

# GST: AN OVERVIEW

**BOMBAY MANAGEMENT ASSOCIATION**  
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**A Presentation by**

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# Present Valuation for duty/tax



Nature of Duty/Tax	Taxable Event	Valuation
Excise Duty	Manufacture of Goods	Transaction Value or RSP less abatement
Additional / Special Custom duties	Import of goods into India	Transaction Value
Service Tax	Provision of Service	Gross Amount Charged
VAT/CST/Entry Entertainment Luxury	Sale of Goods/Entertainment/ Luxury	Sale Price/Value of Ticket or passage /Receipts
Octroi/LBT	Entry in local area for sale, use etc.	Product Value

# Present Point of Taxation

Nature of Duty/Tax	Point of Taxation
Excise Duty	Removal of Goods from place of removal
Additional / Special Custom duties	Import of goods into India
Service Tax	Invoice issued within time for completion of provision of service or for payment received
VAT/CST/Entry Entertainment Luxury	Transfer of property in Goods /Provision of Entertainment/Luxury
Octroi/LBT	At the time of entry in local area

# Goods & Services Tax Network

GSTN

Upload return  
after paying the  
tax otherwise  
considered as  
invalid return

Provisional credit  
allowed  
subsequently to  
the credit claimed  
by receiver to be  
matched with  
supplier

Supplier

Receiver

Receiver to pay interest on mis-match from date of availment and not utilization, refund only to the extent of tax & interest paid by supplier

# Comparison : Present Taxation Vs. GST

# Present Taxation VS. GST

S. NO.	Particulars	Present Taxation	GST (Expected)
1	<b>Structural Difference</b>	<ul style="list-style-type: none"><li>• <u>Two separate VAT systems at Centre and State</u></li><li>• <u>Tax on services is levied by Centre.</u></li></ul>	<ul style="list-style-type: none"><li>• <u>A dual tax with both Central GST (CGST) &amp; State GST (SGST)</u></li><li>• <u>There will be no distinction between goods and services for the purpose of tax</u></li></ul>
2	<b>Place of Taxation</b>	<ul style="list-style-type: none"><li>• <u>Place of sale (Transfer of Property)</u></li><li>• <u>Clearance of goods</u></li></ul>	<u>Consumption (destination) based tax</u>

# Present Taxation VS. GST (Cont....)

S. NO	Particulars	Present Taxation	GST (Expected)
3	<b>Powers to levy Tax on Provision of Services</b>	<b>Centre</b>	<b><u>Concurrent powers to Centre &amp; State</u></b>
4	<b>Tax on Import in India</b>	<ul style="list-style-type: none"> <li>• <b><u>Goods : Under Customs Duty</u></b> (comprises Basic Customs Duty, CVD &amp; SAD)</li> <li>• <b><u>Services</u></b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Basic Custom Duty on goods : <u>No Change</u>;</b></li> <li>• <b><u>CVD &amp; SAD on import of goods /services : To be subsumed in GST</u></b></li> </ul>
5	<b>Tax on Export of Goods &amp; Services</b>	<b><u>Exempt/Zero-rated</u></b>	<b><u>No Change</u></b>

# Present Taxation VS. GST (Cont....)

S. N O	Particulars	Present Taxation	GST (Expected)
6	<b>Tax on inter-State Transfer of Goods to Branch or Agent</b>	<u>Exempt against Form F</u>	<u>To be taxable, Tax on supply of Goods &amp; Services.</u>
7	<b>Tax on Transfer of Goods to Branch or Agent within States</b>	<u>Generally exempt; Depending upon State Procedures</u>	<u>Taxable if different business vertical, Exempt if Common Registration with in State.</u>
8	<b>Cross-Levy set-off</b>	<u>Excise duty and Service tax : Cross set off allowed</u>	<u>No cross set-off between CGST and SGST</u>



# Present Taxation VS. GST (Cont....)

S. N O	Particulars	Present Taxation	GST (Expected)
9	<b>Cascading Effect</b>	<b><u>YES,VAT is payable on Excise duty.</u></b>	<b><u>NO,Dual Tax on Basic Value ,No Tax on Tax.</u></b>
10	<b>Exemption for transit Inter-State Sale and High Seas Sale</b>	<b><u>Exempt</u></b>	<b><u>Might be taxable</u></b>
11	<b>Transactions against Declaration Forms</b>	<b><u>Exists under the CST Act</u></b>	<b><u>Forms will be abolished,Only Checkpost will be, for smooth transit.</u></b>

## Present Taxation VS. GST (Cont....)

S. N O	Particulars	Present Taxation	GST (Expected)
12	Stamp Duty	<u>Presently taxed concurrently by the Centre and State</u>	<u>Not subsumed.</u>
13	<u>Classification of Commodities</u>	<u>- Excise Duty : HSN;</u> <u>- VAT : None</u>	<u>HSN will be continue.</u>

# Illustration of GST

➤ All parties are located in one State

➤ Assumptions:

1. Rate of Excise Duty – 12%
2. VAT Rate – 12.5%
3. Central GST Rate – 12%
4. State GST Rate – 8%
5. Profit Margin – Rs. 10,000/- fixed (before tax)

# Illustration of GST (Cont....)

## (I) MANUFACTURER TO WHOLESALER

Particulars	Under VAT	Under GST
Cost of Production	90,000	90,000
Input Tax Credit (Assuming nil)	-	-
Add : Profit Margin	10,000	10,000
Producers Basic Price	1,00,000	1,00,000
Add: Central Excise Duty @ 12%	12,000	-
Add : Value Added Tax @ 12.5% on Rs. 1,12,000/-	14,000	-
Add : Central GST @ 12%	-	12,000
Add : State GST @ 8%	-	8,000
<b>Total Sale Price to Wholesaler</b>	<b>1,26,000</b>	<b>1,20,000</b>

## (II) WHOLESALER TO RETAILER

Particulars	Under VAT	Under GST
<b>Cost of Goods to Wholesaler</b>	<b>1,12,000</b>	<b>1,00,000</b>
<i>(After Available Input Tax Credit for set off)</i>	<i>14,000</i>	<i>20,000</i>
Add : Profit Margin	10,000	10,000
<b>Total</b>	<b>1,22,000</b>	<b>1,10,000</b>
Add : Value Added Tax @ 12.5%	15,250	-
Add : Central GST @ 12%	-	13,200
Add : State GST @ 8%	-	8,800
<b>Total Sale Price to the Retailer</b>	<b>1,37,250</b>	<b>1,32,000</b>

## (III) RETAILER TO FINAL CONSUMER

Particulars	Under VAT	Under GST
<b>Cost of Goods to Retailer</b>	<b>1,22,000</b>	<b>1,10,000</b>
(After Input Tax Credit)	15,250	22,000
Add : Profit Margin	10,000	10,000
<b>Total</b>	<b>1,32,000</b>	<b>1,20,000</b>
Add : Value Added Tax @ 12.5%	16,500	-
Add : Central GST @ 12%	-	14,400
Add : State GST @ 8%	-	9,600
<b>Total Sale Price to the Consumer</b>	<b>1,48,500</b>	<b>1,44,000</b>

**Major Decision to be**  
**advisable for GST to Trade,**  
**Industry and**  
**Manufacturer/Service**  
**Providers**

# MAJOR DECISION

S. No. an	Change Decision	Ideally Before	Reason
1.	Location of Manufacturing Units/Depots/Branches and Mode of delivery.	<u>6 Month-1 Year</u>	Relocation may be time consuming.
2.	Stock Taking(Multi-locational Goods/Service Provider) and Reconciled with books.	<u>3 month</u>	Process and readiness.
3.	Reviewing the compliances under old law	<u>Now- 3 Month</u>	Scarcity of subject experts.
4.	Review of Export benefits-New FTP	<u>3 month</u>	Decide to option to maximize benefit.



# MAJOR DECISION

S. No.	Change Decision	Ideally Before	Reason
5.	Purchase Policy	<u>3 Month-6 Months</u>	Buying from particular source to enable credit on stocks.(Not unregistered dealers)
6.	Upgrading the IT hardware/Software	<u>3-6 Month</u>	Extent of integration and customization needed.
7.	Changes in formats of records and billing	<u>2 month</u>	Printers will be extremely busy in last 3 months before GST implementation.
8.	Declaration of stocks in a system +Certification	<u>1 Month</u>	Limited numbers of Subject professionals.

# MAJOR DECISION

S. No.	Change Decision	Ideally Before	Reason
9.	Manpower optimization/Assess requirement of Manpower.	<u>3 month</u>	Multiple laws disappearing and converging in to one.
10.	Confirmation of no missed Credit+ No excess/ineligible Credit	<u>Now onwards</u>	To avoid disputes under old law.
11.	Procurement goods under documents where all taxes clearly indicated as tax suffered such as CE, CVD, SAD, etc.	<u>6 Month</u>	Enhance the credit at time of declaration of stocks during transition to GST.

# MAJOR DECISION

S. No.	Change Decision	Ideally Before	Reason
12.	Planning for Completion of Assessment under old laws	<u>6 Month</u>	Liability must be finalized before GST implementation.
13.	Revisiting the Overlapping contracts	<u>6 Month</u>	Ensure amendment to avoid disputes with customers on applicability of taxes.
14.	Representation of Undue or unintended hardship of new law.	<u>ASAP after Revised draft law</u>	This may have to be thought Industry Association, Trade Bodies and Professional Institutes and other Public forms.

# THREE PRIME MODELS OF GST

## Central GST

GST to be levied by the Center

## State GST

GST to be levied by the State

## Dual GST

GST to be levied by the Centre and the States Concurrently

# DEFINITION UNDER GST

**GST**: A tax on supply of 'goods' or 'Services' except

- ❑ Alcoholic Beverages for Human Consumption-State Excise duty to Continue
- ❑ Effective date for petroleum Product will be notified later.

**Goods**: Every kind of movable property other than Money and Securities but includes actionable claim, growing crops, grass and things attached to or forming part of the land which are agreed to be served before supply or under the contract of supply.

**Service**: Service means anything other than Goods.

# CROSS CREDIT SET OFF HEADS

IGST  
Input

IGST  
Output

CGST/SGST  
Output

CGST  
Input

IGST  
Output

CGST  
Output

SGST  
Input

IGST  
Output

SGST  
Output

# GST/VAT RATE GLOBALLY VS. INDIA

S. No.	Country	Rate (%)
1.	Australia	10
2.	Austria	20
3.	Canada	7
4.	China	17
<b>5.</b>	<b>Denmark</b>	<b>25</b>
6.	Finland	22
7.	France	19.6
8.	Germany	16
9.	Indonesia	10
10.	Italy	20
<b>11.</b>	<b>Japan</b>	<b>5</b>

S. No.	Country	Rate(%)
<b>12.</b>	<b>Malaysia</b>	<b>5</b>
13.	Mexico	15
14.	New Zealand	12.5
15.	Philippines	10
16.	Russia	18
17.	Singapore	7
18.	South Africa	14
<b>19.</b>	<b>Sweden</b>	<b>25</b>
<b>20.</b>	<b>Taiwan</b>	<b>5</b>
21.	U.K.	17.5
<b>22.</b>	<b>Zambia</b>	<b>40</b>

# GST RATE IN INDIA

- **13<sup>th</sup> Finance Commission Task Force** recommend GST Rate 12%(6%CGST & 6% SGST)
- **National Institute for Public Finance** recommend Revenue Neutral Rate (RNR): 26.68% (CGST 12.77% & SGST 13.91%)
- **Kelkar's Fiscal Consolidation Panel** recommend 16%(CGST 8% & SGST 8%).
- **Rajya Sabha Select Panel** Opined that RNR should not exceeds 20%.
- **Chief Economic Advisor Panel**(Dr. Arvind Subramanian) recommends:
  - RNR at 15 – 15.5% and eliminating Additional Tax of 1% on inter-state supply of goods.
  - The Committee recommends that lower rates be kept around 12% (Centre plus States) with standard rates varying between 17 and 18%.
  - The Committee recommends that this sin/demerit rate be fixed at about 40% (Centre plus States) and apply to luxury cars, aerated beverages, paan masala, and tobacco & tobacco products (for the States).
- **0,5,12,18 & 28 as suggested by GST Council on 3<sup>rd</sup> November Meeting.**



# FIRST MEETING OF GST COUNCIL

- **Threshold Limit in GST:**Rs20 lac & Rs10 Lac for North Eastern States.
- **Empowerment of the States to collect both CGST and SGST including IGST**, below the threshold of Rs. 1.5 Crores. All VAT assesseees up to Rs 1.5 Crore turnover will continue to be within the control of State GST authorities.
- **Similarly, all service tax assesseees will continue to remain with the Centre.**
- **Assesseees above Rs 1.5 Crore**, there will be dual control of the Centre as well as the States.

**(Source: TIOI dated 23 Sept 2016)**

# SECOND MEETING OF GST COUNCIL

- **GST levy on all exempted items** and the States and the Centre would be paying the incentive or subsidy back to them after making a budget allocation.
- **Both the Centre and the States are going to guillotine the present lists of exempted goods and services** and subject them to the levy of GST and then make budget allocation for incentive or subsidy to be given to certain sectors and perhaps pay them in cash or some other form.
- **The Council approved the Draft GST Rules** relating to the business processes such as registration, payment, invoice, refund and Returns

**(Source: TIOL dated 30 Sept 2016)**

# **THIRD MEETING OF GST COUNCIL**

- ❖ **GST Council Meeting Held on 18-19 October, 2016 and discuss for following slabs of Rates:**
- ❑ 4% for Precious Metals
- ❑ 6% for other essential
- ❑ Most Services for 18%, those with abatement at lower 12% rate
- ❑ 26% for packaged consumer goods
- ❑ 26% + Cess for luxury items (Luxury Car, tobacco, pan masala and carbonated drinks).

**(Source: Economic Times & Live Mint dated 19 Oct. 2016)**

# **FOURTH MEETING OF GST COUNCIL**

- ❖ **GST Council Meeting Held on 3<sup>rd</sup> Novemer,2016 and discuss for following slabs of Rates:**
  
- ❑ 0% for Essential items including food
- ❑ 5% for Common use items
- ❑ 12% and 18% for Standard Rates
- ❑ 28% Items which are currently taxable with (30-31%)
- ❑ 28% + Cess for luxury items (Luxury Car, tobacco, pan masala and carbonated drinks).

**(Source: Indian Express dated 04 November ,2016)**

# **FIFTH MEETING OF GST COUNCIL**

- ❖ **GST Council Meeting Held on 2<sup>nd</sup> & 3<sup>rd</sup> December, 2016 and discuss the dual Control Issue:**
  - ❑ No consensus on GST Drafts of supportive legislation (Central GST, State GST, IGST, and a law dealing Compensation to states for loss of Revenue in the First 5 years.
  - ❑ Cross Empowerment
  - ❑ Next Council Meeting on **11<sup>th</sup> & 12<sup>th</sup> December**

**(Source: Times of India dated 04 December ,2016)**

# **8<sup>TH</sup> MEETING OF GST COUNCIL**

- ❖ **GST Council Meeting Held on 3<sup>rd</sup> & 4<sup>th</sup> January,2017 and discuss the dual Control Issue:**
- ❑ Deadlock continues between the Centre and the States on the vexed issue of “cross empowerment”, or “dual control” of assesseees.
- ❑ Cess
- ❑ Taxation rights on High Seas Sale
- ❑ IGST on transactions among SEZs
- ❑ Next Council Meeting on **16<sup>th</sup> January,2017.**

**(Source: Taxguru.in dated 05 January ,2017)**

# GST IMPLEMENTATION

# RIGHT NOW

- 1. Study of Existing business process, Identifying issues in GST for Client with Review of I.T. Infrastructure.**
- 2. Existing Tax Payment under Current System:**
  - a. Out ward Sale/Service/Clearance
  - b. Inward Purchase/Service.
- 3. Proposed Tax Payment in GST**
  - a. Out ward Supply of Goods/Services
  - b. Inward Supply of Goods/Services.
- 4. IMPACT ANALYSIS**
  - a. **More/Less Tax Payment** due to supply
  - b. **Additional Working Capital** Requirement at different stages
  - c. **Restructuring Business Policy** for Tax Planning point of view.
- 5. SOP / Compliance / Process manual / System compliant / internal control**
- 6. Training to Staff /Vendors of Clients.**



# CHANGES IN IT

## FUNCTIONAL REQUIREMENT FOR IT SYSTEM

- **Advice for preparing GST Compliant IT systems.**
- **Identifying all possible business requirements to be captured in the IT System.**
- **Segregating the identified requirements into two parts (a) Mandatory and (b) Recommendatory**
- **Validating the GST compliant IT System**

Understanding  
Client current  
System

Understanding  
Government  
System

Identifying  
requirements

Coordinating  
with System  
Team

Validating  
client IT  
System

# WHEN IS IT SYSTEM GST COMPLIANT? BUSINESS PROCESSES MAPPED TO GST

Local and Inter State Procurement (goods and services)	Bill to ship to procurement/supplies	Imports (Separate Value for BCD and IGST)
Sale / Services / Stock transfer / Transfer to own unit (Local + Interstate)	Job work transaction under Section 50	Taxes Export with payment of taxes and without payment of
Inter unit taxability /captive consumption	Consignment agent / mixed supply / Free Supplies	Sales return / sale on approval
Input service distribution /Reverse Charge Mechanism	Supplies without considerations	OTHERS

**COMPARISION FOR**  
**CHANGES IN DRAFT**  
**MODEL GST LAW**  
**&**  
**REVISED MODEL GST LAW**  
**(25/11/2016)**

# COMPARATIVE ANALYSIS–DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
1.	<b>Sections</b>	It consisted of Sections 1-162E.	It consists of Sections 1-197.
2.	<b>Schedules</b>	There were 4 schedules to the CGST/ SGST Act.	There are 5 schedules to the CGST/ SGST Act.  A new schedule (Negative List) inserted to specify 'Activities/ transactions which shall be treated neither as a supply of goods nor supply of services.

## COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
3.	<b>Aggregate Turnover Section 2(6))</b>	Aggregate Turnover includes "Non- Taxable" supplies made by Taxable person	<ul style="list-style-type: none"><li>➤ Non-Taxable supplies excluded from the definition of 'Aggregate Turnover'.</li><li>➤ Inter-state supplies of a person having same PAN to form part of the 'Aggregate Turnover'.</li></ul>

# COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
4.	<b>Capital Goods (Section 2(19))</b>	Definition borrowed from Central Excise Act- scope considerably restricted.	<ul style="list-style-type: none"> <li>➤ Means goods, the value of which is capitalized in the books of accounts and is used in the course or furtherance of business –scope of definition has been enlarged.</li> <li>➤ Consequently, the definition of Capital Assets is being removed.</li> <li>➤ Credit shall be allowed on pipelines and telecommunication towers including their foundation and structural support.</li> </ul>

## COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
5.	<b>Composite Supply (Section 2(27))</b>	Means supply consisting of 2 or more goods or services or a combination of both in the course of business	Means 2 or more supplies of goods or services or any combination thereof <u>naturally bundled and supplied in conjunction with each other</u>
6.	<b>Goods (Section 2(49))</b>	Include securities but excludes actionable claims	Excludes securities but includes actionable claims- sale of securitized debt could now attract GST.

## COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
7.	<b>Inputs (Section 2(52)) / Input Service (Section 2(53))</b>	Any goods or services to qualify as inputs/ input services have to be used for outward supplies.	Restrictions relating to use of Inputs/ input services for outward supply removed. Any purchases made in the <b>course of business</b> should be qualify as input/ input services



## COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
8.	<b>Mixed Supply (Section 2(66))</b>	No such concept existed	Means 2 or more individual supplies of goods or services or any combination thereof, made in conjunction with each other for a <b>single price, other than composite supply</b>

# COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
9.	<b>Levy (Section 8)</b>	CGST/ SGST rates not capped Levy for e commerce not separately specified	<ul style="list-style-type: none"><li>➤ CGST/ SGST capped at 14%and IGST capped at 28%</li><li>➤ Levy for e commerce separately specified</li></ul>

# COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
10.	<b>Value of Supply (section 15)</b>	Post supply discount is allowed to be deducted from transaction value provided discount is as per the agreement entered into before/at time of supply	<p>Post supply discount allowed to be deducted from transaction value, subject to condition that:</p> <ul style="list-style-type: none"> <li>➤ it is as per <b>agreement</b> entered into on or of such supply; <b>and</b></li> <li>➤ Proportionate <b>ITC has been reversed by the recipient</b> of supply on basis of the credit note issued by the supplier</li> </ul>

# COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
11.	<b>Threshold for GST Registration (Section 23)</b>	Lower threshold for GST registration applicable to North-Eastern States.	Lower threshold for GST registration also extended to Special Category States i.e <b>Jammu and Kashmir, Himachal Pradesh and Uttarakhand</b>

# COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
12.	<b>Schedule I – Supply without consideration read with Supply defined in Section 3</b>	"Supply without consideration" shall <i>inter alia</i> include- Permanent transfer/disposal of business assets Importation of service without consideration whether or not in the course or furtherance of business	"Supply without consideration" shall inter alia include- ➤ <b>P e r m a n e n t transfer/disposal of business assets</b> where input tax credit has been availed by the transferor on such assets. ➤ <b>Importation of service</b> by taxable person <u>from related person or From any of his other establishment outside India</u> in the course or furtherance of business

## COMPARATIVE ANALYSIS—DRAFT MODEL GST LAW & REVISED MODEL GST LAW

S. No.	Particulars	Model GST Law	Revised Model GST Law
13.	<b>Anti profiteering (Section 163)</b>	No such clause existed	Authority will examine whether ITC availed by any taxable person or on account of any reduction in the tax rate have actually resulted in a commensurate reduction in the price of said goods.(Benefit should be passed on to customers)

**Comparison :**  
**Revised Model IGST Law**  
**& Model IGST Law**

# COMPARATIVE ANALYSIS—DRAFT MODEL IGST LAW & REVISED MODEL IGST LAW

S. No.	Particulars	Model IGST Law	Revised Model IGST Law
14.	<b>Intermediary (Section 2(13))</b>	Not defined	Defined as ' <u>a broker, an agent, or any other person by whatever name called</u> ...but does not include a person who supplies the main service or goods on his account'. This definition is lifted from the existing Service Tax law.



# COMPARATIVE ANALYSIS—DRAFT MODEL IGST LAW & REVISED MODEL IGST LAW

S. No.	Particulars	Model IGST Law	Revised Model IGST Law
15.	<b>Location of recipient of service (Section 2(17))</b>	Not defined	<p>Location of recipient of service means-</p> <ul style="list-style-type: none"> <li>➤ Place of business, if service is received at such place;</li> <li>➤ Fixed place other than registered place, if service is received at such fixed place;</li> <li>➤ Location of establishment most directly connected with receipt of service, if service is received at more than one place</li> </ul>

## COMPARATIVE ANALYSIS—DRAFT MODEL IGST LAW & REVISED MODEL IGST LAW

S. No.	Particulars	Model IGST Law	Revised Model IGST Law
16.	<b>Supplies to/ from SEZ (Section 3)</b>	Not separately specified. Hence, place of supply to be determined based on location of the supplier and the place of provision of supply.	Supply of goods/services to or by developer of SEZ or unit in SEZ shall be deemed to be a supply of goods or service in the course of interstate trade

# COMPARATIVE ANALYSIS–DRAFT MODEL IGST LAW & REVISED MODEL IGST LAW

S. No.	Particulars	Model IGST Law	Revised Model IGST Law
17.	<b>Place of supply for identified class of persons or categories of supplies (Section 9)</b>	Extant rules not laid down	<p>Place of supply in case of-</p> <ul style="list-style-type: none"> <li>➤ <b>Immovable property: Location</b></li> <li>➤ <b>Restaurant and catering service and such other specified services for personal consumption:Location</b></li> <li>➤ <b>Training and performance appraisal:</b> <ul style="list-style-type: none"> <li>▪ <b>Registered Person: Location of such person</b></li> <li>▪ <b>Other: Location where service performed.</b></li> </ul> </li> <li>➤ <b>Organization of events :Place where event actually held</b></li> <li>➤ <b>Telecom, internet or DTH TV services through prepaid/ recharge voucher or any other means :Billing Address</b></li> </ul>

## COMPARATIVE ANALYSIS—DRAFT MODEL IGST LAW & REVISED MODEL IGST LAW

S. No.	Particulars	Model IGST Law	Revised Model IGST Law
18.	<b>Payment of tax by a supplier of OIDAR service (Section 12)</b>	Extant rules were not laid down for ' <u>Online information and database access or retrieval service</u> '	Liability to pay tax to be determined based on the location of the service provider.

**Comparison :**  
**Valuation Provision Under**  
**Revised Model GST Law &**  
**Existing Indirect Tax**  
**Regime**

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
1.	<b>Basis for estimation of value</b>	<p>➤ Section 15(1) of the GST Law specifies that the value of a supply of goods and/or services shall be:</p> <p>the transaction value ie the price actually paid or payable for the said supply of goods and/or services where the supplier and the recipient of the supply are not related and the price is the sole consideration for the supply.</p>	<p>Under the excise law , definition of assessable value is identical to the definition of GST law. So far as the Transaction is between unrelated parties and price is the sole consideration.</p>

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
2(i).	<b>Inclusions to transaction Value</b>	Taxes, duties, fees and charges levied under any statute, are to be included in the transaction value of supply provided that the same has been separately charged by supplier from the recipient.	Again, VAT law requires all duties paid/payable under Central Excise Law to be added to the price for the purpose of VAT.

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
2(iii).	<b>Inclusions to transaction Value</b>	<p>Amount liable to be paid by the supplier of goods/services:</p> <ul style="list-style-type: none"> <li>▪ which has been incurred by the recipient of supply.</li> <li>▪ the cost of goods/services supplied free of cost or at a concessional rate by the recipient of supply which ought to be incurred by the supplier.</li> </ul>	<p>Rule 6 of the Central Excise Valuation Rules do provide for inclusion of the cost of goods/services directly or Indirectly supplied by the buyer free of cost or at a concessional rate.</p>



## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
2(iv).	<b>Inclusions to transaction Value</b>	<ul style="list-style-type: none"> <li>➤ All incidental expenses charged by the supplier at the time of, or before delivery of goods or supply of services should be included in the transaction value.</li> <li>➤ packing and delivery charges, transportation charges, which are typically charged by the supplier in respect of supply of goods/ services</li> </ul>	Existing VAT laws as well as the Service Tax Law do contain provision for inclusion of expenses charged by the supplier in connection with sale of goods or provision of service

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
2(v).	<b>Inclusions to transaction Value</b>	<i>Interest or late fee or penalty for delayed payment of consideration.</i>	Under the current regime, such charges were not included in the transaction value on the understanding that such charges are post manufacture/ sale expenses and more in the nature of financial charges

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

Sr	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
2(vi).	<b>Inclusions to transaction Value</b>	<ul style="list-style-type: none"> <li>➤ Subsidies provided by the Central or State Government to be excluded,</li> <li>➤ Subsidies linked to the price of goods/ services shall alone be included in the transaction value.</li> <li>➤ Capital subsidies provided in connection with investment in eligible fixed assets shall not form part of the transaction value.</li> </ul>	<p>Central Excise Valuation Rules or VAT laws do not Specifically provide for Treatment of subsidies received by the supplier of goods. Courts have held that where subsidies are not linked to the price of the goods supplied, the same should not be included in the transaction value of goods.</p>

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
2(vii).	<b>Inclusion to transaction Value</b>	<p>Many times, subsidies are directly credited to the account of the consumer/ recipient of supply.</p> <p>As per explanation to clause (e) of Section 15(2), subsidies which are received by the supplier alone would be included in the transaction value.</p>	

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
3.	<b>Exclusions from transaction value</b>	<ul style="list-style-type: none"> <li>➤ Discounts given by the supplier before or at the time of supply shall be excluded from the transaction value of supply.</li> <li>➤ Subject to the condition that the same has been disclosed in the invoice issued by the supplier.</li> </ul>	Under the existing central excise laws/ VAT laws, trade discounts given by the supplier of goods is deductible from the transaction value of goods if the same was known at the time or before supply of goods

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
3.		<ul style="list-style-type: none"> <li>➤ Discount given subsequent to the supply shall be excluded if the same is given pursuant to an agreement executed at the time of, or before delivery of goods/ supply of service</li> <li>➤ The recipient has also reduced proportionate input tax based on the documents issued by the supplier.</li> </ul>	

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
4.	<b>Valuation of supplies to related parties</b>	<p>In case of related person transactions, the following methods have been prescribed under the GST Valuation Rules to ascertain that relationship between the parties has influenced the price.</p> <ul style="list-style-type: none"> <li>➤ Comparison Method</li> <li>➤ Computed Value Method</li> <li>➤ Residual Method</li> </ul>	<p>As per Rule 9 of the Central Excise Valuation Rules, where goods are sold through related persons, assessable value shall be the normal transaction value at which such goods are sold by the related person to unrelated buyers.</p>

## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No.	Particulars	Model GST Law	Existing Indirect Tax Regime
5.	<b>Inter unit transfers</b>	Inter-state supplies by one unit to other unit of the same person has to be valued as per the GST Valuation Rules.	Inter-state supplies by one unit to other unit of the same person has to be valued as per the GST Valuation Rules.



## VALUATION COMPARATIVE ANALYSIS –REVISED MODEL GST LAW & EXISTING INDIRECT TAX REGIME

S. No	Particulars	Revised Model GST Law	Existing Indirect Tax Regime
6.	<b>MRP based valuation</b>	<ul style="list-style-type: none"> <li>➤ Under the Model GST Law, there is no separate provision for taxation of supplies based on MRP valuation.</li> <li>➤ As per Section 15(5) of the Model GST Law, powers have been granted to the Central/State Government to levy tax, based on the recommendations of the GST Council, in such manner as may be prescribed.</li> <li>➤ It is likely that MRP based valuation may be extended to goods covered under the Legal Metrology Act, 2009.</li> </ul>	<p>In case of notified goods on which RSP is mandatorily required to be declared under the Legal Metrology Act, 2009 assessable value shall be determined as per Section 4A of the Central Excise Act.</p>

# Transitional Provision

# TRANSITIONAL PROVISION

## CERTAIN PRODUCTS MENTIONED UNDER ENTRY 84 TO UNION LIST SHALL CONTINUE TO BE LIABLE TO EXCISE DUTY

**A. Under mentioned product shall continue to be liable to excise duty:-**

- **Petroleum crude**
- **High Speed Diesel**
- **Motor Sprit (Petrol)**
- **Natural Gas**
- **Aviation turbine fuel**
- **Tobacco and tobacco products**

**CERTAIN PRODUCTS MENTIONED UNDER ENTRY 54 OF THE STATE LIST OF THE CONSTITUTION SHALL CONTINUE TO BE LIABLE TO SALES TAX**

**B. Under mentioned products shall continue to be liable to Sales tax:-**

- **Sale of petroleum crude**
- **High Speed Diesel**
- **Motor Sprit (Petrol)**
- **Natural Gas**
- **Aviation turbine fuel and**
- **Alcoholic liquor for human consumption**

## Issue No.1:-

- **High conversion cost industry will suffer for additional cost due to non availability of Cenvat. There is needs to reduce Existing Tax Rates.**

## Issue No.2:-

- **Petroleum product segment is around 55% to total segments of commodities , therefore cascading effects likely to be continue.**

## **Section 165 General Provisions**

**Appoint of GST officers/competent authorities under provisions of act**

**Notwithstanding anything contained in the law or specified in accordance with Act**

**All continuing officers in respective government under Central/State Laws on appointed day shall be deemed to be appointed as GST Officer/ Competent authority under the Act**

**CG/SG may make rules or orders consistent with the need for smooth transition to GST**

## Issue No 1:-

- **Two authorities(CGST &SGST) simultaneous checking the documents for registration. Both authorities have a different opinions which would lead the confusion and litigation. Dual Control or Horizontal split or vertical Split ?**

## Issue No 2:-

- **When Return for outward/inward supply will be common, only relevant figure of return will be suppose to triggered to CGST/SGST authority. Jurisdictional overlapping will be possible in absence of clear order/rules?.**

## **Section 166 Migration of existing Tax Payer to GST(Valid PAN is Mandatory)**

**On date of applicability of GST, Provisional Certificate to be issued to everyone registered under any earlier law**

**Certificate valid for period of six months, period may be extended by CG/SG on the recommendation of GST Council**

**Everyone issued the provisional certificate under Sub-section(1) shall furnish the prescribed information within the period specified above i.e. six months or extended period**

**(1) Subject to provisions of Sec 23, certificate on final basis granted by CG/SG**

**(2) Certificate under Subsection (1) assumed to be cancelled if information not furnished within prescribed time**

**(3) Certificate under Subsection (1) deemed to have been not issued to a person if application is filed that such person was not liable to registration u/s 23**



# TRANSITIONAL PROVISIONS

## Section 166: Migration of existing taxpayers to GST

- Every registered person-earlier laws-shall be issued a certificate of registration on **provisional** basis
- Provisional certificate of registration shall be **valid for six months** from the date of issue
- Such person shall furnish **further information** within given time, else RC will be cancelled
- **Final certificate** of registration shall be granted
- The existing tax payer may apply for **suo-moto cancellation**



## **Issue No 1:-Registration**

- **What will be consequence when CGST officer accept application for Registration and SGST officer rejects application (Not resolving query or error noticed with in 3 working days)for registration or vice-versa. In case any of the authority does not accept the registration application for a reason, such application will be rejected in total?.**

## **Issue No 2:-Verification of application**

- **3 working days should be 7 working days for removing defects/clarification/for submission of additional documents and approve the Registration by GST officer.?.**

# ISSUES WHICH NEEDS FURTHER CLARIFICATION:

## Issue No.-1:

Verification/Inspection of premises should be done after post registration(New Assessee): 'ease of doing Businesses'?

## Issue No.-2:

Assessee /Tax authority should update PAN Details Right now?

## Issue No.-3:

What will be for Security Deposit paid under old VAT law.?

## Issue No.-4:

The involvement of interaction with authorities should be restricted to verification/review only through the procedure of audit.

## Issue No.-5:

The existing registration certificates may be required to be continued for the following purposes:

- Completion of the assessment/ appeals/ audit.
- Filing of the periodic returns, if any.
- Generation of the requisite Forms, if any.
- Uploading the purchase/ sale statements and audit reports, if required.

A specified time may be provided for completion of the aforementioned requirements.

## Issue No.6


Group Registration Concept-International Best Practices UK, Australia, New zealand and Canada:

In India Centralized Registration should be-for Ease of doing business

# TRANSITIONAL PROVISIONS

## Section 166: Migration of existing taxpayers to GST

### Issues:

- If a tax payer is requiring multiple registrations in a state-having verticals
    - Nature of product or services
    - Nature of production p[rocess].
    - Type or class of customers for the products or services.
    - The methods used to distribute the products or provide the service.
    - Regulatory environment like Banking & Insurance.
  - If a tax payer is allotted multiple registration-requiring one
  - Non-PAN based registrations under different statutes
  - Even some registrants do not know that they are registered
  - Even a popular listed company is having been automatically allotted two registrations since 2005, and it does not know this fact.
- 

## **Sections 167 Amount of CENVAT credit carried forward in a return to be allowed as input tax credit**

**A registered taxable person who has carried forward balance of CENVAT / VAT in return filed by him under earlier law not later than 90 days after the said day.**

**CENVAT / VAT is allowed to be carry forwarded in person's electronic credit ledger**

**Provided that the amount taken as CENVAT / Input Tax only if the said amount is admissible as CENVAT / Input Tax credit unless the said amount is admissible as input tax credit under GST Act.**

**Unit operating under area-based exemption shall be allowed to transfer the credit proportionate to the stock in hand as on appointed date.**

### Issue No.1:-

- Credit of various indirect taxes lying unutilized with a registered or unregistered assesses or their agents or job-workers or at place other than the registered place under pre-GST regime?(Account for in Books of accounts and Return)

### Issue No.2:-

- Will the credit be available if the Invoice is made on or before 31st March, 2017 but is received by the supplier on or after 1st April, 2017 assuming the applicability of GST from 1st April, 2017? (tax has been charged under the earlier law and the same has not been taken as input tax credit in the return furnished.)?

### Issue No.3:-

- If the amount of duty, tax carried forward as per the accounts is different from the return ?

## **Section 168 Unavailed CENVAT Credit on capital goods, not carried forward in a return, to be allowed in certain circumstances.**

**A registered Taxable Person, who has not carried forwarded balance of CENVAT / Input Tax Credit in respect of Capital**

**In the return filed for period immediately preceding appointed day**

**CENVAT / VAT is allowed to be carry forwarded in person's electronic credit ledger**

**Provided that the amount taken as CENV CENVAT / Input Tax AT / Input Tax only if the said amount is admissible as CENVAT / Input Tax Credit under earlier as well as this law**



### **Explanation 1.-**

**For the purposes of this section , the expression “unavailed Cenvat credit” means the amount that remains after subtracting the amount of cenvat credit already availed in respect of capital goods by the taxable person under the earlier law from the aggregate amount of cenvat credit to which the said person was entitled in respect of the said capital goods under the earlier law.**

### **Explanation 2.-**

**Capital goods means the goods as defined under clause (a) of rule 2 of CENVAT Credit Rules, 2004**



### *Issue No.1:-*

- **Conditions for availment of credit are not fulfilled either the commercial production is yet to be commenced or in some manner(Installments), the entitlement is deferred to a period when GST is implemented?**

### *Issue No.2:-*

- **Can Input Tax Credit on capital goods under GST be availed on 1st April, 2017 if Capital Goods were purchased during the year 2016-17 but no CENVAT Credit was availed during the year 2016-17?.(Assume applicability of GST from 1st April, 2017)?**

### *Issue No.3:-*

- **Can un-availed Input Tax credit on inputs and input services be taken in GST law if the same was not taken in the earlier law?**

## **Section 169 Credit of eligible duties and taxes in respect of inputs held in stock to be allowed in certain situations**

**A registered taxable person who, under previous law-**

- **was not liable to be registered , or**
- **was engaged in manufacturing exempt goods or exempted Service but which are taxable under this act**
- **was providing works contract service and availing of benefit of notification 26/2016-ST**
- **or a first stage dealer or second stage dealer or a registered importer.**

**Entitled to take credit in electronic credit ledger for**

- **Input held in stock**
- **Inputs contained in semi-finished and finished goods held in stock on the appointed day of applicability of date of GST**

**Subject to the following conditions**

- ✓ **inputs shall be used for making taxable supplies under this Act;**
- ✓ **the said taxable person passes on the benefit of such credit by way of reduced price to the recipient.**
- ✓ **the said taxable person is eligible for input tax credit under this Act;**
- ✓ **the said taxable person is in possession of invoice and or prescribed documents were issued not earlier than 12 months immediately preceding date of applicability of GST.**
- ✓ **the supplier of service is not eligible for any abatement under the Act.**

**The amount allowed to be taken as credit shall be calculated in such manner as may be prescribed.**

## CREDIT OF ELIGIBLE DUTIES AND TAXES IN RESPECT OF INPUTS HELD IN STOCK TO BE ALLOWED IN CERTAIN SITUATIONS (SEC. 169)

- Duties and taxes eligible for claiming the credit

S. No.	Duty Description
1.	Excise Duty
2.	Additional Duty under Sec.3(1) of CTA (CVD)
3.	National Calamity Contingent Duty
4.	Additional Duty under Sec.3(5) of CTA (SAD)
5.	Service Tax
6.	State VAT and Entry Tax
7.	Education Cess & Secondary Higher Education Cess
8.	Krishi Kalyan Cess (Service Provider)

# TRANSITIONAL PROVISIONS

**Section 169: Credit of eligible duties and taxes in respect of inputs held in stock to be allowed in certain situations**

- **The tax payer not registered earlier-getting registered in the new law-shall be entitled to take credit in respect of inputs held in stock, semi-finished or finished goods held in stock on the appointed day (against invoices not earlier than 12 months)**

## Issues

- Unregistered person normally expense off input taxes
- The tax payer is eligible for such credit under section 16(2) also
- Credit of input services and input on capital goods may also be allowed



## **CREDIT OF ELIGIBLE DUTIES AND TAXES IN RESPECT OF INPUTS HELD IN STOCK TO BE ALLOWED IN CERTAIN SITUATIONS (SEC. 169)**

- **Issue No.1**:-Will the GST officer issue an order for transfer of credit balance?
- **Issue No.2**:-If the taxable person was engaged in the provision of exempt services in pre-GST which becomes taxable in GST
- **Issue No.3**:-Transferring the eligible credit under transitional phase in the GST regime: ‘statement of transition of credit’.

# Input Tax Credit



# FEATURES OF INPUT TAX CREDIT

1. Input tax credit can be taken only when such amount of input tax is paid by the supplier.
2. The provision of input tax credit on registration within 30 days of becoming tax payable can be taken and including that on stocks on input and input contents in semi finished and finished goods.
3. Similar provision of restriction to take credit within one year has been retained in GST Law.
4. Input tax credit will not be allowed for the goods / services used for private use or personal use. In other words, input tax credit will be litigated for supplies of goods and services for captive purpose.
5. Input tax credit will be allowed for zero rated supplies but will not be allowed for exempt supplies and non-taxable supplies.





# FEATURES OF INPUT TAX CREDIT

6. Transitional provisions in case of sale, merger, amalgamation, lease, transfer of business are also in line with existing central excise law.

7. Input tax credit is restricted in the similar line of definition of input & input service.

8. Input Tax Credit allowed to take in instalments as specified by Govt. for capital goods.

9. Input tax credit will be allowed only up to annual return is filed.

10. New insertion. Provision for Transfer of credit at the time of transition from existing regime to GST

11. Now input tax credit even on capital goods which are used for both taxable and non-taxable goods/services need to be proportionately availed.



# IN-ELIGIBLE INPUT TAX CREDIT:

- a) Motor vehicles with few exceptions
- b) outdoor catering,
- c) Beauty treatment,
- d) Health services,
- e) Cosmetic and plastic surgery,
- f) Membership of a club,
- g) Health and fitness centre,
- h) Life insurance, health insurance
- i) travel benefits extended to employees on vacation used primarily for personal use or consumption of any employee;
- j) goods and/or services acquired in execution of works contract when such contract results in construction of immovable property (other than P&M).



# IN-ELIGIBLE INPUT TAX CREDIT:

k) goods acquired by a principal, the property in which is not transferred to any other person, which are used in the construction of immovable property. (Other than P&M).

l) goods and/or services on which tax has been paid under Compounding Levy Scheme

m) goods and/or services used for private or personal consumption, to the extent they are so consumed.

n) If depreciation on the tax component of the cost of capital goods under the provisions of the Income Tax is claimed.

# **MANNER OF AVAILING ITC**

**Every registered taxable person is entitled to ITC provided he has filled return**

**No Credit is available after the expiry of one year from the date of issue of tax invoice relating to such supply,**

**Proportionate ITC is available where supplies are used partially for business**

**Proportionate ITC is available where supplies are used for taxable including zero rated and non-taxable supplies**

**ITC can be transferred to newly constituted business**

**A taxable person shall not be entitled to take input tax credit in respect of any invoice, after the filing of the return under section 27 for the month of September following the end of financial year to which such invoice pertains or filing of the relevant annual return, whichever is earlier.**

**Any wrong taken of ITC, shall be recovered in the manner as may be prescribed in this behalf.**



# IMPORTANT ISSUES

- **Conditions for availing credit : from the date of registration or from the date when he becomes liable for payment of tax (Input credit on stocks subject to correlation of duty paying documents)**
- **Input Tax Credit will be available to the recipient of goods / services only upon payment of tax by the supplier.**
- **Input tax credit can be taken only when such amount of input tax is paid by the supplier.**
- **Input tax credit will not be allowed for the goods / services used for private use or personal use. In other words, input tax credit will be litigated for supplies of goods and services for captive purpose.**



## **IMPORTANT ISSUES**

- **Now input tax credit even on capital goods which are used for both taxable and non-taxable goods/services need to be proportionately availed.**
- **Input tax credit will be allowed only up to annual return is filed.**
- **No Input Service Credit is allowed on goods & services used for construction of property.**



# Returns

# JOINT COMMITTEE REPORTS ON GST RETURN.

Sl. No.	Return / Ledger	Return	Cut Off date	Comments
1	<b>GSTR 1</b>	<b>Outward supplies</b> made by taxpayer (other than compounding taxpayer and ISD)	10 <sup>th</sup> of the next month	If any supplies are <b>under reported to the extent of 5%</b> then such tax payer will be trigger for <b>black listing</b> . Any amendment there to not under GSTR but under separate column provided in GSTR-3.
2	<b>GSTR 2</b>	<b>Inward supplies</b> received by a tax payer (other than a compounding tax payer and ISD)	15 <sup>th</sup> of the next month	<b>It will be auto populated based on the supplier's GSTR</b> ever <b>additional entries also can be uploaded</b> . Any miss match to be reconciled within 2 days i.e. by 17 <sup>th</sup> or alternatively within 2 months if it is not reconciled with in 2 months, then <b>ITC will have to be reversed along with interest</b> and such amount will be credited and interest will be refunded after matching the trans actions after 2 months but prior to annual return i.e. GSTR-3
3	<b>GSTR 3</b>	<b>Monthly return</b> (other than com pounding taxpayer and ISD)	20 <sup>th</sup> of the next month	The details in GSTR <del>3</del> will be <b>auto populated</b> from details of GSTR-1 and GSTR2.
4	<b>GSTR 4</b>	<b>Quarterly return for compounding Taxpayer</b>	18 <sup>th</sup> of the month next to quarter	This return needs to be filed by compounding tax payer till the time such dealer opts for normal tax payer or crosses the speci fied limit.



# JOINT COMMITTEE REPORTS ON GST RETURN.

5	GSTR 5	Periodic return by Non-Resident Foreign Taxpayer	seven days after the date of expiry of registration/In case registration period is for more than one month, monthly return(s) would be filed and thereafter return for remaining period would be filed within a period of seven days	Registration will be granted for specified period and after such specified period is over the return has to be filed within 7 days of such period. However if such specified period is more than 1 month, the return has to be filed on or before 20th of the subsequent month.
6	GSTR 6	Return for Input Service Distributor (ISD)	15th of the next month	This return will be in line with at present ISD return. However GST invoice will be issued for transferring the ITC.
7	GSTR 7	Return for Tax Deducted at Source	10th of the next month	TDS will have to be deducted on works contract and supplies to specified agencies including Govt. agencies.

# JOINT COMMITTEE REPORTS ON GST RETURN.

8	<b>GSTR 8</b>	<b>Annual Return</b>	By 31st December of next FY	Annual also be <b>auto populated</b> where the summary of <b>GSTR-3 of all the months will be auto populated and necessary corrections will be made after reconciling books of account. This report will be certified by CA/CMA(as assured)</b>
9	<b>Ledger 1</b>	<b>ITC Ledger of tax-payer</b>	Continuou s	This register will be maintained by the GSTN on real-time basis.
10	<b>Ledger 2</b>	<b>Cash Ledger of taxpayer</b>	Continuou s	This register will be maintained by the GSTN on real-time ba- sis.
11	<b>Ledger 3</b>	<b>Tax ledger of tax-payer</b>	Continuou s	This register will be maintained by the GSTN on real-time ba- sis.

# THANKS!!

## ANY QUESTIONS ?

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