

Features of GST

- Other statute like SEZ Act, 2005 which are inconsistent will be amended to bring in tune with GST
- Import of goods/services would be subject to IGST in addition to basic customs duty.
- Laws and procedures for levy and collection of CGST/SGST would be harmonized to the extent possible.
- GST rate may vary between Center and State
- Tax payers making inter-State supplies or paying tax on reverse charge basis shall not be eligible for threshold exemption or composition scheme

Features of GST

- Unlike the State VAT, the date of commencement of this levy would need to be synchronized across the Centre and the States. This is because the IGST model cannot function effectively unless the Centre and all the States participate simultaneously.
- GST is payable under RCM for both goods and services
- Tax Invoice V/s Bill of Supply
- Tax amount should be compulsory shown in the tax Invoice. No inclusive of taxes

Taxable Person – Section 9

- Means a person who is registered or required to be registered under Schedule III.
- Liability to pay tax arises only when the taxable person crosses the exemption threshold
- The Central / State Government and local authorities are also regarded as taxable person.
- Persons who are not regarded as taxable persons under GST:
 - ✓ an agriculturist
 - ✓ an employee providing services to his employer
 - ✓ person dealing with goods and/or services that are not liable to tax under the Act
 - ✓ person receiving services of value not exceeding Rs..... in a year for personal use

Registration

- Tax payers with an aggregate turnover in a financial year up to [Rs.10 lakhs] would be exempt from tax.
- For NE States and Sikkim, the threshold exemption shall be [Rs. 5 lakhs]
- Aggregate turnover means the aggregate value of all taxable and non-taxable supplies, exempt supplies and exports of goods and/or services of a person having the same PAN
- Aggregate turnover shall be computed on all India basis.
- Aggregate turnover excludes taxes, if any, charged under the CGST Act, SGST Act and the IGST Act, as the case may be

Registration

- Tax payers making inter-State supplies or paying tax on reverse charge basis shall not be eligible for threshold exemption.
- On the appointed day, every person registered under any of the earlier laws shall be issued a certificate of registration on a provisional basis
- Time limit of 6 months from the appointed date to obtain the final registration
- Schedule III of the Model GST Law prescribes that every supplier shall be liable to be registered in the State from where he makes a taxable supply of goods and/or services if his aggregate turnover in a financial year exceeds [Rs nine lakh]

Registration

- Supplier shall not be liable to registration if his aggregate turnover consists of exclusively of goods and/or services which are not liable to tax
- Application for registration shall be made within 30 days from the date when he becomes liable for registration
- Voluntarily registration is also permitted
- Application for Registration will be online
- Registration to be granted State-wise. A person having multiple business verticals in a State may obtain separate registration.
- Registration shall be deemed to have been granted if no deficiency is communicated to the applicant within the prescribed period (3 days)