Goods & Service Tax

Basic Background of GST

QUESTIONS	ANSWER
What is Goods & Service Tax (GST)?	It's an Indirect Tax, which is levied by any registered person on Supply of Goods & Services to any person depending on the Place of Supply of Goods/Services.
What does Indirect Tax Mean?	i) Indirect Tax is a Tax whose burden is shifted on the end user i.e. Person Selling Goods/Service will collect the GST from the buyer & pay to the Government.
	ii) This Chain continues till the time Goods/Service is ultimately consumed & not sold further.
	iii) In Indirect Tax Person, selling the Goods/Services acts like an agent of the Government who Collects the Tax on behalf of Government from Buyers & Pays to the Government
Who is Registered Person?	Person who is registered under CGST Act is called Registered Person.
What is Goods & Services?	Goods – every kind of movable property other than money & securities but includes actionable claims, growing crops, grass & things attached to or forming part of the land which are agreed to be served before supply or under a contract of supply Services – anything other than goods, money & Securities but includes services relating to conversion of money & services facilitating transaction in securities
What does Place of Supply of Goods/Services Mean?	GST is an Destination based tax, i.e. Goods/Services will be taxed at the place where they are consumed & not at the Origin
What all taxes are subsumed under GST?	

At the Central level	At the State level
Central Excise Duty	Subsuming of State Value Added Tax/Sales Tax
Additional Excise Duty,	Entertainment Tax (other than the tax levied by the local bodies
Service Tax	Central Sales Tax (levied by the Centre and collected by the States)
Additional Customs Duty commonly known as Countervailing Duty	Octroi and Entry tax
Special Additional Duty of Customs	Purchase Tax
	Luxury tax
	Taxes on lottery, betting and gambling

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