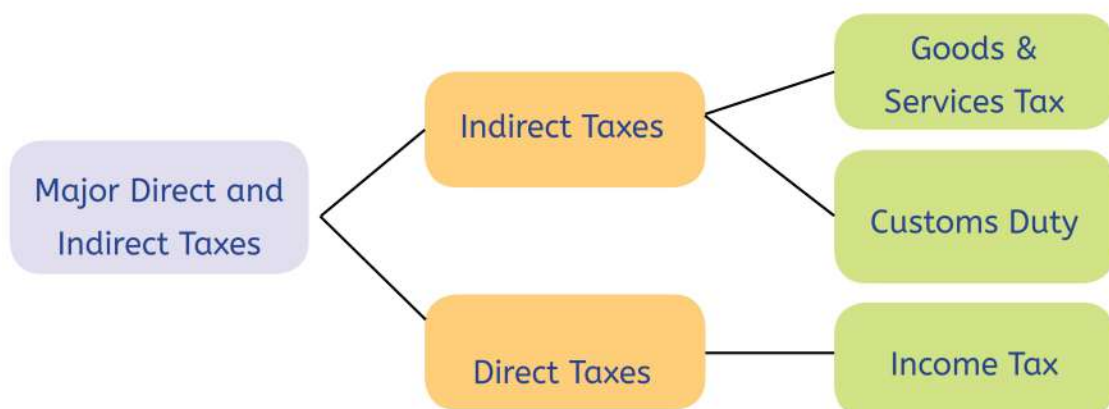
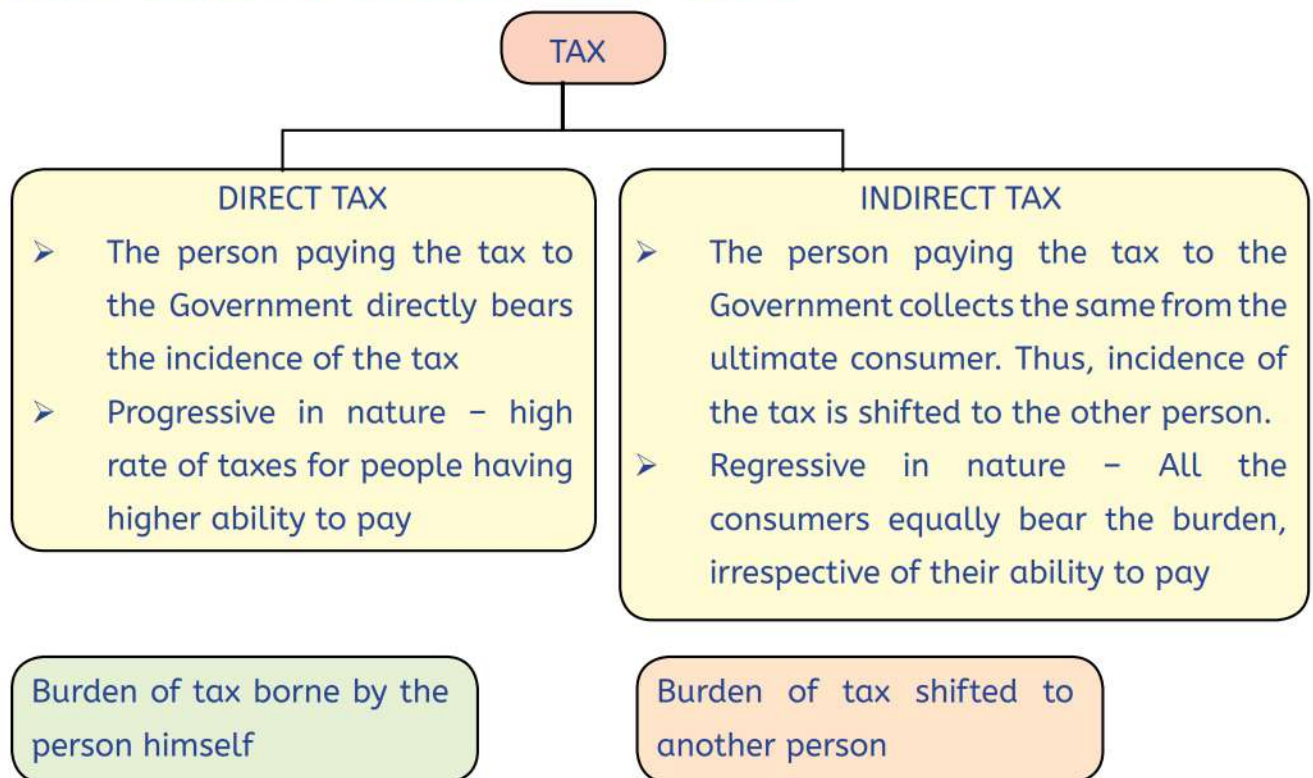


# GST IN INDIA - AN INTRODUCTION

## 1. DIFFERENCE BETWEEN DIRECT AND INDIRECT TAX



## 2. TAXES TO BE SUBSUMED

### TAXES TO BE SUBSUMED IN GST

#### AT CENTRAL LEVEL:

1. Excise Duty
2. Service tax
3. Countervailing duty
4. Special Additional custom duty
5. Central Sales Tax
6. CESSSES AND SURCHAREGES

#### AT STATE LEVEL:

1. VAT / SALES TAX
2. ENTERTAINMENT TAX (except levied by local body)
3. LUXURY TAX
4. TAX ON LOTTERY, BETTING & GAMLING
5. ENTRY TAX
6. CESSSES AND SURGCHARGES

#### SINGLE UNIFORM TAX



# GST

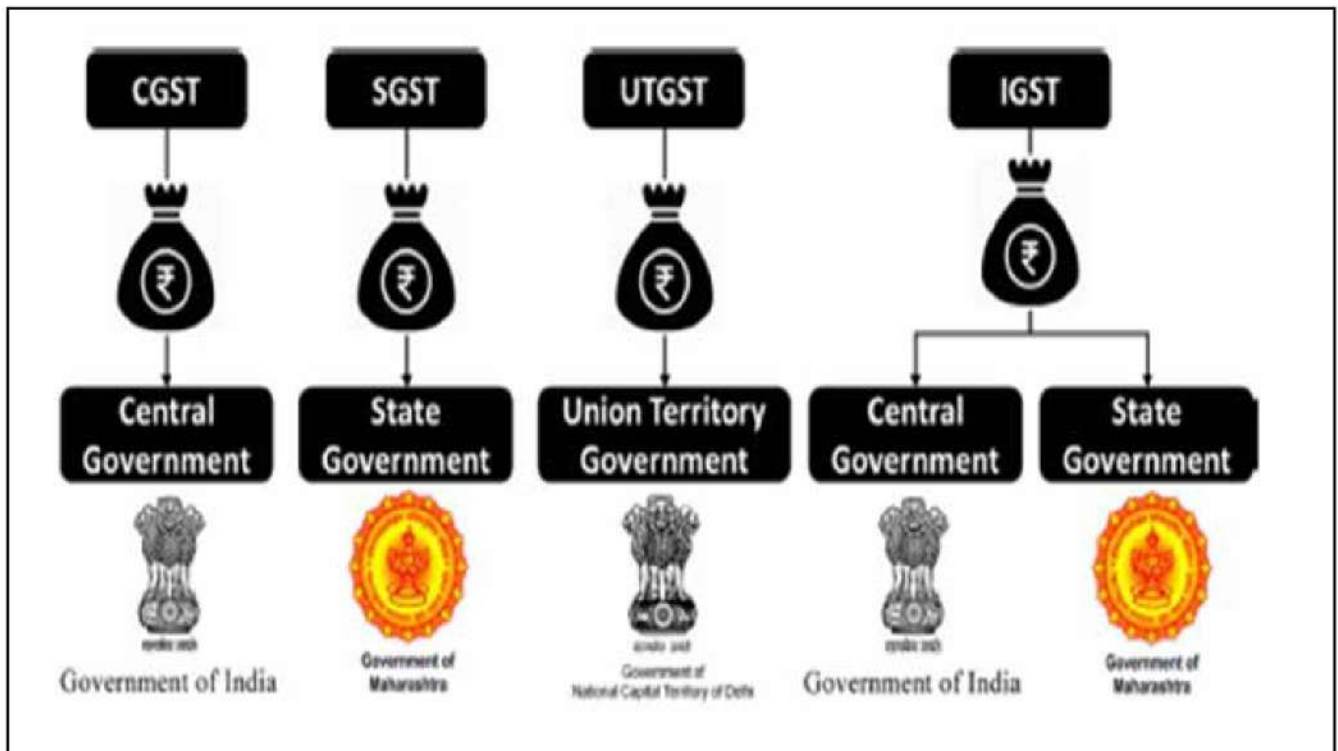
#### Exclude

- Electricity Duty
- Property tax & Stamp Duty
- Basic Custom Duty
- Excise duty/VAT/CST on
  - Alcoholic liquor for human consumption
  - Petroleum Crude
  - High Speed Diesel
  - Motor Sprit (Commonly known as Petrol)
  - Natural Gas
  - Aviation Turbine Fuel

## 3. FRAMEWORK OF GST IN INDIA

### DUAL GST MODEL

A dual GST will be in keeping with the constitutional requirement of fiscal federalism. GST in India will be dual model based i.e., state and central government will both levy GST termed as SGST/UTGST and CGST respectively. However, chargeability, definition of taxable event and taxable person, measure of levy including valuation provisions, basis of classification etc. would be uniform under both CGST and SGST laws.



#### 4. CONSTITUTIONAL PROVISION

- Article 246 :** Subject - matter of laws made by parliament and by the Legislatures of States
- Article 246A :** was added to the constitution to provide for concurrent powers to Central Government and State Government to levy GST on intra state supplies of goods and services.
- Article 269A :** provides that Central Government has exclusive powers to make a law for Inter State supplies and it will be apportioned as provided by Parliament.
- Article 279A :** provides for GST Council which is empowered to make recommendations to the Central Government and State Government with regard to GST. It is headed by the Union Finance Minister.

5. Within GST or out of GST:



Alcohol for human consumption.

Power to tax remains with the State.



Five petroleum products – crude oil, diesel, petrol, natural gas and ATF.

GST Council to decide the date from which GST will be applicable.



Entertainment tax levied by local bodies.

Power to tax remains with the local bodies.



Tobacco

Within the purview of GST. Power to levy excise duties, also retained.