WELCOME TO GST & IT CONFERENCE

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GST

Topics Covered

- GST Tax Structure
- Registration Requirements
- Composition Scheme
- Reverse Charge Mechanism
- Invoice & other Documents
- Transitional Provision
- Returns under GST
- Things to keep ready before GST
- Question Answer Session

GST TAX STRUCTURE

Within State Sale

SGST+ CGST

Inter State Supply

IGST

Utilisation of ITC

SGST

1. SGST
2. IGST

CGST

1. CGST
2. IGST

IGST

1. IGST
2. CGST
3. SGST

REGISTRATION

REGISTRATION IN GST

Required	Not Required
1. Turnover exceeds Rs. 20Lakh	1. Deals Exclusively in Exempted Goods .
2. Making Interstate Taxable Supply.	2. Agriculturist doing agriculture work only
3. Making Supply on behalf of other.	

COMPOSITION SCHEME

Eligibility Criteria

1.Supplier of Goods only. Not of Sevices(Restaurant, Dhaba allowed)

2. Turnover will be below Rs. 7500000/-

3. No interstate Supply (Interstate puchase can be made)

4. Not being Manufacturer of Tobacco, Pan Masala & Ice Cream

5.Not hold in stock goods purchased out of purchased from Unregistered dealer or pay tax on it.(File GST CMP-03 in 60 days)

6. No stock on appointed day out of inter-state purchase.

BENEFITS OF SCHEME

1. Return to be filed Quarterly & one annual Return

2. Lower Rate of Tax
   - 1% for traders & others
   - 2 % for manufacturers
   - 5% for restaurant Services

3. Issue Bill of Supply in place of Tax Invoice(Less Details)

4. Not required stock register of each product.

Conditions & Restrictions

Not Collect tax from customer

Not entitled for Input Claim

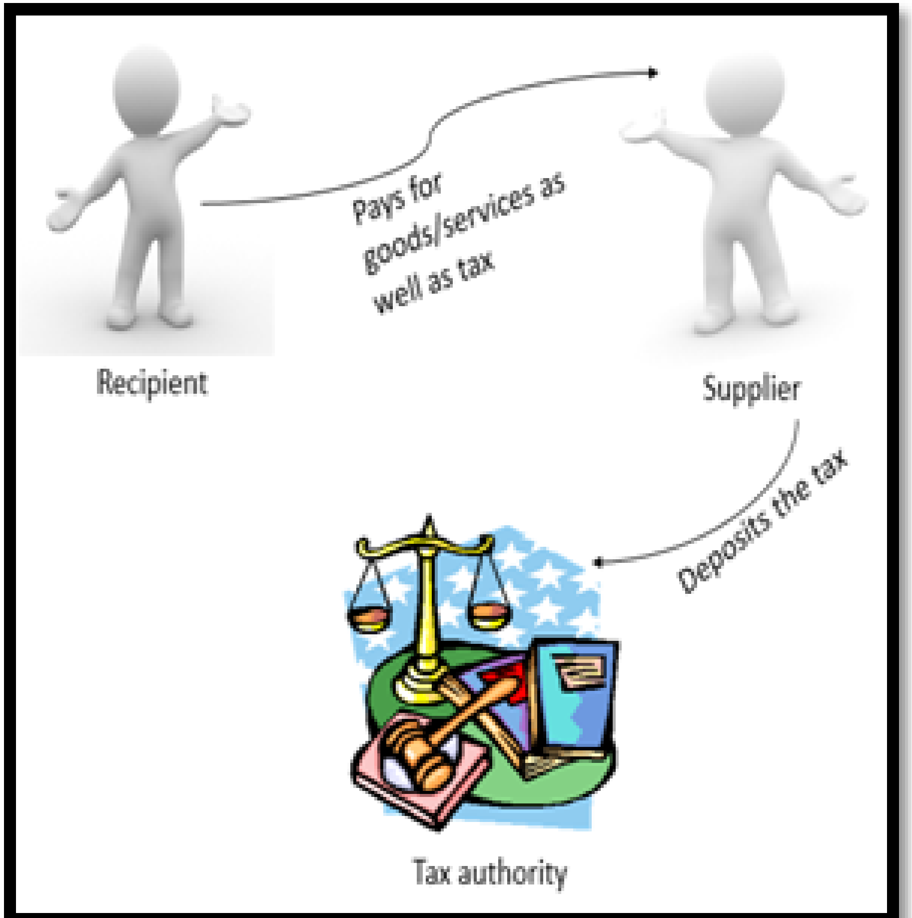
Mandatory Display on every notice & signboard " Composition Taxable Person"

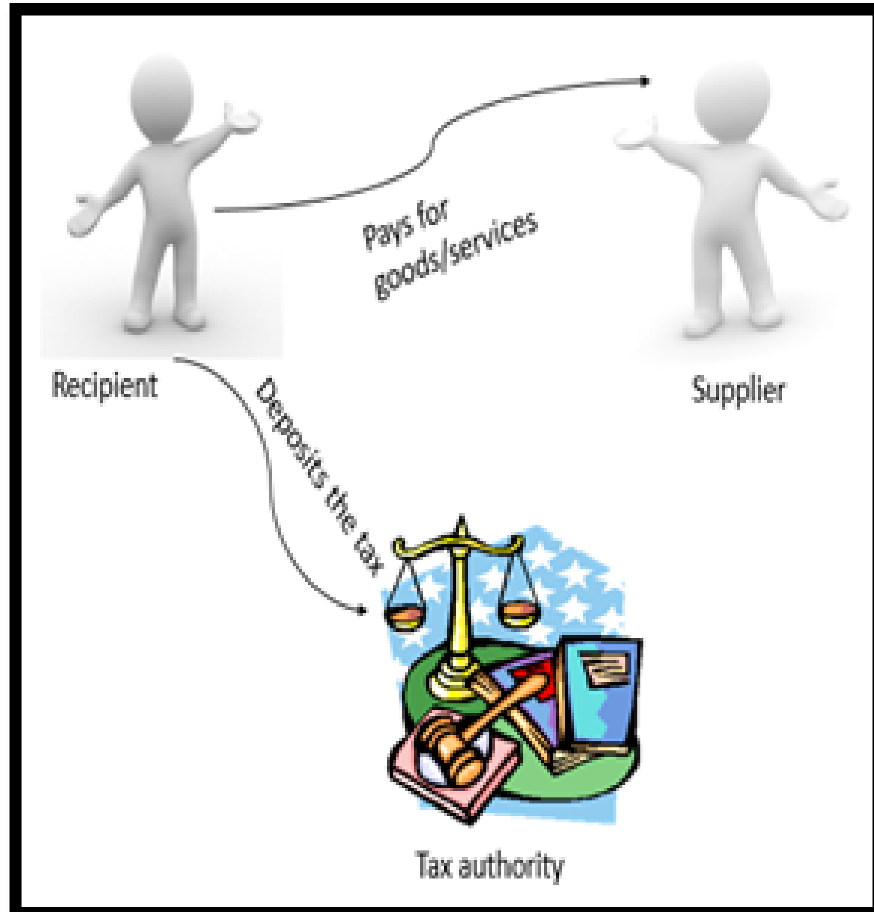
Mandatorily display on Bill of Supply "Composition taxable person, not eleigible to collect tax."

Person registered in normal scheme if opt for Composition scheme then taxable they have to pay tax on stock.

Liable to Pay Tax under RCM u/s 9(4) & not availed credit for same

REVERSE CHARGE MECHANISM

<table>
<tr><th>Direct Charge mechanism under GST:</th><th>Reverse Charge mechanism under GST:</th></tr>
<tr><td>


In this mechanism, recipient pays tax **to** supplier and supplier pays tax to the Authority.
</td><td>


In this mechanism, recipient pays tax **for** the supplier and deposits the tax to Authority.
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RCM APPLICABLE

Sevices Notified By Govt

List on next slide

Purchased from Unregistered Dealer

1. **Exemption of Rs.5000/- per day**
2. **Invoice to be generated for self**
3. **Consolidated tax invoice for a month**

SERVICES UNDER RCM

1. Non Resident Service Provider.
2. Goods Transport Agencies.
3. Legal Services By Arbitral Tribunal/Advocates/Firm of Advocates to any business entity.
4. Sponsorship Services to Co & partnership Firm.
5. Services By Govt or Local Authority to Business Entity (except renting of property, services by Deptt of Post, transport of goods or passengers)
6. Services by director to a company .
7. Service by Insurance Agent to any person.

Other Points

- ITC available of Tax Paid on RCM.
- Tax under RCM to be paid in Cash only not adjusted from available ITC.
- Composition Dealer to pay Tax at normal rate if RCM apply.

INVOICE AND OTHER DOCUMENTS

Use of Documents

Sr No.	Tax Invoice	Description
1.	Tax Invoice	Under Normal Scheme
2.	Bill of Supply	Composition Scheme, Exempted Supply only
3	Credit Note	If Purchase Return, Excess tax charged
4.	Debit Note	If Sales Return, Less Tax charged
5	Delivery Challan	Goods Sent for Job Work, Supply goods without tax invoice.
6	Payment Voucher	Issued by receiptent when payment made to supplier under RCM.
7	Receipt Voucher	On Receipt of advance payment

Details of Tax Invoice & Bill of Supply

- Name, address and GSTIN of the supplier or receiptent
- Serial number not exceeding sixteen characters in one or multiple series(alphabets, number & hash“-” hyphen“/” allowed.
- Date of its issue
- Description of goods or services;
- Value, Taxable Value of goods or services after taking in discount & abatement .
- HSN code of goods or Accounting Code of services

Upto 1.5 crore	Nil
1.5 crore-5 crore	2 Digits
Above 5 crore	4 Digits

Particulars in Tax Invoice only

- Quantity & unit of goods
- Rate & amount of tax (CGST, SGST & IGST)
- Tax under Reverse Charge
- Place of supply along with the name of State, in case of a supply in the course of inter-State
- Address of delivery with State & its Code If supply to unregistered dealer more than Rs.50,000/-
- Signature

MANNER OF ISSUE OF INVOICE

Triplicate

Original

Duplicate

Not required if Electronic Reference No. Generated

Note: **Obtain an Invoice reference number from the common portal (GSTN) by uploading tax invoice . Valid for 30 days**

TYPES OF LEDGER

Electronic Liability Ledger

Tax Payable
+Interest
+Late Fee
+Other amount Payable

Electronic Cash Ledger

Cash payment
+
TDS
+
TCS

Electronic Credit Ledger

ITC
On
Purchase

Transitional Provision

ITC C/F IN GST

- ITC Available In Your Return
- Unavailed ITC Of Capital Goods
- ITC On Closing Stock On 30^{th} June

NO CREDIT OF ITC IN YOUR RETURN AND UNAVAILED ITC OF CAPITAL GOODS

- Returns for last 6 months should be filed.
- Such ITC not allowed in GST
- Credit related to manufactured items which are exempted.
- CST-only Refund(Form C, F, H)

ITC ON CLOSING STOCK

1. Person registered under composition scheme .
2. Not registered in existing law.
3. Manufactured exempted goods.
4. Providing exempted services.
5. Engage in work contract.

Traders & dealers pay excise at any point but not having document evidence Excise Duty.

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TYPES OF LEDGER

Document Evidencing Duty

100 %

ITC Available

Invoice Available but not evidencing Excise Duty.

Rate in GST < 18%

40 % of CGST available

Rate in GST >= 18%

60 % of CGST available

Purchase Price	5000
+ Excise	600
+ VAT	560
Total Bill	6160

ITC Available of RS.600 as CGST

Goods @28%

Value	5000
+ Excise	500
Total	5500

Value	6000
+ CST	120
Total	6120

ITC Available

5000*14%*60% = 420

Conditions for ITC On Stock

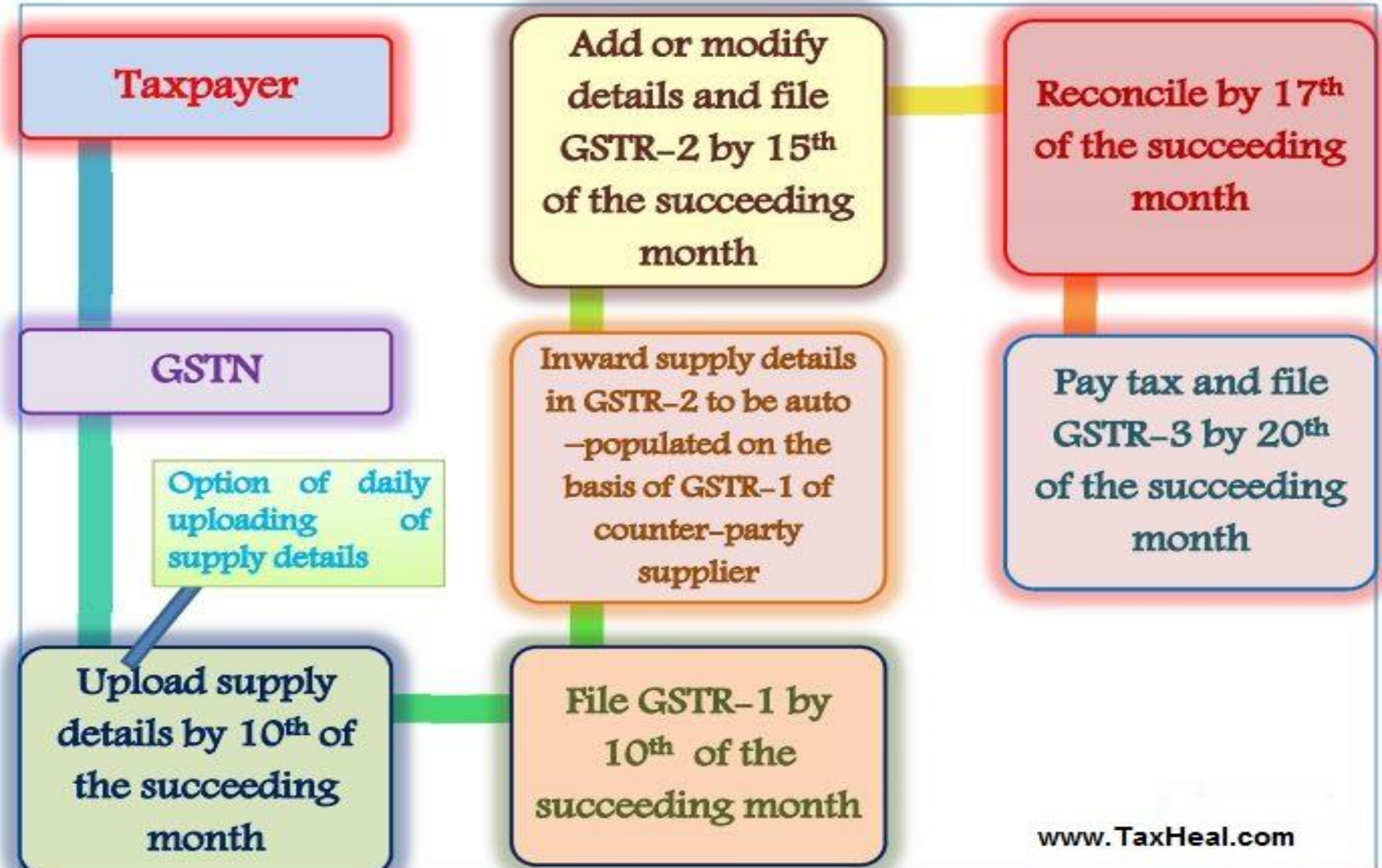
1. ITC allowed in GST .
2. No Input if goods are exempted
3. Invoice must be in possession .
4. Maintain Details of Stock such that it is easily identified.
5. No ITC for invoices before 12 months.

RETURNS

TYPES OF RETURNS

RETURN FORM	PARTICULARS	DUE DATE	APPLICABLE FOR
GSTR1	Outward Supplies	10^{th} of the next month	Normal Taxpayer
GSTR2	Inward Supplies	15^{th} of the next month	Normal Taxpayer
GSTR3	Monthly return [periodic]	20^{th} of the next month	Normal Taxpayer
GSTR4	Return by compounding tax payers	18^{th} of the month next to the quarter	Compounding Taxpayer
GSTR8	Annual return	31^{st} December next FY	Normal Taxpayer , Compounding Taxpayer

GST RETURN PROCESS



DETAILS IN RETURN

GSTR-1

Invoice Wise details

1. Interstate & Interastate B2B Sale
2. Insterstate B2C sale if invoice value >250000
3. Debit /Credit note of outward supply

Consolidated Details

2. B2C Sale within State
3. Sale outside State <250000
3.Exempted Sales

GSTR-2

Details of All Purchases

GSTR-3

Debit entry from cash ledger & ITC Ledger

NON FILING OF RETURN

- Late Fees: INR 100 per day subject to a maximum of INR 5,000 (GSTR-1, GSTR-2 & GSTR-3, GSTR-4)
- Late Fee - Annual Return INR 100 per day subject to a maximum of 0.25 % of the aggregate turnover of the defaulter

Things To keep In Mind

- Maintain Stock details
  - Quantity
  - Rate
  - HSN Code Wise
- Revise all returns & correct with mismatch.
- Collect invoice of closing stock(Not before 12 month
- Collect GSTIN no of Suppliers & Vendors.

Thank You