

GST IN NUTSHELL

- 1 GST will convert India into a single unified market.
- 2 GST is a 'destination-based' tax, which means it's charged where goods are consumed, as opposed to where they are produced.
- 3 GST will subsume 11 central and state taxes.
- 4 Both these taxes would be levied on supply of goods and services simultaneously.
- 5 The centre and the states will have concurrent power to decide tax rates.
- 6 The GST Council is likely to work out a consensus on all the key issues, including GST rate, within two months so that those can be incorporated in the CGST and IGST laws.
- 7 Assessors with a turnover of less than Rs 1.5 crore annually will be assessed by state tax authorities and those above that through the new cross-empowerment model.
- 8 Taxable event under the GST: Mere 'supply' of goods and services.
- 9 The GST law provides for credit of GST paid on all the inputs, barring some exceptions.
- 10 Goods produced in India will become more competitive.
- 11 Customers will have an exact idea on how much tax they pay for a product or service as the tax applied will be part of the sales invoice.
- 12 With the elimination of double taxation, the cost of doing business will be lower.
- 13 GDP is expected to see a rise of 1.2% immediately after the implementation of GST.