GST IN INDIA – AN INTRODUCTION

- GST is Value Added Tax levied on consumption of goods and services
- It offers Continuous chain of tax credit thereby taxing only the value added at each stage of supply chain.
- Final consumer bears the GST charged by the last supplier in the supply chain, with the benefit at all the previous stage.
- There is no tax on tax or cascading effect of taxes under GST regime.
- A comprehensive tax structure covering both goods and services i.e. GST addressed these problems.
- India has adopted a Dual GST Model. Centre and states will simultaneously levy GST on taxable supply of goods or services or both.
- GST extend to whole of India including the state of Jammu and Kashmir.
- There is a single legislation i.e. CGST Act for levying CGST, UTGST Act for levying UTGST. There are multiple SGST legislation.
- Every supplier of goods or services is required to obtain registration is his aggregate turnover exceeds Rs. 20,00,000/- during the Financial Year.
- For the Following States the above limit is reduced to Rs. 10,00,000/-

Arunachal Pradesh
Assam
Jammu and Kashmir
Manipur
Meghalaya
Mizoram
Nagaland
Sikkim
Tripura
Himachal Pradesh
Uttarakhand

- In GST regime CGST/UTGST levied for Intra State Supply and IGST levied on Inter State Supply.
- ITC of CGST and SGST/UTGST is available throughout the supply chain, but cross utilization of credit of CGST and SGST/UTGST is not possible.
- A GST Compensation Cess at specified rate has been imposed under the GST Cess Act, 2017 on the specified luxury items or demerit goods, like Pan masala, tobacco, aerated water, motor car, etc., computed on value of taxable supply.
- GST is levied on all goods and services except alcoholic liquor for human consumption and petroleum crude, diesel, petrol, ATF and Natural Gas.

The above points are very useful for fast track revision of GST. If you have any query, please contact me on my Email Id:- divyeshpithava@rediffmail.com