REALLY A GOOD AND SIMPLE TAX?

A tax should never be a fine for doing right. In these almost 9 months, the definition of "Good and Simple tax" has been changed so far.

The multiple forms, poor technology and improper grooming of tax officials and customer care representatives and the list goes on..... Some of them are as under:

1. **Exporters and refunds:**
   The CBEC has stated in press release that 70% of the refunds are pending due to improper information in forms.

   My question is why such a lengthy process is created? GSTR 3B, GSTR 1 and then RFD -1 or RFD -1A and so on.

2. **Multiple forms:**
   If the government wants data on monthly basis, tax payers are ready but why does they require multiple times in different forms like 3B, GSTR 1, GSTR 1A, GSTR 2, GSTR 2A.

3. **Classification:**
   The excise fantastically bifurcated all products in 8 digit HSN code. But GST has created mess by restricting HSN to 4 digits.
   E.g. If my turnover is less than 1.5 crore, the larger player will not accept my invoice carrying 2 digits of HSN.

4. **Rate of tax:**
   It is a matter of R&D to find out which tax is applicable on the products as the same product is mentioned in two different HSN.
   E.g. If you buy Maggie, Gitts and MTR ready to eat products, all will be taxed at different rate.

5. **Multiple due dates:**
   The data required in various forms on various due dates. This is creating problems for small tax payers to gather information though GST provides for quarterly return provisions.

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6. **Dual jurisdiction:**
   Though tax payers are bifurcated in central and state jurisdictions, there still prevails dual jurisdiction.
   E.g. The refund of CGST was granted but for SGST refund, the state GST office needs to be visited and the officer has to be requested.

7. **Frequent amendments and multiple circulars:**
   More than 500 notification and circulars issued in these 9 months. It is creating complex situation to track the changes in the GST law.

8. **Technology upfront:**
   The user interface has changed rapidly through all these months but still the process of entering data is very slow. Those four bubbles while selecting any option on GST portal is really irritating especially on the last day of due day.

9. **No grooming of officer:**
   The inspectors and tax officials are themselves not aware of the law and recent and rapid changes in the law.

10. **GSTN error:**
    The technical errors on GST portal are handled by GSTN only. The local tax officer has no rights of modification or changes in technical error on the portal.

11. **Delay in query solution:**
    The self grievance generation window is welcome step but there is long delay in solving the queries so generated.

12. **Failure of Helpdesk:**
    The help desk no 011-4888999 is merely a no and no other solution is given from them.

13. **Procedural lapses:**
    There are many procedural lapses in implementation of GST.
    E.g. Exports can be done either with payment of taxes or without payment of taxes with LUT. But there are numbers of instances where there is no LUT granted and goods are exported without payment of taxes and after 8.5 months government issued guideline in such cases.

14. **Closure of window for filing TRAN-1:**

    The audit under respective state VAT are still going on but if excess tax is found that cannot be carried forward in GST as TRAN-1 is closed.

15. **The trouble creator offline utilities:**

    The offline utilities for GSTR 1, GSTR 4 and GSTR 2 are generated with error which has no solution. Sometimes, invoices are uploaded twice where sometimes uploaded invoices are not reflected on portal.

No wonders why World Bank awarded GST as the second most complex tax in the world. !!

But is said that good roads never create good drivers and good roads are never developed overnight. Looking towards the bright side of GST, we hope for better implementation in future.

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