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"Fulfilment Of Compliance Practices And Filing Of Returns Under Goods And Services Tax (GST) ; A Study With Special Reference To Clients Or Business Units In Pune, Maharashtra, India "

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Abstract:

Since its development of Taxation Policy, the Indian - Either Central or State Government is motivated and trying to bring more and additional revenue through the mode of direct and indirect taxes. The income tax is one way of Direct tax and the Good and Service Tax is a way of Indirect Tax. Goods and Service Tax or GST as it is known is all yet to be proven as a game changer and booster for the Indian Economic Taxation system. This objective of this study is to find out the **GST as it is evolved an all India One Nation One Tax regime.** It has now been more than a two decade since the conceptual of National Goods and Services Tax (GST) was mooted and suggested by Kelkar Task Force Committee since 2004. The Task Force had strongly recommended fully Integrated 'GST' on National basis.

Technology always plays a crucial role in our life. New and advancement in technology has made our life's even more easier. These technologies are often & gradually improving day by day and making our life simple even to the government too. This research paper focuses on the various compliance practises that an industry or a unit or an firm has to follow with respect to documentation and filing of returns under the scheme of Goods and Service Tax (GST) that has been applicable as indirect tax across the nation in India since 2016 onwards.

Key Words :

Goods and Service Tax, GST, compliance practises, Filing of Returns, Indian Economy, Indirect Taxes, Income, Tax, Government, Documents and Due dates, etc.

Title :

"Fulfilment Of Compliance Practices And Filing Of Returns Under Goods And Services Tax (GST) ; A Study With Special Reference To Clients Or Business Units In Pune, Maharashtra, India "

Introduction :

Goods and Service tax i.e. (GST) in India is implemented from July 1st 2017, the largest and most impactful change in the Indian Indirect Taxation System was bound to happen. The GST as a Tax would replace almost all the existing indirect taxes on the consumption and it will be applied on both the goods and the services too. For the goods, it will be levied as at destination based, whereas for the services, it will be levied as at the consumption based.

The basic ideology of moving towards the model of GST was first initially mooted in the Budget for Fiscal Year 2006-2007. The Empowered or Steering Committee of Various State Finance Ministers (EC) which had than formulated the design of Structured State VAT was requested to bring up with a roadmap and holistic structure for the Tax as GST. Joint Working and Empowered Groups of state and central officials having their representation of the respective States as well as the Centre were than set up to examine the various aspects of the GST Model and draw up their reports with focus specifically on the exemptions and its thresholds, taxation of various services and taxation of the inter-State supplies.

Based on through and long discussions within (Committee) and between it and the Central Government, the Empowered Committee of Finance released its First foremost Discussion Paper on the GST in the year of November, 2009. This first time spells out the various features of the proposed and overview of GST and has formed the base for the discussion on tax levy between the Centre and the States - governments.

GST is one a type of tax that is levied on manufacturing of goods, later on selling and its consumption of goods and services, that are distributed among the Central Government and the various State Governments. The so called Credits of input taxes that are to be paid at each stage will be simultaneously available in the subsequent stage of it's value addition, which makes an GST essentially a tax only on the value that is in addition at each individual stage. The final or end consumer will thus bear or pay only the GST charged by the last dealer i.e at times a retailer in the supply chain, with availing the set-off benefits at all the previous stages in the distribution chain. GST, being a destination based charged as consumption tax; GST is usually and at time levied on the import of goods and services too, with export transactions percentage being at zero rated under the various GST scheme.

Chart No.01

Source : Prepared by Researcher through Secondary Data

Goods and Service Tax (GST) is sincerely to become a success and reality in India. As all goes well, it was to be effective from 01st April 2017 across the country including the state of Jammu and Kashmir. This served as to be a biggest reform in the history of India, particular in the field of Indirect Taxation where around major of 11 types of taxes are going to be merged or subsumed in one single tax. There is no doubt, GST will be a act as a game changer for the country in developing stage like that of an Indian Economy. It will open up a new way for growth and act as a tool for developing of under developed states in India like

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Bihar, Orissa, Uttar Pradesh, etc. Eastern part of the indian country, which is as of now is not developed or less developed, will surely be having more benefit due to the fruits and revenue that is arised out of GST.

The goods and services tax is an value-based tax, same as like the VAT, and is levied or charged on goods and services that are simultaneously produced and sold for the local consumption purposes. The GST, as a tax is paid at every stage of its supply cycle as involved by its involved businesses- chains, but the ultimate cost that is paid or tax is to be borne by the end consumer. Some western countries, including India, have thus implemented GST with the key of Input Tax Credit (ITC) as a mechanism to avoid for the duplicate payment of tax on the same supply. GST in India is usually levied on most or several of the consumable goods and services in production.

The single platform based GST subsumed under its several taxes and levies, which than earlier included Central Excise Duty, Services Tax, Additional Customs Duty, Sur-Charges, State-Level Value Added Tax and lastly Octroi. Other state and central levies which were applicable the supply of, on inter-state transportation of goods and services have also been cleared away with in the GST regime. GST, as a tax is levied on all types of transactions such as may it be a sale, a transfer, a purchase, a barter, a lease, or an import of goods and/or any combination of services.

India has adopted a dual based GST model, meaning that it is a policy of taxation is administered by both control of the Union and the various State Governments. The transactions made within a single state or inter state are levied with Central GST (CGST) byc the chargeability by Central Government and State GST (SGST) by the chargeability by the State governments. For the purpose of inter-state transactions and for the imported goods or services, an Integrated GST (IGST) is levied by the role at centre by the Central Government.

GST is a always defined as an consumption-based tax or an destination-based tax, therefore, ultimately taxes are to be paid to the state where the goods or the services are consumed not in the state in which / where they were produced. The concept of IGST complicates the tax collection for various State Governments by disabling or creating difficulty for them from collecting the tax owed to them that are directly from the Central Government. Under the previous or old system, a state in indirect tax structure would only have to deal with a single State government in order to collect the tax or its revenue.

This study is concerned with the awareness, satisfaction level, compliance practises and difficulties faced by business community and many people while e-filing the return.

Objectives of the paper :

The study has following objectives:

1) To study the online GST portal.

2) To study the documentation required for GST registration for Proprietors, Partnership Firms & Private Limited Companies Etc.

3) To study the compliance practices of GST.

4) To study the Input Tax Credit, Payments & Refunds.

5) To study the invoicing and billing of GST.

6) To study accounting & auditing of GST.

Research & Methodology

Definition of research -

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Research is defined as an scientific and a systematic search for the pertinent or desired information on a specific topic i.e. in-facts research is one type of an art of scientific investigation.

According to Dr. Phillip Kotler : Research is a scientific design, collection, analysis of collected data that is relevant to a specific marketing situation currently facing by the company.

Research is always planned and designed, structural - investigation and analysis. It is conducted always in a systematic manner to check, verify or prove or disprove clues and various assumptions. It supplements usually the knowledge and extends the facets and frontiers of one's understanding.

About my Research Problem -

The present research paper or study is exploratory in nature. Since GST i.e. Goods and Service Tax is a new phenomenon and concept in India, there are hardly or very few any studies in this area of taxation. Specifically there is a huge gap of empirical studies on GST as a tax perspective in India. This study analyses and looks into the fulfilment of GST compliances by various industries either small or large scale.

Need of The Study -

This study have to understand about the compliance practices under the GST. Under this study we would come to know that how much level of understanding is there about the GST and different compliance practices of GST for various proprietors as well as traders , tax-payers concerned by or under the purview of GST.

Data Collection –

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Data collection is the process related to gathering the information about the relevant topic research taken for study, which is be studied. Data Collection generally takes place early in an improvement or development project , and is often at times formalized through data collection plan or system which often contains the various following activity :

- Pre collection activity on goals, target or sort data, definitions and methods.
- Collection of Actual Data. - Primary or Secondary, whatsover.
- Presenting the findings involving various forms of sorting & analysis.

For accomplishing this and pre-stated objective of study, both Primary and Secondary data have been collected by the researcher.

Documents required for the GST Registration –

- PAN Number of the Applicant
- Aadhaar Number or card
- Proof of business registration or Incorporation Certificate
- Various Identity and Residence Proof of Promoters/Director alongwith Photographs
- Address proof of the registered place of business
- Bank Account statement/Cancelled Cheque
- Digital Signature, if applicable
- Letter of Authorization or Board Resolution for purpose of Authorized Signatory

Chart No : 02

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Source : Prepared by Researcher through Secondary Data

GSTIN –

All of the businesses registered with GST Portal will be assigned a unique Goods and Services Tax Identification Number (GSTIN).

Each taxpayer or registered one is assigned with a state-wise PAN-based 15-digit Goods and Services Taxpayer Identification Number (GSTIN).

Chart No 03

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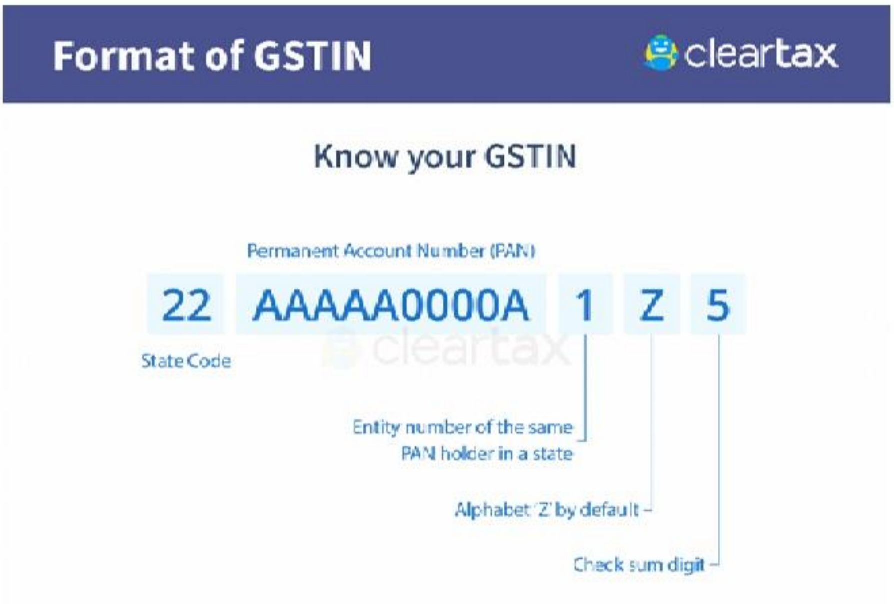

Source : Prepared by Researcher through Secondary Data

GST Returns –

Under GST, a registered or authorised dealer has to file GST returns that include:

- Purchases
- Sales
- Output GST (On sales)
- Input tax credit (GST paid on purchases)

Table No : 05

GSTR ANX-1	• Annexure of outward supplies, import and inward supplies attracting RCM	Mandatory for All Taxpayer
GSTR ANX-2	• Annexure of inward supplies	Will be Autopopluated from GSTR ANX-1
FORM GST RET-1	• Monthly/ Quart rely(Normal return)	Mandatory for Taxpayer (Providing all supplies)
FORM GST RET-2	• SAHAJ RETURN	Mandatory for Taxpayer (Supplies only B2C & inward RCM)
FORM GST RET-3	• SUGAM RETURN	Mandatory for Taxpayer (Supplies only B2C+B2B+ inward RCM)
FORM GST PMT-8	• Payment of Self Assessed Tax.	Required for Taxpayer (opting for Quarterly return)

Source : Prepared by Researcher through Secondary Data

Input Tax Credit -

Enough has already been said about what a significant and path breaking reform GST would be. But if there is one thing, that completely stands out about this GST tax, it is – the mechanism of availing Input Tax Credit under GST.

Table No : 06

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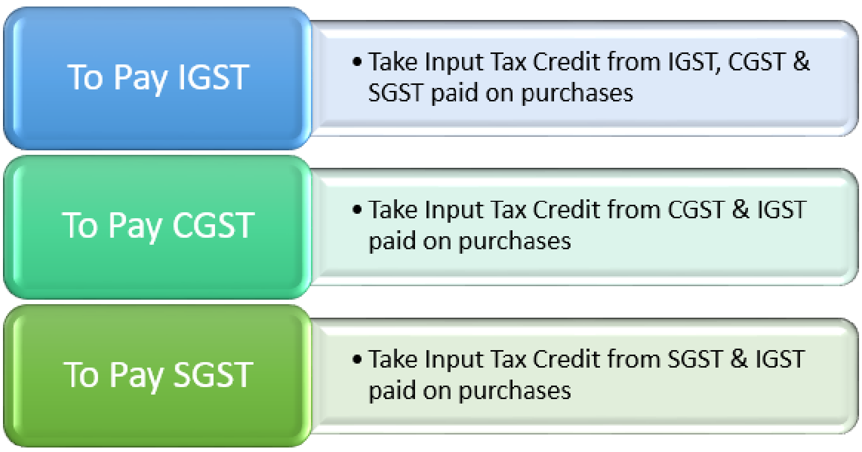
How to Avail INPUT CREDIT



Source : Prepared by Researcher through Secondary Data

Payments of Taxes –

Under GST regime the tax has to be paid is divided into 3 levels –

- IGST – To be paid when of inter-state supply is made (Paid to Centre)
- CGST – To be paid when making of supply within the state (Paid to Centre)
- SGST – To be paid when making of supply within the state (Paid to Respective State)

Table No. 01

CIRCUMSTANCES	CGST	SGST	IGST

Goods sold from Delhi to Mumbai	NO	NO	YES
Goods sold within Mumbai	YES	YES	NO
Goods sold from Mumbai to Pune	YES	YES	NO

Source : Prepared by Researcher through Secondary Data

Suggestions & Recommendations:

- Vendors or Customers or Tax Payers must be made aware and conscious of the various services provided under early GST through making of soft calling as well as the with the help of client companies.
- The vendors working under those associated companies will trust the parent company more than a newly formed portal other than government portal.
- The following measured must be taken in order to improvise the GST portal:
    1. Login page, if possible should be removed and instead a auto form should appear after clicking on the link and after submitting the GSTIN number a computer-generated, Login Id and Password should be provided to the customers.
    2. Earlier GST portal should be again made more compatible or user friendly with various different browsers supporting feature as well as with mobile phone browsers support too.

3. In the mail which is auto-sent to various vendors it should be properly mentioned along with support to open the login link in chrome that is specific browser only.

Conclusion:

We can say that GST has made a drastic change in the growth of Indian economy and related to all the sectors. We cannot not conclude right now about the exact effect of GST, but we can certainly take it in a positive and hopeful way for the betterment of the taxation policy in India.

Implementation and then the acceptance of concept of GST as a tax is one of the best decision taken by the Central and the State Indian government jointly, both. For the same reason, the date of July 1 was celebrated as "An Financial Independence Day" in India where all the Members of Parliament in India, in Delhi attended the function in Parliament House to celebrate it. The transition to the different phases of GST regime which is accepted overall by over 159 countries would not be as so easy. Various confusions and complexities are expected and are bound that will surely happen. India, after a sometime, at some point, had to comply and get accustomed with such new system or regime. Though this tax structure might not be a perfect one, as need more revisions, but when once in place, such a tax structure will make India a better economy favourable, in terms of taxation for foreign investments.

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