OVERVIEW ON GST
GOODS AND SERVICES TAX OF ANDHRA PRADESH

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TENALI
PRESENTATION PLAN

➢ Taxation in India
➢ The Journey to GST
➢ What is GST? Salient features of GST
➢ Advantages and Disadvantages of GST
➢ GST Council
➢ GSTN (GST Network)
➢ Registrations under GST
➢ Returns under GST
➢ Payments under GST
➢ E-waybill system
➢ Important websites
TAXATION IN INDIA

➢ **Direct Taxes**: Directly paid by a person, levied on personal or corporate income. *(11% in GDP)*

➢ **Ex**: Income tax *(18%)*, Corporate Tax *(35%)*, wealth Tax *(1%)* etc.,

➢ **Indirect Taxes**: Imposed on a transaction, levied on the price of goods or service. *(5% in GDP)*

➢ **Ex**: Central Excise, customs duty *(18%)*, Sales Tax *(VAT)* etc., Now GST *(28%)*

● Ratio 54:46%
Indirect Taxation in India

➢ **India is a Federal Country**

➢ **Both Centre and States** have powers of taxation

➢ Defined in the 7th **Schedule** of the Constitution

➢ For e.g., **entry 84** in the **Union List** grants power to the Centre to levy Central Excise Duty (CENVAT) and **entry 54** in the **State List** grants power to the State to levy tax on sale of purchase of goods other than newspapers
CENTRE-STATE FINANCIAL RELATIONS

➢ Currently, the *fiscal powers* between the Centre and the States are clearly demarcated in the Constitution.

➢ The *Centre* has the powers to *levy tax on the manufacture of goods* while the *States* have the powers to *levy tax on the sale of goods*.

➢ In case of inter-State sales, the Centre levies the *Central Sales Tax* but, the tax is collected and retained by States.
As for services, it is the Centre alone that is empowered to levy service tax.

Introduction of the new taxation system (GST) would require amendments in the Constitution so as to simultaneously empower the Centre and the States to levy and collect this tax.
101st Constitution Amendment Act, 2016

To levy GST a new Article 246A/279A has been introduced by the 122nd Constitutional Amendment Bill.

- Enables State to levy Service Tax
- Enables Centre to levy VAT on goods
- Formation of GST Council
## Before GST indirect tax regime

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Shortcomings of the previous Indirect tax system.

➢ **Cascading Effect:** Taxes levied by the Central Government are not available as set-off against the taxes being levied by the State Governments and vice versa.

➢ **Multiple taxes** and tax rates by the Central and State laws are creating difficulties for the taxpayers.

➢ **State Check posts** at the borders and levy of entry tax is posing difficulties for free trade across the states.

➢ **Multiple Jurisdictions**
The Journey to GST

Announcement of GST for the first time was made by the then Union Finance Minister, during budget of 2006-07 that it would introduced from 1 April 2010.

- **First Discussion**
  - Paper was released by the Empowered Committee

- **2009**
  - Constitution (115th Amendment) Bill introduced and subsequently lapsed

- **2011**
  - The Constitution (122nd Amendment) Bill was introduced in the Lok Sabha

- **2014**
  - Aug
  - The Constitution (One hundred and first Amendment) Act enacted

- **2016**
  - Sep
  - 1st GST Council Meeting

- **2017**
  - May
  - GST Council recommends all the rules
  - 30th June
  - All states except J&K passed SGST ACT
  - 1st July
  - 1st GST Council Meeting

- **2018**
  - April
  - CGST, IGST, UTGST and Compensation Cess Acts passed

- **2019**
  - March
  - GST Council recommends the CGST, SGST, IGST, UTGST and Compensation Cess Act

- **2020**
  - May
  - GST Act passed by J&K; CGST and IGST Ordinances promulgated to extend GST to J&K.

- **2021**
  - 8th July
  - Journey Continues...

- **2022**
  -

- **Journey Continues…**
  - Notifying and amending rules
  - Dealing with IT related issues
  - Revision of Rates
  - Clarification and communication with taxpayers
Goods and Services Tax (GST)

➢ GST is the most important indirect tax reform in India since independence.

➢ Eliminates the shortcomings of the present indirect tax system both at the Centre and the States.

➢ Single tax on supply of goods and services.

GST will be levied on all goods and services except:

- Alcohol for human consumption to be outside GST

➢ GST on petroleum products is deferred. It will be levied from the date to be recommended by GST Council

➢ Subsumed most of the indirect taxes being levied by centre and states.
Taxes being subsumed

Central Taxes
- Central Excise duty
- Additional duties of excise
- Excise duty levied under Medicinal & Toilet Preparation Act
- Additional duties of customs (CVD & SAD)
- Service Tax
- Surcharges & Cesses

State Taxes
- State VAT / Sales Tax
- Central Sales Tax
- Purchase Tax
- Entertainment Tax (other than those levied by local bodies)
- Luxury Tax
- Entry Tax (All forms)
- Taxes on lottery, betting & gambling
- Surcharges & Cesses

Constitution amended to provide concurrent powers to both Centre & States to levy GST (Centre to tax sale of goods and States to tax provision of services)
New Acts to be administered by the State/Central Tax authorities under GST (w.e.f 01-07-2017)

**CGST Act 2017**
- Enacted by Parliament and Gazette notified on 12-04-2017
- Administration of tax on Intra state supplies
- Contains 174 sections and 3 schedules
- State authorities also empowered to administer including audit, assessment etc of the tax payers who are allotted to the state (for Tax payers TO > Rs 1.5 Cr, 50:50; Others 90:10 in favour of state)

**SGST Act 2017 (passed by state Legislature)**
- Mirror image of CGST Act with some state specific exceptions
- Administration of tax on Intra state supplies
- Also Contains 174 sections and 3 schedules
- Central authorities also empowered to administer as per cross empowerment formula.

**IGST Act, 2017**
- Defines intrastate supplies and interstate supplies, place of supply rules
- Administration of tax on interstate supplies.
- Contains 25 sections
- State authorities also cross empowered.
- State authorities can not adjudicate if there is a dispute on place of supply.
The Statutory Scheme of Levy Under GST

**INTRA STATE supplies**
- CGST
- SGST

**INTER STATE Supplies**
- IGST
Pre-GST Indirect tax structure in India

Central Taxes
Administrations
CEx/ST Act & Rules
Procedures

Multiple State Taxes
Administrations
Multiple Acts & Rules
Multiple procedures

Single Tax-GST
Uniform law
Computerized uniform procedures

Central Taxes
CGST
SGST/UTGST
IGST

GST Structure in India
<table>
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<th>Things Outside GST!</th>
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<td>Alcohol for human consumption</td>
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<td>Power to tax remains with the State</td>
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<tr>
<td>Power to tax remains with local bodies</td>
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Why Petrol Out of GST?

Under Present System          Under GST

Rates in Rupees/Liter

- Raw Crude Oil        26       26
- Refining Charges     07       07
- Addl Excise Duty     19       00
- Commission for Bunks 03       00
- VAT                  15       18 (GST)
- **Total**            70       51
Salient features of GST

➢ **Dual GST**: Centre levies CGST and states levy SGST on the same tax base of goods and/or services.

➢ **Destination based** tax.

➢ **SGST** accrues to the **state** where the goods and services are finally consumed.

➢ **CGST** accrues to the **centre**.

➢ **Compensation** for loss of revenue to States for **five years**

➢ **PAN Based Registration**
Salient features of GST

➢ Option of Voluntary Registration
➢ Composition threshold shall be Rs. 100 lakhs
➢ Composition scheme shall not be available to inter-State suppliers, service providers (except restaurant service) and specified category of manufacturers
➢ Deemed Registration in three working days
Salient features of GST

➢ Set of auto-populated Monthly returns and Annual Return

➢ Composition taxpayers to file Quarterly returns

➢ Automatic generation of returns

➢ GST Practitioners for assisting filing of returns

➢ GSTN and GST Suvidha Providers (GSPs) to provide technology based assistance.
Salient features of GST

➢ Tax can be deposited by internet banking, NEFT / RTGS, Debit / credit card and over the counter

➢ Concept of TDS for certain specified categories *(to be brought in force as per council decision).*

➢ Concept of TCS for E-Commerce Companies *(to be brought in force as per council decision).*

➢ Nation-wide introduction of E-way bill for all inter-state supplies with effect from 01.04.2018 and for all intra-state supplies has been differed.

➢ Refund to be granted within 60 days

➢ Provisional release of 90% refund to exporters within 7 days
Salient features of GST

➢ Interest payable if refund not sanctioned in time
➢ Refund to be directly credited to bank accounts
➢ Comprehensive transitional provisions for smooth transition of existing tax payers to GST regime
➢ Special procedures for job work
➢ Anti-Profiteering provision – National Anti-Profiteering Authority being set up

  Standing Committee on Anti-Profiteering to be set up

State level Screening Committee to be set up
Salient features of GST

➢ **Uniform Rates:** The list of exempted goods and services would be common for the Centre and the States are already finalised by GST Council.

➢ **Zero Rate:** Exports, Supplies to SEZ units shall be treated as zero-rated supply.

➢ **Threshold limit** for the liability to register, is aggregate turnover on all over India exceeds Rs. 20 lakhs per annum (Rs. 10 lakhs per N.E States)

➢ **Penalties** will be commensurate with the degree of offence of tax evasion
**Salient features of GST**

➢ **Refunds** to the tax payers wherever eligible, such as Exports and Excess Tax payment etc shall be granted within 60 days of the claim.

➢ **Assessments** will be made only in the cases where the turnovers and taxes declared in the returns filed are found to be incorrect through scrutiny, intelligence, audits etc.

➢ **Jurisdiction:** State will be having administrative jurisdiction over Territorial waters also for levy of Tax.
**Salient features of GST**

➢ **Seamless ITC:** Input tax credit (ITC) will be granted for all inputs, including Capital goods, except for goods mentioned in negative list irrespective of the nature that whether they are purchased within the state or from out of the state, provided the tax has been paid by the seller.

➢ **Levy on Imports:** Import of goods and services would be treated as inter-State supplies and would be subject to IGST in addition to the applicable customs duties. The IGST paid shall be available as ITC for payment of taxes on further supplies.
Salient features of GST

➢ **Cross Empowerment**: There are provisions of cross empowerment of CGST Officers to assess under SGST Law and SGST officers to assess under CGST and IGST Laws.

➢ The GST Council approved cross empowerment for dealers above 1.5 Cr as 50:50, and below 1.5 Cr. To as 90:10 for state and Centre.

➢ The newly registered dealers will be allocated at 50:50 ratio.
Salient features of GST

➢ For the **intra-state supplies**, the Centre levies CGST as per the CGST Law and each of the states levy SGST as per the SGST Law of the respective states. The provisions of CGST Law and SGST Law are uniform all over the country.

➢ **The IGST** Refers to what constitutes supply of goods and/or services in the course of **inter-state** trade or commerce.

➢ from **IGST (SGST + CGST)**, the portion of SGST will be adjusted towards the consuming State.
Salient features of GST

➢ **GSTN portal**: The Registrations, Return filing and Tax Payments shall be made online through GSTN portal. Further the sales and purchases of tax payers shall also be matched online, which eliminates bogus claims of input tax credits and suppression of sales.

➢ **Minimal Interface by the officers**: The levy is so designed that physical interface between the tax payer and the tax authorities would be minimal under GST. The Registrations, Return filing and Tax Payments shall be made online through GSTN portal.

➢ **Online Matching**: Further the sales and purchases of tax payers shall also be matched online, which eliminates bogus claims of input tax credits and suppression of sales.
Salient features of GST

➢ **TDS**: Mechanism for Tax deduction for works contracts, and procurement of goods or services or both, by Government Department etc. Is provided under GST.

➢ **Consumption based**: In the cases of supply of goods and services in interstate trade, the GST is so designed that the taxes finally accumulate to the consuming state. This will be achieved through transfer of SGST from the supplying state first to the center and then from centre to the consuming state.
Advantages of GST

➢ **Dual administrative control** with comprehensive sharing of information between the Centre and states. This would **lead to lesser evasion of taxes.**

➢ **Similar rate structures** as far as possible across the entire country. This would lead to a common market. It would **end the rate war between the states.** Rate would no longer be a factor in choosing the location of an industry.

➢ **Tax burden on goods and services would decrease,** **benefiting common man.**

➢ **It would boost economic activity and create more jobs.**
Advantages of GST

➢ Simplification of indirect tax regime by **subsuming of many indirect taxes**

➢ Harmonization of tax structure by utilizing internationally recognized **HSN codes** for goods and service account codes for services

➢ **No cascading** of taxes

➢ Direct cost reduction for business.

➢ Implementation of GST would make **our products competitive** in domestic and **international markets**. Crucial for the ‘Make In India’ campaign

➢ Will improve our **Ease Of Doing Business Index**
Advantages of GST

➢ The subsuming of major Central and State taxes in GST, reduce the cost of locally manufactured goods and services. This will increase the competitiveness of Indian goods and services in the international market and give boost to Indian exports.

➢ Ideally the 650 odd inter-state check posts across the country should go. But features like different GST rates across states might reinforce the utility of check posts to avoid evasion.

➢ Might bump up GDP growth rate by 1 to 2%

➢ Goods might get cheaper with Tax rate of 18%. Currently, good suffer tax around 27% (VAT + CENVAT)
Disadvantages of GST

- **Services could get costlier**, even if standard rate is in between 18%. There is a proposal for levying higher rate of GST on services such as financial services.

- **Overall inflation might go up.** There is evidence of this from countries that have already implemented GST

- Problems associated with **dual tax administrations**

- Certain **major products/areas are left out** – Petroleum, Real Estate, Electricity
GST Council – Constitution (Article 279A of the Constitution)

- Chairperson – Union FM
- Vice Chairperson - to be chosen amongst the Ministers of State Government
- Members - MOS (Finance) and all Ministers of Finance / Taxation of each State
- Quorum is 50% of total members
- States - 2/3 weightage and Centre - 1/3 weightage
- Decision by 75% majority
- Council to make recommendations on everything related to GST including laws, rules and rates etc.
Some Decisions of GST Council

➢ Five Tax rate slabs (SGST+CGST) decided with Input tax Credit (ITC)

0%, 0.25%, 3%, 5%, 12%, 18% and 28%

➢ For small dealers with turnover less than one crore, composition rates will apply without ITC

1) 1% for traders and manufacturers (0.5%+0.5%)
2) 5% for Restaurants (2.5%+2.5%)

➢ Treatment of Existing Tax incentive Schemes of Central and State Governments

- All exemptions should be done away with
- If any state or centre intends to continue them it should be through budgetary route.
Some Decisions of GST Council

➢ Cess over the peak rate of 28% on specified luxury and sin goods.

➢ Power under the IGST Act shall also be cross-empowered on the same basis as under CGST and SGST Acts with few exceptions.

➢ Power to collect GST in territorial waters delegated to the States.

➢ All taxpayers to file monthly GSTR-3B & pay tax on monthly basis.

➢ Taxpayers with turnover up to Rs. 1.5 Cr to file quarterly GSTR – 1 returns & Monthly for other taxpayers.
Some Decisions of GST Council

➢ Late fee already paid but subsequently waived off to be re-credited to their Electronic Cash Ledger under “Tax” head instead of “Fee” head.

➢ From October 2017 onwards, the amount of late fee payable by a taxpayer is as follows:

▪ Whose tax liability for that month was NIL will be Rs.20/- per day instead of Rs 200/- per day.

▪ whose tax liability for that month was not „NIL“ will be Rs. 50/- per day instead of Rs200/- per day

➢ Time period for filing GSTR-2 and GSTR-3 for the months of July, 2017 to March 2018 would be worked out by a Committee of Officers
Goods and Services Tax Network (GSTN)

➢ This is the *IT Back bone* of GST

➢ As all the transactions in GST run through *online only*

➢ India’s second largest IT services Company *Infosys* through a rigorous competitive bidding process, in which other big IT companies like TCS, Wipro, Tech Mahindra and Microsoft also participated, bagged the contract of Rs 1,380 crores to be the *Managed Service Provider (MSP)* for GSTN.
GSTN (IT Backbone for GST)
A Section 25 company

OWNERSHIP
24.5% - Centre
24.5% - States
11% - LIC Housing
10% - ICICI Bank
10% - HDFC
10% - HDFC Bank
10% - NSE SIC

PORTAL
1. Registration
2. Return Filing
3. Payment
4. Refunds
5. Profiling
Goods and Services Tax Network (GSTN): The IT Backbone of GST

a. 70 to 80 Lakhs taxpayers;
b. 260 to 300 Crores invoice data per month
c. More than 120,000 tax officials to work
d. Monthly filing of returns
e. Both Central and States Tax Departments

- Strong IT Infrastructure
- Independent
- Flexibility of Pvt Sector
- Strategic Control of Govt
REGISTRATION UNDER GST

➢ No Fee is prescribed for obtaining Registration.

➢ Entire Registration Process and issue of Registration Certificate is done: **Through Online on GSTN Portal.**

➢ No manual Interface

➢ Section 22 to Section 30 and Chapter-VI on Registration Rules provide the list of persons who are liable to be registered under GST Act in the State under different categories.
Types of Registrants

- Regular
- Composite
- Casual
- Non-resident
- Ecommerce Operator
- Aggregator
- ISD
- TDS
CATEGORIES OF REGISTRATION

- Migration of dealers under existing Laws
- Persons liable to be registered basing on turnover limits (Rs. 20 Lakhs).
- On going concern & amalgamation
- Persons liable to be registered compulsorily
- Specific categories (UN bodies etc.)
- Suo - Moto Registration
- Voluntary registration
PERSONS NEED TO BE COMPULSORILY REGISTERED (Section 24)

❖ Persons making any inter-State taxable supply;

❖ Casual taxable persons making taxable supply;

❖ Persons who are required to pay tax under REVERSE CHARGE;

❖ INPUT SERVICE DISTRIBUTOR, whether or not separately registered under this Act;

❖ Non-resident taxable persons making taxable supply;

❖ Every electronic commerce operator;

❖ Persons who are required to deduct Tax under Section 51; whether or not separately registered;
The Applicant, before applying for Registration, shall

Declare his PAN, mobile number, e.mail address, State or Union Territory in Part A of FORM GST REG-01 on the Common GSTN Portal (CP) or through a Facilitation Centre (FC) notified by the Commissioner

PAN declared shall be validated.

Mobile number shall be verified online through One Time Password (OTP)

E.mail shall be verified online through OTP

On successful verification a TEMPORARY REFERENCE NUMBER (TRN) is given.

Then, the Applicant shall submit application in Part-B of FORM GST REG-01
**DOCUMENTS TO BE UPLOADED**

- Photographs – (Proprietor, Partnership, Company etc.)
- Constitution of Taxpayer (Details of partnership deeds, Proprietor ship details etc.)
- Proof of Principal / Additional Place of business – (Own premises, rented or leased premises, others)
- Bank account related proof (first page of pass book)
- Authorisation Form (for each Authorised signatory)
VERIFICATION AND APPROVAL OF APPLICATION – PROCESS (BY PROPER OFFICER)

➢ Proper Officer (PO), will examine it and if found to be in order, approve the grant of registration to the applicant within 3 working days.

➢ If the application is found deficient of any information OR document notice in Form GST REG-03 is issued, within 3 working days.

➢ Reply to notice be filed within 7 working days, in Form GST REG-04
VERIFICATION AND APPROVAL OF APPLICATION – PROCESS
(BY PROPER OFFICER)

➢ If the reply is in order, registration will be granted within 7 working days.

➢ In case the application does not reply or furnish any information or clarification is not satisfactory, registration will be rejected in Form GST REG-05.

➢ In case the PO fails to take any action on the application filed, within 3 working days OR on the clarification / reply given within 7 working days, the application shall be deemed to have been approved.
ISSUE OF REGISTRATION CERTIFICATE

➢ Form of Certificate of Registration is issued with GSTIN number in Form **GST REG-06**

➢ **GSTIN number contains:**

➢ Two characters for the State code,

➢ Ten characters for the PAN or the Tax Deduction and Collection Account number,

➢ Two characters for the entity code, and

➢ One check character.
NORMAL REGISTRATION PROCEDURE
u/s 25 r.w.Rules 1,2,3

PART A
• PAN
• MOBILE NO
• EMAIL ID
• STATE/ UT

FORM GST REG 01
(Application for Registration)

www.gst.gov.in

PART B
• Documents With DSC

FORM GST REG 02
(Acknowledgement)

FORM GST REG 03
(Notice)

FORM GST REG 04
(Reply to Notice)

FORM GST REG 05
(Cancellation Certificate)

FORM GST REG 06
(Registration Certificate)

(Yes)

(3 WD)

(No 3WD)

(7 WD)

(7 WD)

(7 WD)

(7 WD)

(Yes)
Returns under GST

➢ The submission and processing of tax returns is a vital link between the taxpayer and the tax administration

➢ Finalization of the tax liabilities of the taxpayer within stipulated period of limitation

➢ To declare tax liability for a given period

➢ Mode for transfer of information to tax administration

➢ Compliance verification program of tax administration

➢ Providing necessary inputs for taking policy decision

➢ Management of audit and anti-evasion programs of tax
Who needs to file Return?

Registered Taxable Person
Taxable person opted for composition

Non-Resident Taxable Person
ISD (Input Service Distributor)

Tax Deductor (TDS)
e-Commerce Operator/Tax collector (TCS)
Salient features of GST Returns

➢ Common e-Return for CGST, SGST & IGST.

➢ All filing of GST returns can only be done through online mode.

➢ Separate returns for diff categories of tax payers.

➢ Monthly /Quarterly and Annual Return.

➢ Self assessment of tax liability by the taxpayer.

➢ Auto-population from details of outward supplies.

➢ Automated matching of invoices.

➢ Auto-reversal of ITC in case of mismatch.

➢ Valid return concept.
Salient features of GST Returns

➢ Return can be submitted with short payment. But not considered for invoice matching and fund settlement.

➢ Designed for system based matching of Input Tax Credit and other details (import, export etc.)

➢ A registered person liable to pay tax shall file GST Return at GST Common Portal either by himself or through his authorized representative.

➢ Returns to be filed in sequential manner with different cut-off dates.
Salient features of GST Returns

• No revised returns.

• Diff Tax liability to be captured through Debit Note / Credit Note/ Revised invoices .

• Concept of ledger:    Cash Ledger
                          
                          ITC Ledger

                          Tax liability Ledger.

The frequency of filing returns for different categories of taxpayers and types of GST forms along with the details to be furnished are summarized below.
Returns

Monthly Returns

- Normal Assessee
  - Outward Details: GSTR-1 & 1A (10th of next month)
  - Inward Details: GSTR-2 & 2A (15th of next month)
  - Monthly Return GSTR-3 (20th of next month)

- Annual Returns

- Misc. Returns

- Other Assessee

Penalties: Outward/Inward/Monthly Returns:
- INR 100 per day
- upto maximum INR 5,000/-
returns

Returns

Annual Returns

- Monthly Returns
- Normal Assessee
  - Compounding Dealer: GSTR-4 & 4A (18th of next Quarter)
  - ISD: GSTR-6 & 6A (13th of next month)
- Non-Resident persons
  - GSTR-5 (20th of next month & within 7 days of expiry of RC)
- Misc. Returns
- Other Assessee
  - TDS Deductor: GSTR-7 & 7A (10th of next month)
  - E-Commerce Operator: GSTR-8 (10th of next month)
Penalties: Annual Returns:
- INR 100 per day
- up to maximum 0.25% of aggregate turnover
Every registered person required to deduct tax at source under section 51 shall furnish a return in FORM GSTR-7 electronically.

The details furnished by the deductor under GST return Rules shall be made available electronically to each of the suppliers in Part C of FORM GSTR-2A on the Common Portal after the due date of filing of FORM GSTR-7.

The certificate referred to in sub-section (3) of section 51 shall be made available electronically to the deductee on the Common Portal in FORM GSTR-7A on the basis of the return furnished by Form GSTR-7.

Rule 7 prescribe the return required to be furnished by the person who require to deduct the tax at source under section 50 of the GST.

Such return is required to be furnished within 10 days of the end of month in which tax is deducted in the form GSTR-7.
Payments under GST

➢ Electronic payment process- no generation of paper at any stage.

➢ Single point interface for challan generation – GSTN.

➢ Ease of payment - three modes including CC/DC & NEFT/RTGS.

➢ Common challan form with auto-population features.

➢ Use of single challan and single payment instrument.

➢ Common set of authorized banks.

➢ Payment through any bank.

➢ Common Accounting Codes.
Maintenance of Taxpayer wise Electronic Ledgers

➢ There shall be three running electronic ledgers maintained on the dashboard of taxpayer by GSTN on its portal i.e.

➢ **Register of all Liabilities:** Liabilities of a taxable person in the form of tax, interest, fee & penalty towards CGST, SGST & IGST is recorded and maintained in this ledger.

➢ **ITC ledger:** ITC as self-assessed in the return shall be credited to his electronic credit ledger in the first instance. It will have details on ITC claimed & utilized for CGST, SGST & IGST.

➢ **iii. Cash ledger:** Any amount deposited to the account of the concerned Government (CGST, SGST & IGST) shall be credited to the electronic cash ledger of such person.

➢ There shall be different ledgers for SGST, CGST, IGST & Additional
Maintenance of Taxpayer wise Electronic Ledgers

➢ Details in these ledgers will get auto populated from the returns filed.

➢ In cash ledger, details will get auto-populated from paid challan.

➢ Both the ITC ledgers and the cash ledger will be utilized by the taxpayer for discharging the tax liabilities of the returns and others liabilities arising out of Demand / Appeal Orders.

➢ These ledgers would be updated in real time on an activity / action by the taxpayer in connection with these ledgers.

➢ Balance, if any, in the cash or credit ledgers may be refunded in accordance with the provisions of Act and the amount collected as CGST/SGST shall stand reduced to that extent.
Rules for Utilization of Amount in Electronic Ledger

- Amount available in the electronic **cash ledger** under respective head may be used for making any payment towards:
  - tax, interest, penalty, Fees, or any other amount payable.

- Amount available in the electronic **credit ledger** may be used for making any payment towards:
  - tax.

- The sequence in which the amount available will be used towards tax, interest, penalty, fees will be discussed when provisions on ITC utilisation and recovery are discussed.
ITC Utilization Rules

ITC Utilization shall be made in the following order:

- **IGST Credit:**
  1. IGST credit to set-off IGST liability.
  2. IGST credit, if available, to set-off CGST liability, if any.
  3. IGST credit, if available, to set-off SGST liability, if any.

- **CGST Credit:**
  4. CGST credit to set-off CGST liability.
  5. CGST credit, if available, to set-off IGST liability, if any.

- **SGST Credit:**
  6. SGST credit to set-off SGST liability.
  7. SGST credit, if available to set-off IGST liability, if any.

**No cross utilization of credit between CGST & SGST.**
6 (b) Stakeholders Involved

- **Taxpayer**
  - Filling up Challan

- **GST Portal**
  - Re-directed to Bank

- **Other Banks**
  - Thru NEFT/RTGS

- **RBI**

- **Accounting Authorities**
  - Accounting of Payments

- **Consolidation of Payments**

- **Tax Authorities**
Payment under GST

Mode-I
- E-payment mode through authorized banks (internet banking, CC/DC)

Mode-II
- Over The Counter (OTC) Payment:

Mode-III
- Payment through NEFT/RTGS from any bank
Format of Challan

- Electronically generated Challan from GSTN for all 3 modes.
- Contains a unique 14-digit Common Portal Identification Number (CPIN).
- Who can generate Challan?
  - Taxpayer
  - His authorized representative
  - Departmental officers (e.g. enforcement activity)
  - Any other person paying on behalf of taxpayer (e.g. auction or recovery by State authorities etc.)
    - Certain key details of the challan like name, address, email, GSTIN of payer to be auto-populated.
- Single challan for payment of all four types of taxes.
- Validity period: 15 days
  - Challan would not have a jurisdictional location code.
# GST CHALLAN FORM

<table>
<thead>
<tr>
<th>CPIN</th>
<th>&lt;&lt;Auto Generated after submission of information&gt;&gt;</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>GSTIN</th>
<th>&lt;&lt;Filled in/Auto populated&gt;&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>&lt;&lt;Auto Populated&gt;&gt;</td>
</tr>
<tr>
<td>Address</td>
<td>&lt;&lt;Auto Populated&gt;&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Email address</th>
<th>Mobile No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt;&lt;Auto Populated&gt;&gt;</td>
<td>&lt;&lt;Auto Populated&gt;&gt;</td>
</tr>
</tbody>
</table>

## Tax Liability

<table>
<thead>
<tr>
<th></th>
<th>Tax</th>
<th>Interest</th>
<th>Penalty</th>
<th>Fee</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Government of India</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CGST</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IGST</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Addl Tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Government of Andhra Pradesh</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SGST</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Challan Amount**
### Mode of Payment (relevant Portion to become active when selected)

<table>
<thead>
<tr>
<th>□ e-Payment</th>
<th>□ Authorised Bank OTC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Banking</td>
<td>Name of Receiving Bank (where instrument is proposed to be deposited)</td>
</tr>
<tr>
<td>Credit Card</td>
<td>Name of Branch (Optional)</td>
</tr>
<tr>
<td>Debit Card</td>
<td>Name of City/Town/Village where payment is proposed to be made</td>
</tr>
</tbody>
</table>

**Name of Bank**

**Name of Payment Gateway**
(in case of payment through CC/DC)

**Details of instrument (optional)**

- Cash □ Ch/DD No. □ IFSC Code
- Cheque □ Bank
- DD □ Branch

*Note: Only local cheques (not outstation cheques to be accepted)*

### NEFT/RTGS Remitting Bank

<table>
<thead>
<tr>
<th>□ NEFT/RTGS Remitting Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Bank</td>
</tr>
<tr>
<td>Name of Branch</td>
</tr>
<tr>
<td>IFSC Code</td>
</tr>
<tr>
<td>Name and Code of Beneficiary Bank (RBI and its code)</td>
</tr>
<tr>
<td>Name of the beneficiary account (Description ‘GST payment’ to be auto populated)</td>
</tr>
<tr>
<td>Beneficiary Account Number (CPIN Auto Populated)</td>
</tr>
</tbody>
</table>

**Note:**

1. **Payments through RTGS / NEFT**

2. **Beneficiary to be defined as the RBI and its account. This would be auto populated by GSTN**

3. **Charges to be over and above Tax**
Objectives

1. One e-waybill for movement of the goods throughout the country
2. Hassle free movement of goods for transporters throughout the country
3. Controlling the tax evasion
4. No need for Transit Pass in any state
5. Easier verification of the e-waybill by officers with complete details
Benefits

➢ The traders need not visit tax offices anymore.
➢ Average travelling time reduces drastically
➢ Scope for corruption eliminated.
➢ Self-policing by traders. A trader while uploading gives the identification of the buying trader who also has to account the transaction.
➢ Environment friendly – nearly 50 tons of paper saved per day.
➢ An accurate database created-useful for tax analysis.
➢ Officials saved of monotonous work could devote time to analytical work.
➢ Revenue growth will be more than normal.
E-Way Bill Format

PART A
- GSTIN of Recipient - GSTIN or URP
- Place of Delivery - PIN Code of Place
- Invoice/Challan No - Number
- Invoice/Challan Date - Date
- Value of Goods - XXXXXXX
- HSN Code - Atleast 2 digit of HSN Code
- Reason for Transport - Supply/Exp/Imp/Job Work/…
- Transporter Doc. No - Document No provided by trans.

PART B
- Vehicle Number - Vehicle Number
Stake Holders

- Supplier
- Transporter
- Officer
- Recipient

EWB
Features of New System

- User Friendly
- Easy and Quick generation of e-Way Bill
- Checks and balances
- Creating own masters – Customers, Suppliers, Products
- Personalized Dashboard
- Monitoring the e-Way Bills generated for me
FEATURES OF NEW SYSTEM

Multiple modes for e-Way Bill generation

Managing sub-users and Roles

Generating GSTR-1 from the e-Way Bills

Alerting through Online and SMS

QR code on the e-Way Bill
Modes of generation of e-way bill

- Web – Online based
- SMS – Through Mobile
- Android – Through Mobile App
- API – Site-to-Site integration
- Bulk generation – Tool based
- Suvidha Provider – Third Party based
IMPORTANT WEB SITES

- www.gst.gov.in
- www.cbec.gov.in
- www.cbes-gst.gov.in
- www.gstcouncil.gov.in
- www.gstn.gov.in
- www.apct.gst.gov.in

GSTN Help Desk
Toll Free: 0124-4688999
Email: helpdesk@gst.gov.in

CBEC Help Desk
Toll Free: 1800 1200 232
Email: cbecmitra.helpdesk@icegate.gov.in
THANK YOU