

# GST

# Seminar

Goods and Services Tax

वस्तु एवं सेवा कर

Presented by:

Deepak Kumar Gupta



# GST BEGINNER

---



# Topics cover in seminar

- What is Tax
- What is GST 2017
- Provisions of GST
- Who is liable to take registration and Threshold limit
- Registration and Migration Process
- E-filing and E-payment of GST
- Input tax Credit
- Composition Scheme
- Goods which are not cover under GST
- GST Rates
- Provision related to Tax Return Preparer (TRP)



ONE NATION...ONE TAX...ONE MARKET

2017

One Nation

One Tax

One Market

## UNDERSTANDING GST - 5 EASY STEPS

GST (Goods & Services Tax), a single unified indirect tax system aims at uniting India's complex taxation structure to a **'One Nation- One Tax'** regime.

**Destination based tax** on supplies of goods and services.

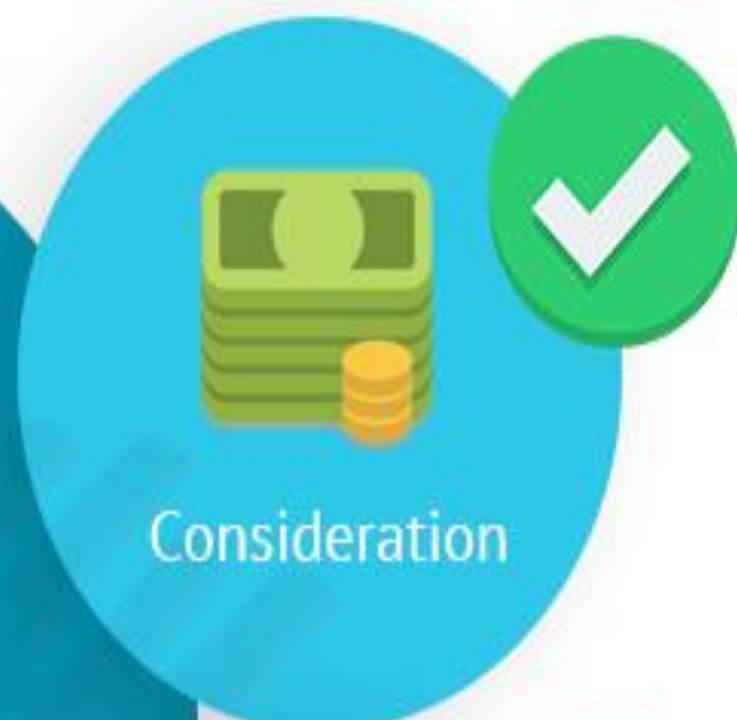
It will be **levied on all supplies** with seamless flow of credit (for both goods & services) till it reaches the end consumer

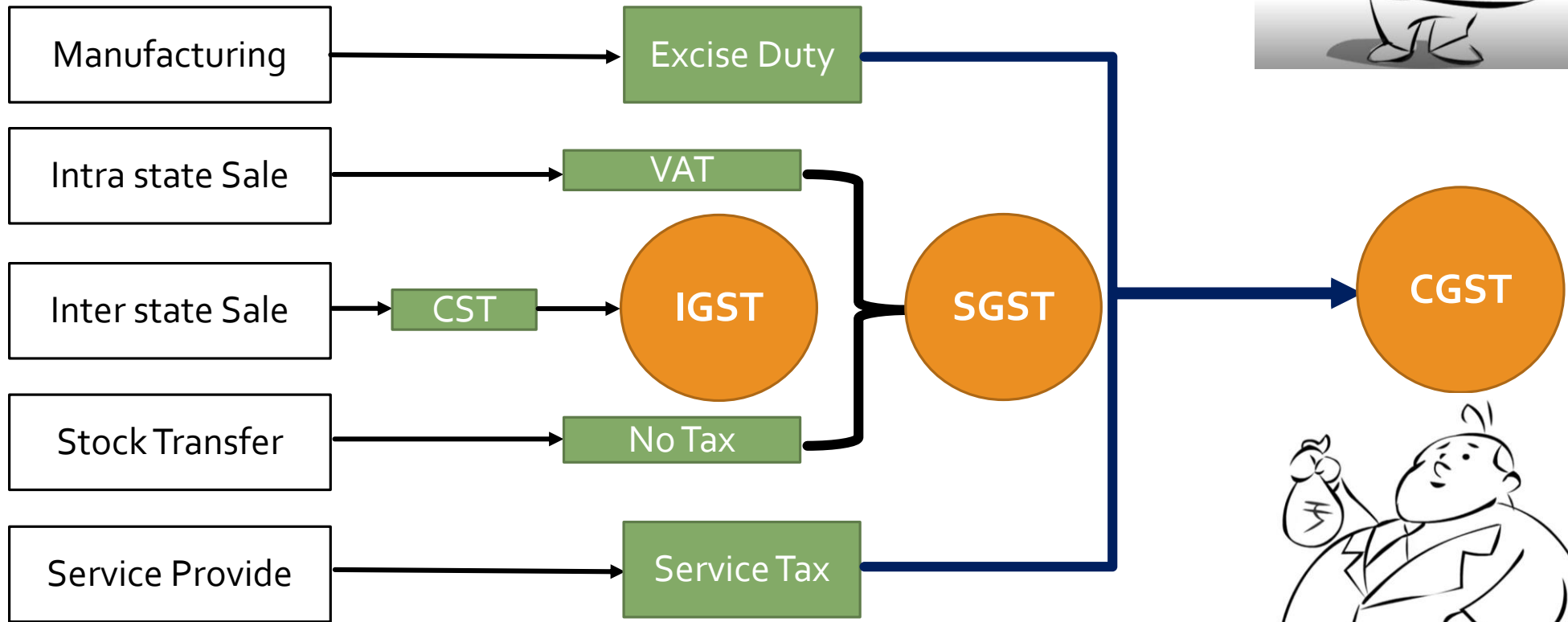
Only **value addition will be taxed** and burden of tax is to be borne by the final consumer.

GST would **replace indirect taxes**

- Central Excise Duty
- CVD
- CST & VAT

- Entry Tax & Octroi
- Surcharges & Cess levied by State govt



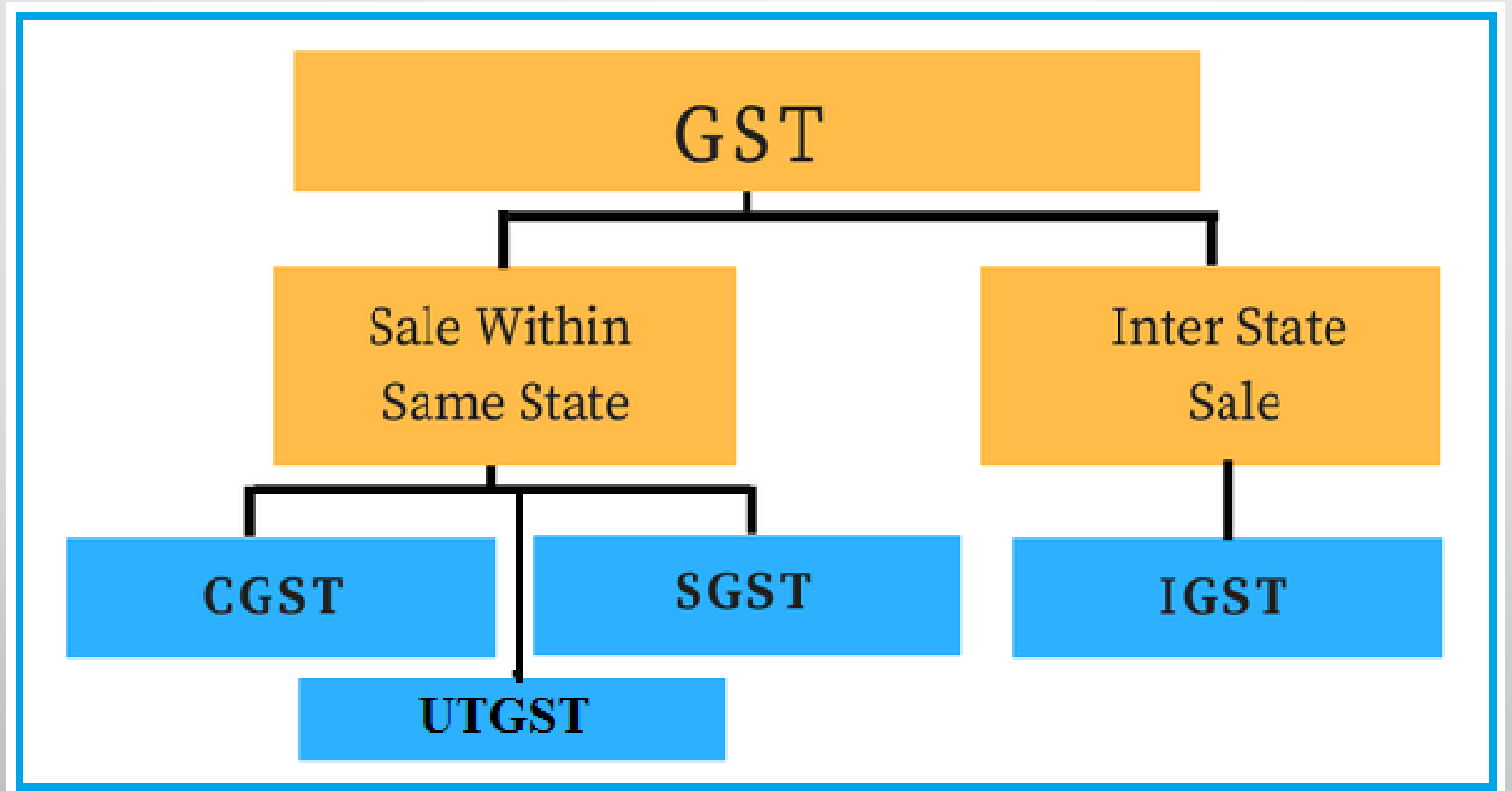


## TAXES SUBSUMED UNDER GST





# Component of GST



---

## DETERMINATION OF CHARGE

Location  
of Supplier

Place of  
Supply

Haryana  
Charge  
of Tax  
Intra State

CGST

SGST



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True

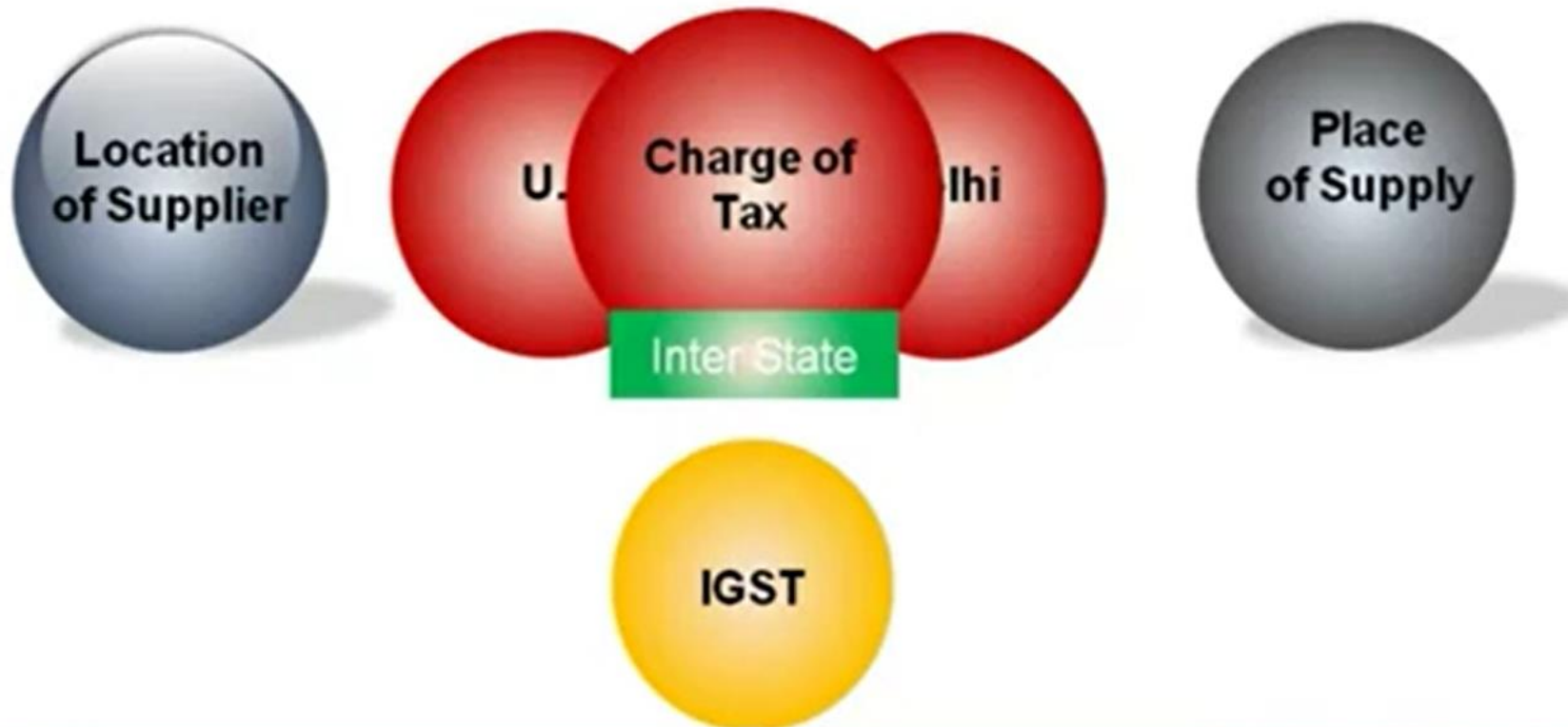
---

## DETERMINATION OF CHARGE



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True



# DETERMINATION OF CHARGE

Location  
of Supplier

Place of  
Supply

Andman  
Nikobar

Charge  
of Tax

Intra UT

UTGST



**NEW ERA**<sup>®</sup>

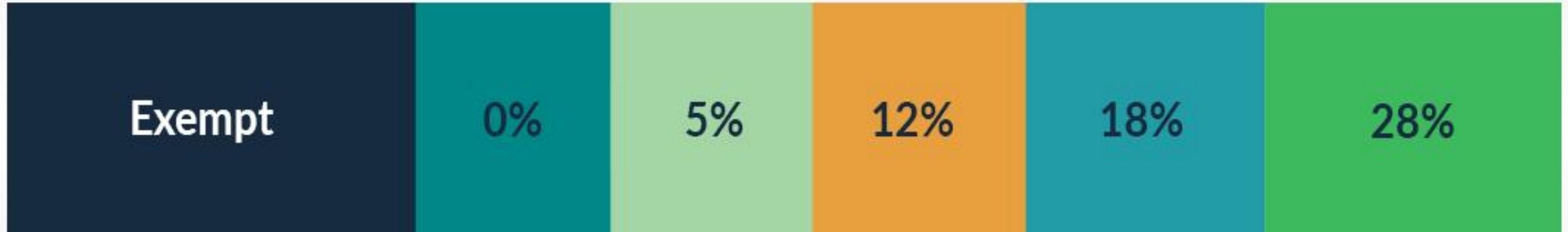
Follow your Dream, Dreams Comes True

# Tax Rates in new GST Regime



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True



# Difference Between current Indirect Tax and GST

	Curent System		GST
Cost of Manufacturers	400000		400000
Add: Excise Duty @ 12%	48000	CGST @6%	24000
VAT @ 12%	53760	SGST @6%	24000
Dealer Invoice	501760		448000
Dealer cost(400000+48000)	448000		400000
Margine @10%	44800		40000
Sale Price for Dealer	492800		440000
VAT @12%	59136	CGST @6%	26400
		SGST @6%	26400
Price to customer	551936		492800

A close-up photograph of a person's hands holding a blue pen over a document on a clipboard. The background is slightly blurred, showing more of the document and the person's arm. The text is overlaid on the center of the image.

# How to Register Under ***GST ?***



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True

## REGISTRATION THRESHOLD LIMIT

### Regular Dealer

North East India

Aggregate Turnover  
exceeds

10 lakhs

Rest of India

Aggregate Turnover  
exceeds

20 lakhs

### Composition Scheme

Composition Levy

Aggregate Turnover does  
not exceeds

50 lakhs



# TYPE OF RETURNS

For a Regular Dealer



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True

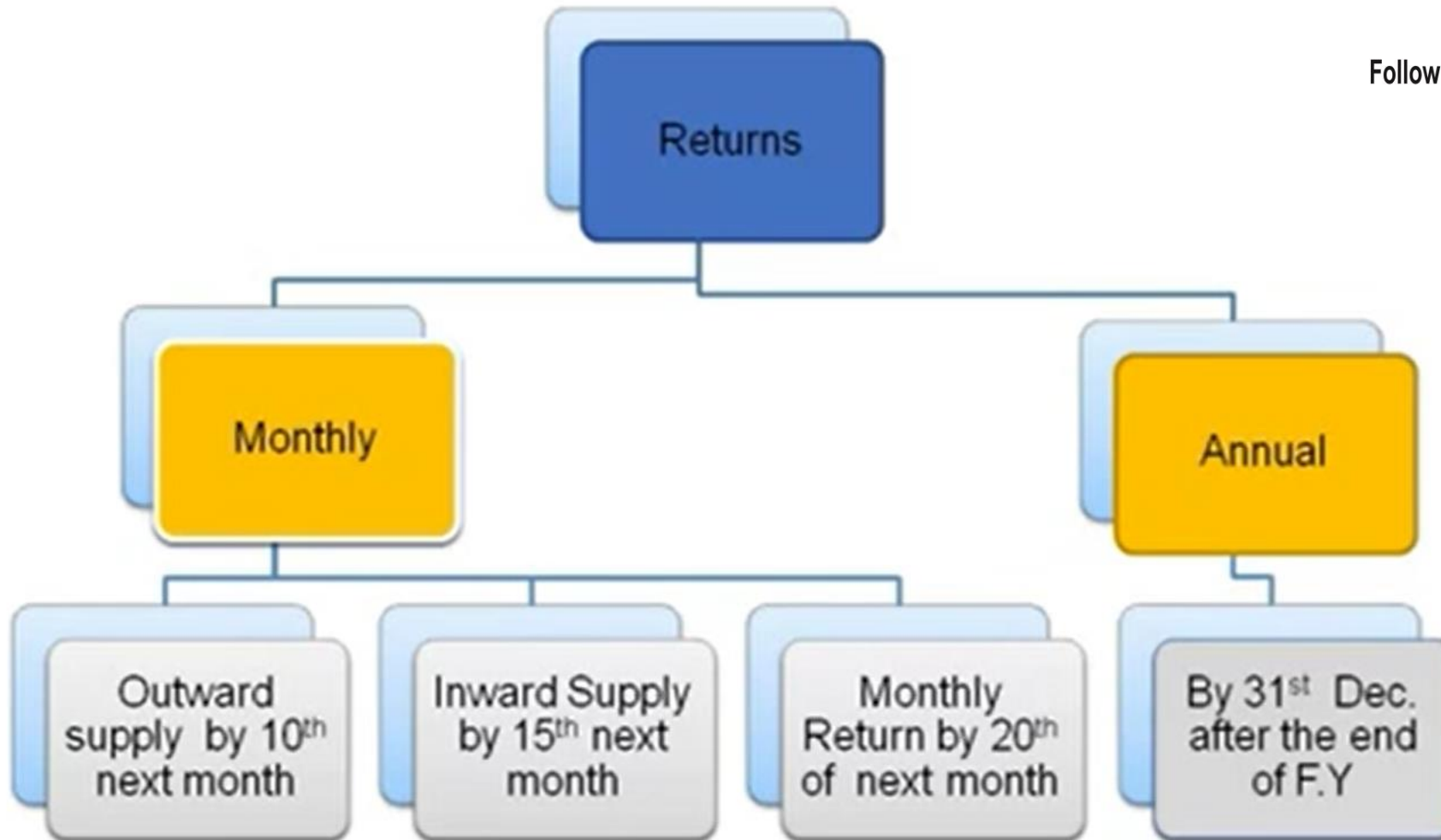
Form Type	Frequency	Due Date	Details to be furnished
Form GSTR-1	Monthly	10 <sup>th</sup> of succeeding month	Details of outward supplies of goods/services
Form GSTR-2A	Monthly	On 11th of succeeding Month	Auto-populated details of inward supplies made available to the recipient on the basis of Form GSTR-1 furnished by the supplier
Form GSTR-2	Monthly	15 <sup>th</sup> of succeeding month	Details of inward supplies of taxable goods/services claiming input tax credit. Addition (Claims) or modification in Form GSTR-2A should be submitted in Form GSTR-2.
Form GSTR-1A	Monthly	Up to 20th of succeeding month	Details of outward supplies as added, corrected or deleted by the recipient
Form GSTR-3	Monthly	20 <sup>th</sup> of succeeding month	Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax
Form GSTR-3A	--	--	Notice to a registered taxable person who fails to furnish return under section 27 and section 31
Form GSTR-9	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.

# RETURNS IN GST



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True





**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True

## GST IS TECHNOLOGY-CENTRIC IMPLEMENTATION

Let us consider 2 aspects of the law for illustration –

- Seller needs to pay taxes before buyer can take input credit
- Input credit is available for direct and indirect purchases

To enforce these laws, **invoice level details** are a MUST

To implement this effectively, **technology** is a MUST

First time ever in India, **technology-centric** compliance will be implemented



---

## WHAT DOES IT INDICATE?

Government is **serious** about compliance

Non-compliance is not an option

GST is **more likely to be implemented** on 1st July 2017

Technology is used at the core to drive compliance



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True

## CONSEQUENCES OF NON-COMPLIANCE

### Credit rating

Non compliance will affect a company's credit rating, which is visible to all.  
Bad rating may impact customer & supplier confidence in the company, impacting business

### Late Fee & Interest

Failure to furnish returns

Quarterly/ Monthly: Rs.100/- per day for every day subject to a maximum of Rs. 5000/-

Annual Return :Rs.100/- per day for every day subject to a maximum of Rs. 0.25 % of aggregate turnover

Interest on total tax due – Rate yet to be notified

### Cancellation of Registration

Regular dealer: If returns are not furnished for 6 consecutive tax period

Composite dealer: If returns are not furnished for 3 consecutive tax period



**NEW ERA**<sup>®</sup>

Follow your Dream, Dreams Comes True

## COMPLIANCE DISCIPLINE IS IMPORTANT



If you miss a month's filing

- You can't file for the subsequent month
- Unless tax for the previous month is paid

# BUSINESS IMPLICATIONS FOR YOU

## VAT

## GST



Interaction with Government for compliance

Once a quarter or month

3 times **EVERY MONTH**

Return filing

Summary of sales/purchases needs to be filed

Need to upload **EVERY** transaction

Invoice Matching

Not monitored extensively

Invoices of supplier and recipient **NEED to MATCH**

Input Credit

Availed based on returns

Can be availed **ONLY WHEN INVOICES ARE MATCHED** and **SELLER PAYS TAX LIABILITY.**

Input Credit on expenses

Was not able to claim on all business expenses

Available for **ALL INWARD** which are used in furtherance of business

# Provisions Related to Tax Return Preparer (TRP)

- Application for enrolment as TRP
- Eligibility criteria to be qualified as TRP (B.com, M.com, BBA, MBA, LLB)
- The responsibility of correctness of return filed by TRP to rest with Taxable Person
- Confirmation via SMS or E-mail from Taxable Person after furnishing returns or statement filed by TRP
- Affix his Digital Signature on the statements or verify electronically using his credentials



# What TRP can do

- Furnish details of outward and inward supplies;
- Furnish monthly, quarterly, annual or final return
- Make payments for credit into the electronic cash ledger;
- File a claim for refund;
- Represent the taxable person- other than inspection, search, seizure and arrest;
- Fill an appeal to first appellate authority & Tribunal
- Fill an application for fresh registration, amendment or cancellation of registration

# TRP Forms

Forms	Form Type
Form GST-TRP-1	Application for enrolment as TRP
Form GST-TRP-2	Enrollment certificate as TRP
Form GST-TRP-3	Show cause to TRP
Form GST-TRP-4	Order of canceling enrollment as TRP
Form GST-TRP-5	List of TRP
Form GST-TRP-6	Consent of taxable person to TRP
Form GST-TRP-7	Withdrawal of authorization to TRP



Thanks