

12th IMF-Japan High-Level Tax Conference for

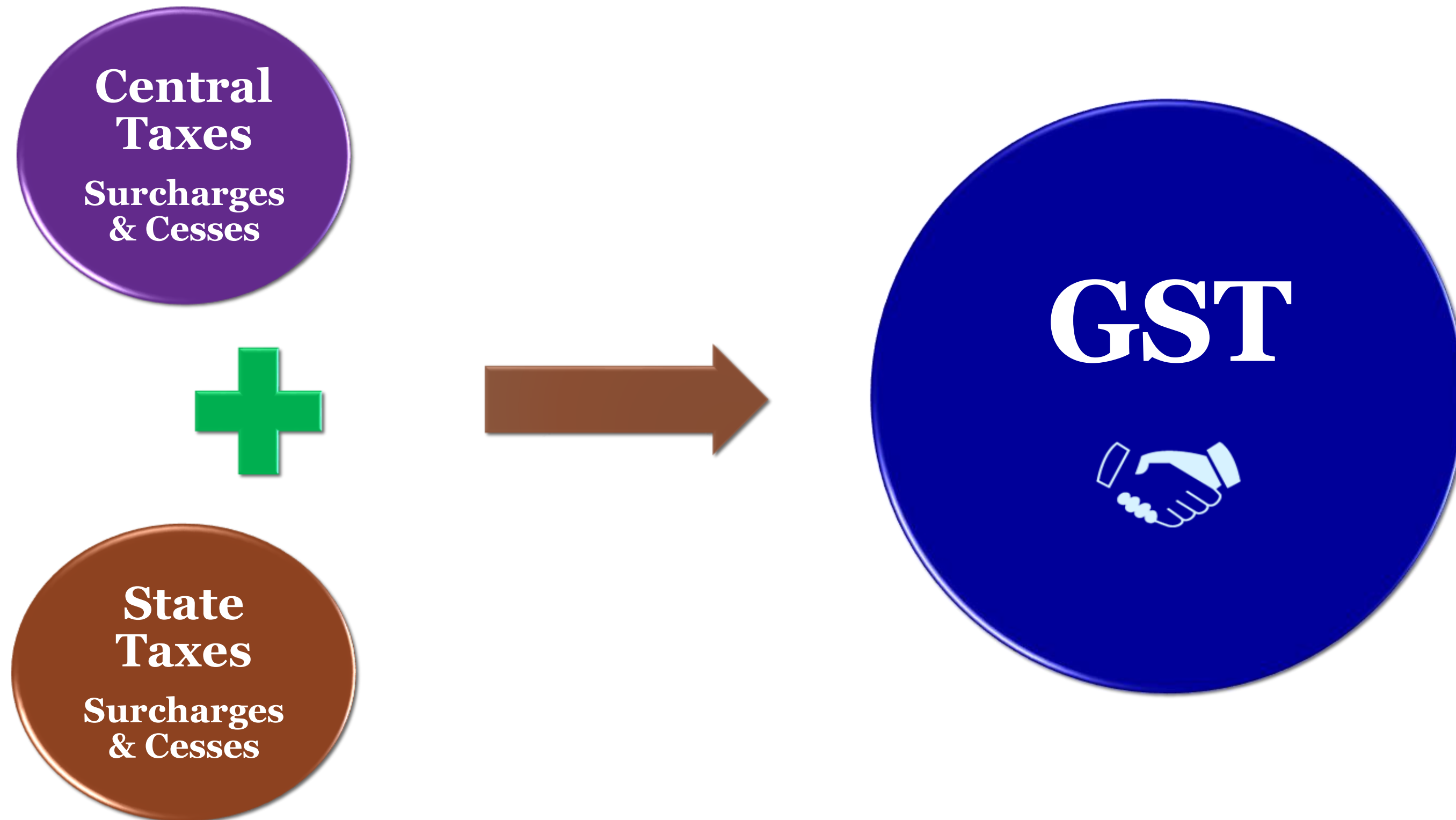
Asian Countries in Tokyo
25th & 26th October, 2022



Goods and Services Tax

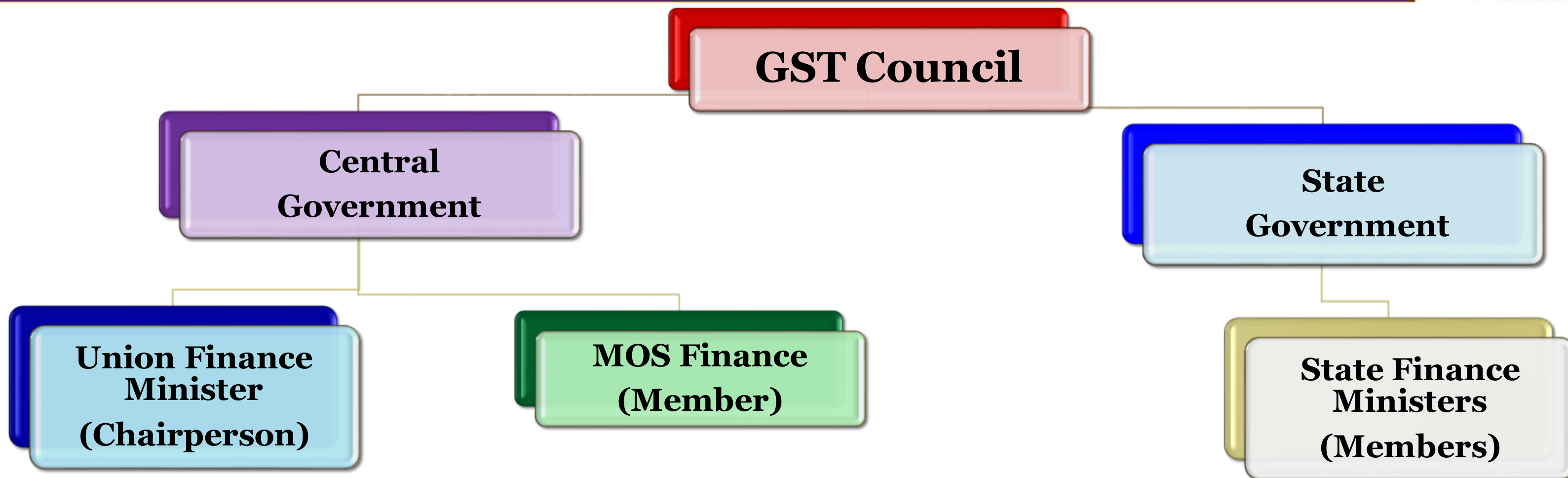
PRESENTATION BY

Dr. N. Gandhi Kumar, IRS
Director, Government of India
New Delhi



- 1 • **The biggest indirect tax reform India has ever implemented**
- 2 • **Subsumed 17+ taxes, cesses and surcharges of Centre & States**
- 3 • **One Nation, One Tax, One compliance**
- 4 • **One registration, One Return, One payment**
- 5 • **Completely online Registration**
- 6 • **No of Forms reduced from 495 to 12**
- 7 • **100 % IT enabled portal catering to 1.40 Crore tax payers**





- 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.

GST IT Strategy – Information Flow

Harmonization of Business Processes and Formats

Autonomy of back-end systems of States and Centre

Common & Shared IT Infrastructure

IT Interfaces

Centre/States Tax IT Systems



- Core Services
 - Registration
 - Returns
 - Payments
- Helpdesk support
- Information on Inter-State supply and cross-credit utilization
- Analytics
- IGST Settlement

Non-Statutory Functions

Statutory Functions

- Approval of Registration
- Assessment
- Refunds
- Audit and Enforcement
- Adjudication
- Internal workflows to support above functions
- Recovery
- Analytics and BI

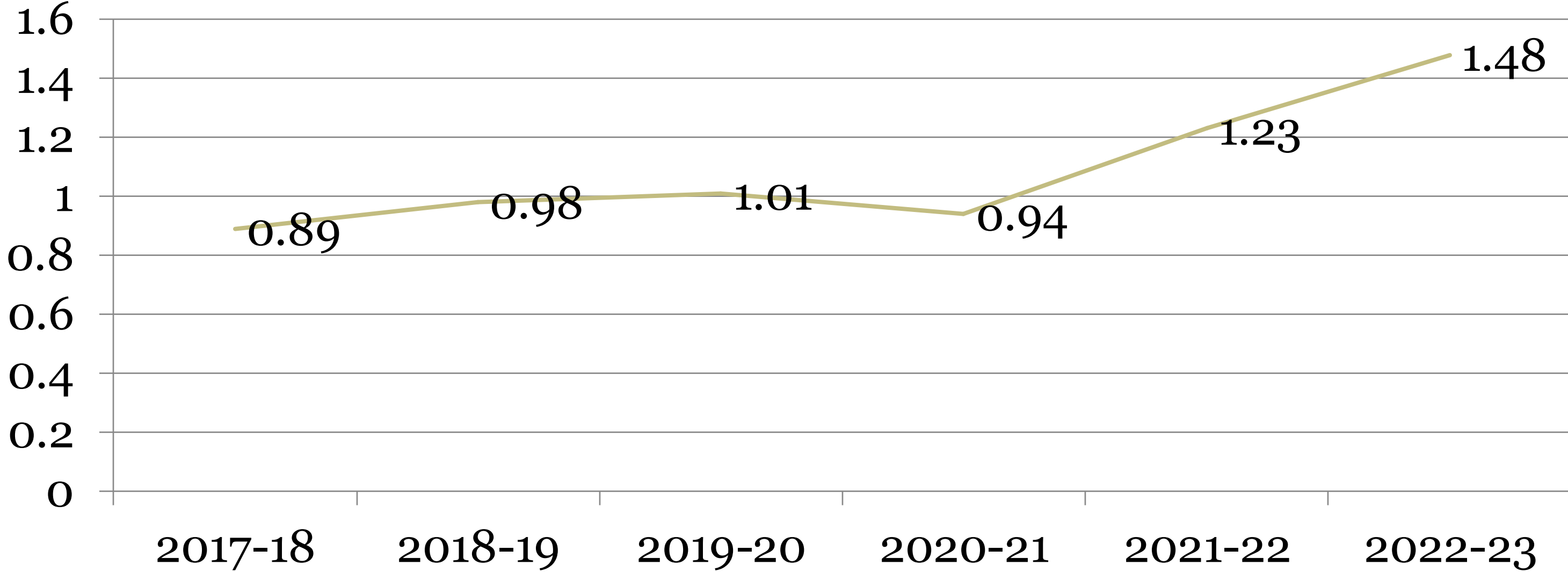
Front-end By GSTN

Back-end By CBEC/States/GSTN

The goods and services under GST attract various rate slabs as detailed below:

Sl. No.	Rate Slabs
1	0%
2	5%
3	12%
4	18%
5	28%

Average monthly GST collection (Rs. In lakh crore)



—Average monthly collection (Rs. In lakh crore)

GST Registration Process

Registration



Phase-I

Deemed Registration*



Phase-II

Aadhaar Seeding
Or
Other sources



* Existing taxpayers are asked to update their Aadhaar number.

- Introduced from April 01, 2018
- Supplier transporting goods above Rs 50,000/- has to generate e-way bill
- Effective tool to track the movement of Goods
- E-Way Bill validity depends on the distance to be travelled

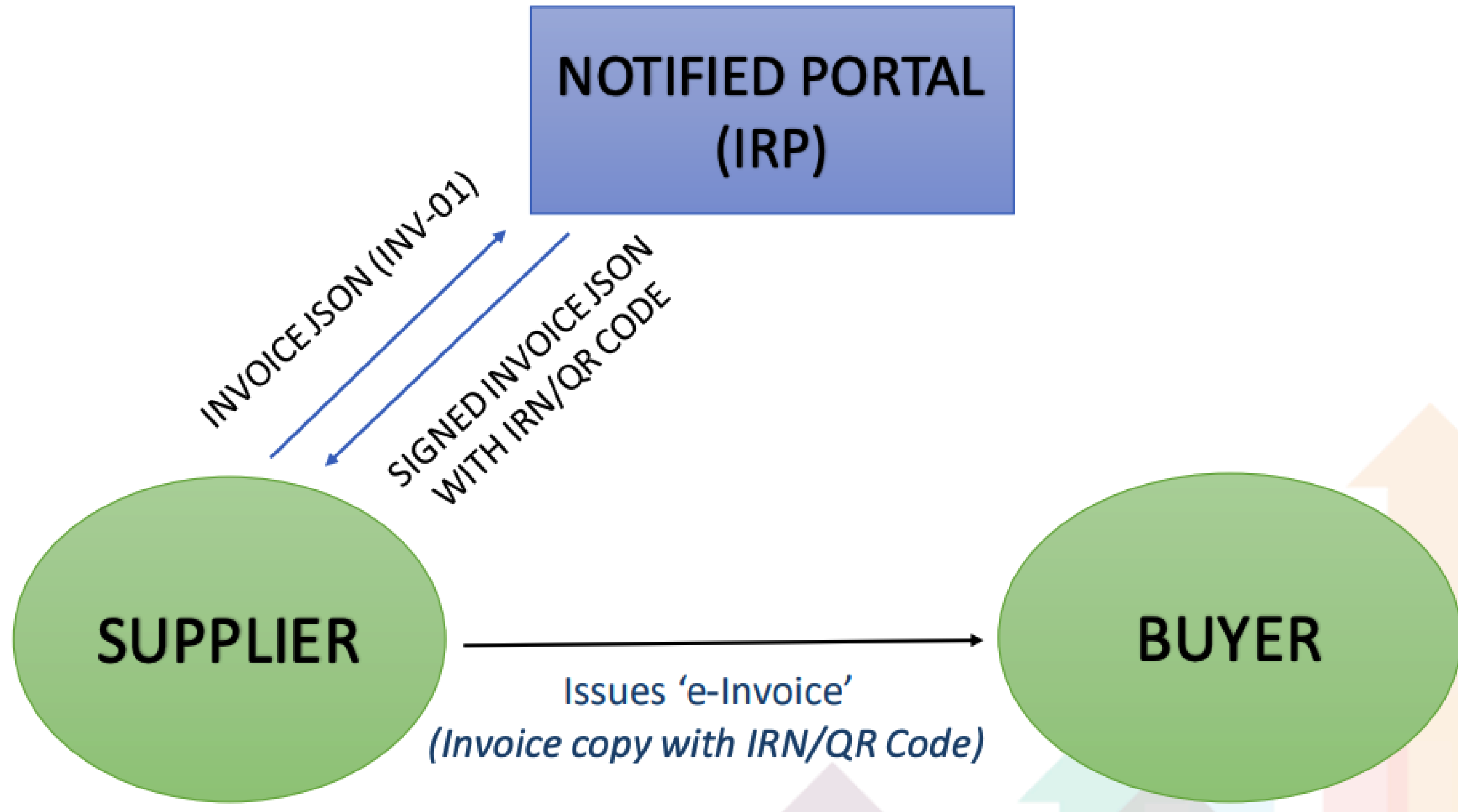


- PART A

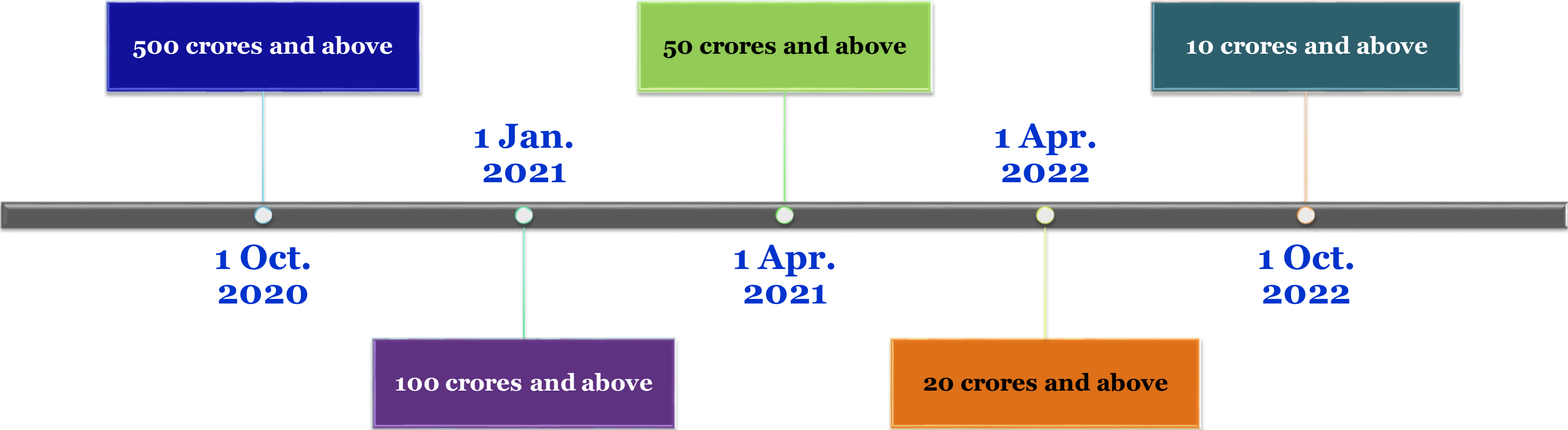
- GSTIN of Recipient - GSTIN or URP
- Place of Delivery - PIN Code of Place
- Invoice/Challan No - Number
- Invoice/Challan Date - Date
- Value of Goods -
- HSN Code - Atleast 2 digit of HSN Code
- Reason for Transport - Supply/Exp/Imp/Job Work/...
- Transporter Doc. No - Document No. provided by trans.

- PART B

- Vehicle Number - Vehicle Number



e-Invoicing – Applicability Timeline Based on AATO



Step 1 : File GSTR-1 as Supplier



User Entries in GSTR-1

- Populate data from E-way bills
- Invoices Amendments credit /debit notes

E-Invoice Data

Auto-populate

GSTR-1 : Statement of Outward Supplies

Due Date of GSTR-1/IFF

- Monthly - 11th of every month
- IFF - 13th of every month
- Quarterly - 13th of next month of quarter

Auto-populated GST Liability

Step 2 : Generate GSTR-2B as Receiver



GSTR-2B : Auto-drafted ITC statement
Generation date : 14th of every month

Available ITC

Not available ITC

ITC reversible

Auto-populated ITC

Step 3 : File GSTR-3B

GSTR-3B: Consolidated Summary of Return

Auto-populated Data

- Liability from GSTR-1
- ITC from GSTR-2B
- Late fee in case of delayed filing

User Entries

- RCM Liability
- RCM- ITC availment
- Payment of Tax

Due Date of GSTR-3B

- Monthly - 20th of every month
- QRMP - 22nd / 24th of next month of quarter



GST System Statistics

As on 30th September, 2022



1.40 Cr.

Registered Tax Payer



96.08 Cr.

Total Return Filed



303.84 Cr.

E-way Bill



1580 Cr.

Total Invoice Upload



49.73 Lakh Cr.

Payment Through the Portal
(Excluding IGST on Imports)



25.54 Cr.

Total No. of Payment
Transactions



24.85 Lakh

Highest Returns Transactions
in a day



9.55 Lakh

Highest Payment Transactions
in a day

- Business Intelligence and Fraud Analytics has been developed to detect and prevent cases of tax evasion, mismatching of invoices, etc. The authorities shall be using Analytics to improve upon GST enforcement mechanism.
- BIFA provides an excellent graph based movement of values such as ITC besides highlighting common factors such as common authorized signatories, mobile numbers, email id etc.
- The tool has helped many tax authorities to nail down kingpins in fake ITC and invoices rackets. The 2 most common graphs (Network visualization) reports on GST portal are the analysis of inward supply chain and analysis of outward supply chain.

Focus Areas



Detection of tax evasion
Tax avoidance



Revenue assurance



Performance monitoring by senior officials



Process Compliance



Creation of statistical insights for policymakers

Thank You