**FORM GSTR-3**  
Super Cars Ltd  
Monthly Return  
Payment

**Ratna steels**

**Super Cars Ltd**

**R.J. Automobiles**

**Inward Supplies Register**

No	Qty	Amt	GST
6	100	1,00,000	18,000
7	50	50,000	9,000
8	25	25,000	4,500
10	50	50,000	9,000
Tot.	225	2,25,000	40,500

**Books of Super Cars Ltd for July'17**

**Super Cars Ltd GSTR-2**

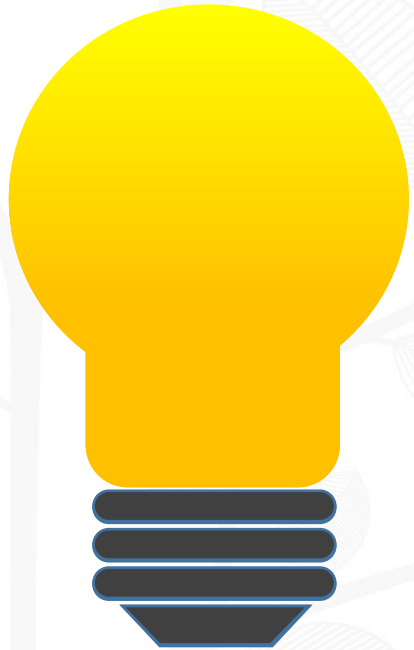
**FORM GST MIS-1**  
Super Cars Ltd Eligible ITC  
40,500

6	1,00,000	18,000
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**Outward Supplies Register**

No	Qty	Amt	GST
1	80	88,000	15,840
2	60	66,000	11,880
3	30	33,000	5,940
4	45	49,500	8,910
Tot.	215	2,36,500	42,570

# Technology is the key



GST is transaction based technology driven compliance

**B to B to G** data exchange through GSTN

Triangulation of Business records with GSTN