

B.Com S.Y. III Sem.

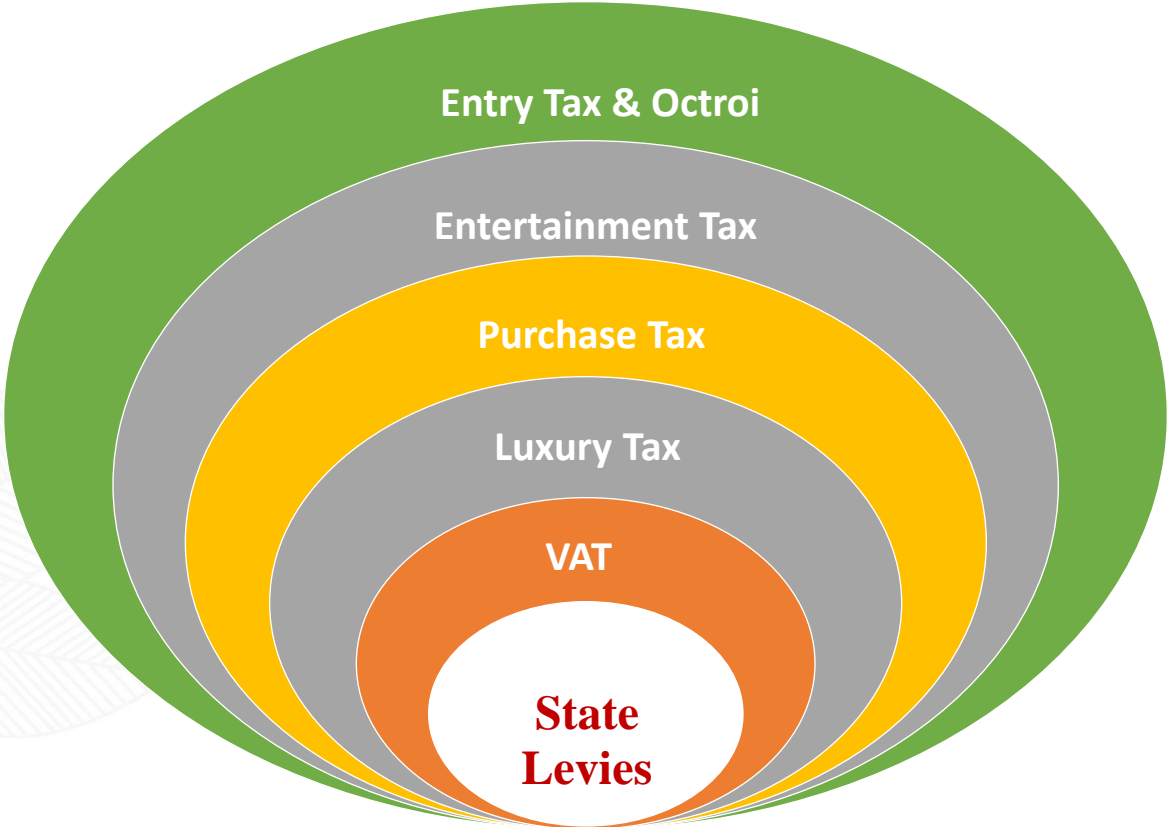
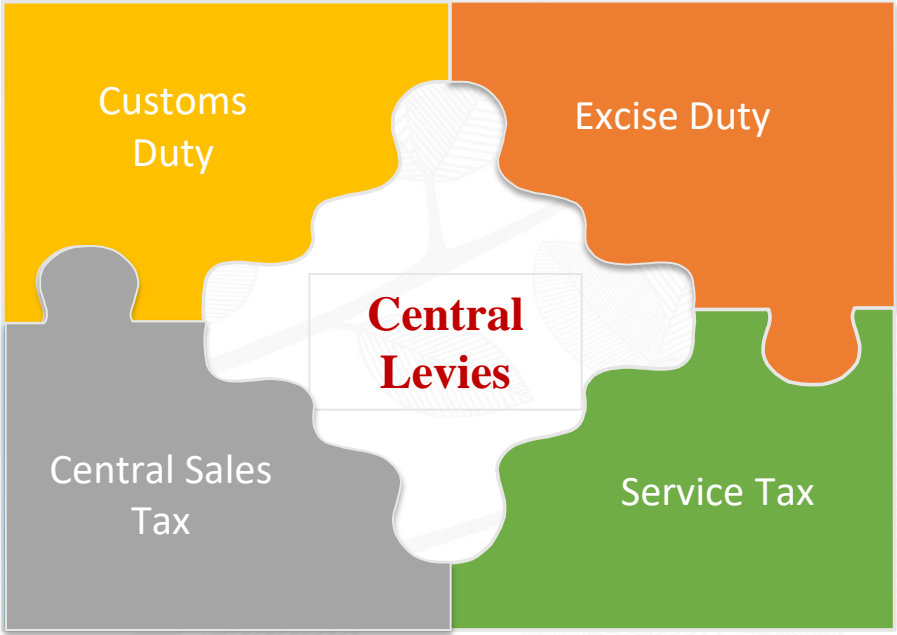
GOODS AND SERVICES TAX (GST)

Dr. Dhammpal N. Ghumbre

Dept. of Commerce

Kalikadevi Arts, Commerce and Science College, Shirur (Ka.). Dist. Beed.

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

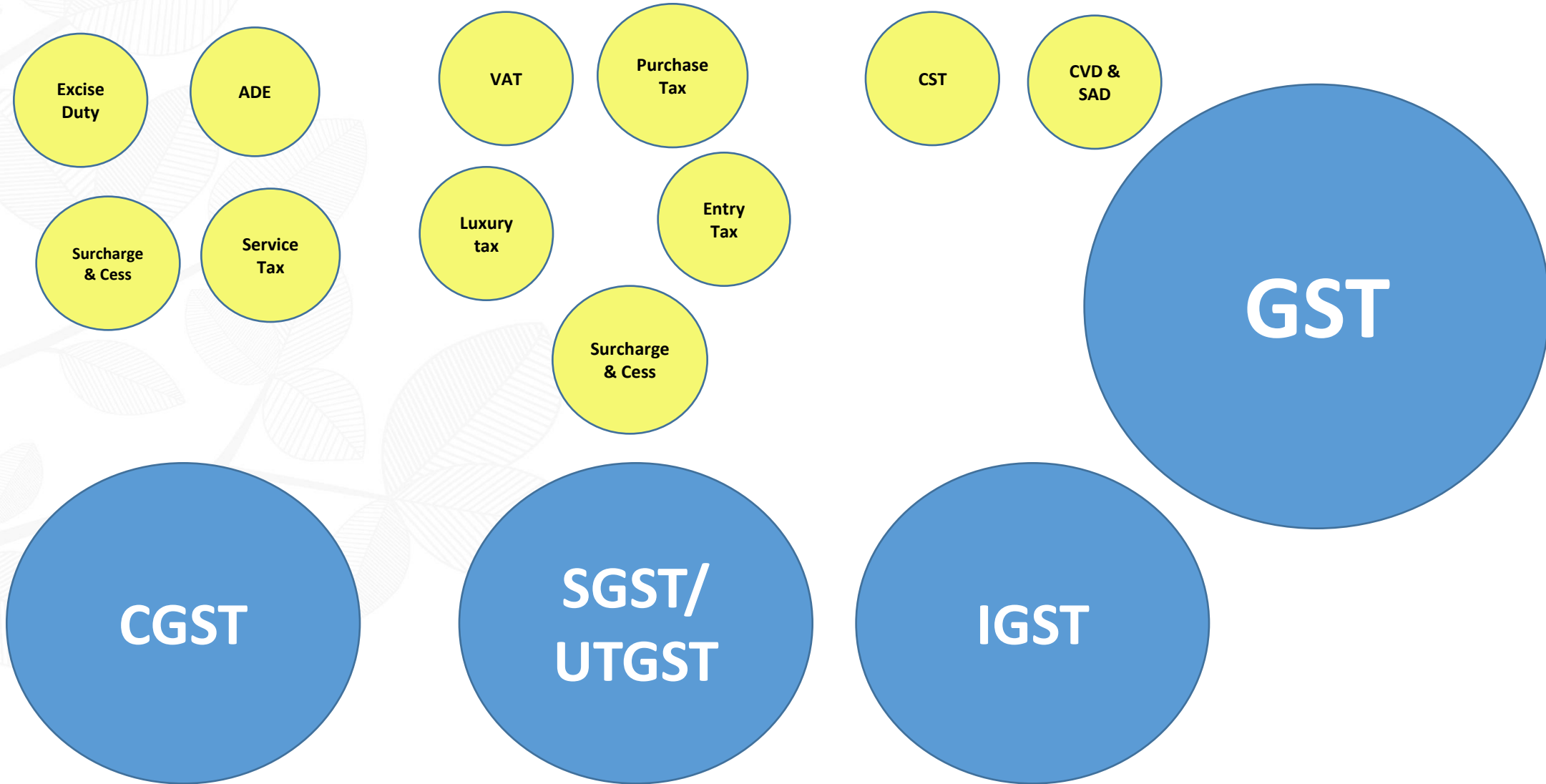
UTGST

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

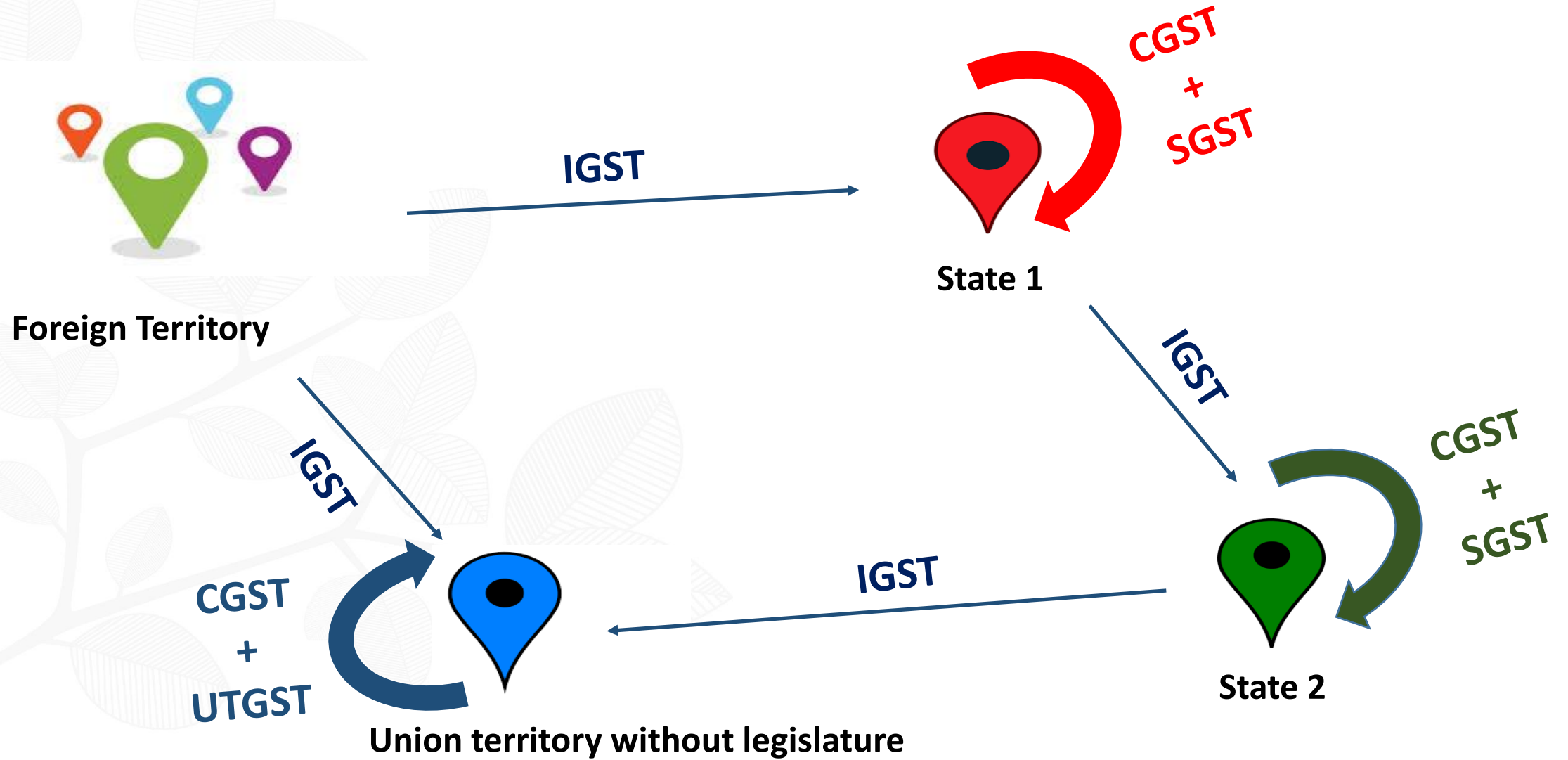
IGST

- 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
Form GSTR-1	Monthly	10 th of succeeding month	Details of outward supplies of taxable goods and/or services effected
Form GSTR-2A	Monthly	11 th 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 th 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.
Form GSTR-1A	Monthly	20 th of succeeding month	Details of outward supplies as added, corrected or deleted by recipient
Form GSTR-3	Monthly	20 th 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
Form GSTR-3A	--	--	Notice to a registered taxable person who fails to furnish returns under section 27 and section 31
Form GSTR-9	Annually	31 st 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



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

No	Qty	Amt	GST
----	-----	-----	-----

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

No	Value	GST
4	49,500	8,910

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

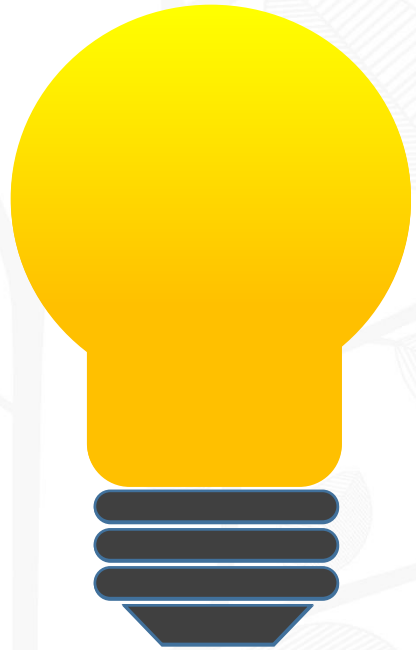
40,500

6	1,00,000	18,000
---	----------	--------

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