Good and Service Tax An International Comparative Analysis
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Introduction

Constitutional amendments in 2014 (1902 Act) formally recognized the goods and services tax, or GST bill proposes to implement a national VAT rate in India since June 2016. "Goods and services tax" requires a comprehensive indirect tax on the production of goods and services in India to replace the taxes charged by the central and state governments, sales and consumption. Goods and services taxes are collected and collected at each purchase or sale stage of a good or service according to the input tax method. In this way, GST registrants can claim a tax credit for the GST value paid when purchasing goods or services as part of normal commercial activities. Taxable goods and services are not indivisible and are taxed at a single rate in the supply chain until the product or service reaches the consumer. Administrative responsibilities generally depend on a single authority to levy taxes on goods and services. Exports have a zero rate and the import is subject to the same tax as domestic goods and services that comply with the destination principle.

The introduction of taxes on goods and services (GST) will be an important step in the reform of indirect taxes in India. The combination of some central and national taxes in one tax reduces the chain or double taxation and promotes a common national market. The simplicity of taxation makes it easier to manage and enforce. From the perspective of the consumer, the biggest advantage is that the total tax burden on the product is now 15% -30%. India is a federal republic and the GST is simultaneously enforced by the central government by the government and the provincial government.

Goods and services tax is a comprehensive tax on the production, sale and consumption of goods and services at national level. GST offers comprehensive and sustainable benefits in terms of a range of taxes on goods and value-added services at every stage, up to the level of retail, only the end-user must bear the tax producers' service provider.

The double GST system suggested that both the center and the state would impose GST at the same time through the value chain. Tax is levied on all deliveries of goods and services. The Center collects and collects the Central Goods and Services Tax (CGST) and the State will impose and collect the National Goods and Services Tax (SGST) for all transactions in the country. The tax benefits of CGST can be used to fulfill CGST responsibilities for deliverables at every stage. Similarly, payments to SGST may pay SGST payments. Cross-credits are not allowed.

GST offers extensive and continuous compensation benefits from taxes on products and services, from manufacturer standpoint and service provider to retailer. In essence, a tax only on the added
value and suppliers of each step at each stage is the purchase of goods and services paid through the GST tax credit arrangement, GST is due on the delivery of goods and services. Therefore, the end user only needs to carry the GST imposed by the last dealer in the supply chain, and they all compensate in the previous step. The striking features of the proposed model are as follows.

1. In accordance with the federal structure of the country by GST has been imposed in two parts of the Center (hereinafter referred to as Central GST) and the other US (hereinafter referred to as GST).
2. The Central GST and State GST shall apply, except in a transaction outside the scope of the exemption of goods and services, to limit GST items and regulations or less all transactions of goods and services.
3. The Central GST and the GST of the State will be paid separately in the Center and in the United States.
4. Since the central GST and the national GST must be treated separately, the taxes that are generally paid to the GST Central can be considered as an input tax deduction (ITC) for the central GST and can only be used for payments. The same principles apply to national GSTs.
5. ITC cross-use between the central GST and the national GST is generally not allowed.
6. The management of the central GST is coordinated with the center and the main GST
7. Taxpayers must submit periodic notifications to the central authorities of the GST and to the competent authorities of the GST.
8. Each taxpayer is assigned a PAN number corresponding to the taxpayer with 13/15 characters. This brings the GST PAN Connection system together with the dominant PAN-based income tax system that facilitates exchange of information and taxpayer compliance. The exact design will be done in consultation with the Office of Income Taxes.

**Compare GST with other courts in India**

There is no ideal value added tax (VAT) in India. The status is followed by the central VAT ID followed by the VAT level. The same applies to GST. There is no ideal GST in which all indirect taxes are included in one. When selling goods from one state to another, the central sales tax that is levied centrally continues in another format called Integrated GST. Therefore, the central government will impose an IGST of 1% according to the current information for two years from the date of the GST. This period may change subject to the prescription of the GST Council. There is a possibility to extend this period by two years. This contradicts the goal of the GST. There are items that are currently exempt from GST. Important items exempted from GST are alcohol for human consumption, aircraft turbo fuel, diesel and petrol. In other words, the GST council must determine when the item must be processed under GST. If the item is excluded from GST, the GST target is again invalid. Because the state receives 40% of the revenue from these items. We can therefore call this GST differently in other countries than GST. There are some problems regarding GST. GST rates in other countries are as follows

**GST per country**

1. Australia 10%
2. France 19.6%
3. Canada 5%
4. Germany 19%
5. Japan 5%
6. Singapore 7%
7. Sweden 25%
8. India 18%
9. New Zealand 15%
10. Pakistan 18%
11. Malaysia 6%
12. Denmark 25%

Conclusion
Consumption and production of goods and services are undoubtedly increasing and the complexity of the current tax administration is also accelerating compliance costs. That is why we need a simple, user-friendly and transparent tax system that can be implemented with the implementation of GST. Implementation implies a consistent tax system that feeds most of the current indirect taxes, and in the long run will lead to higher production, more employment opportunities and GDP growth of 1 to 1.5 percent. It can also be used as an effective tool for managing fiscal policy if it is successfully implemented at the same national rate. It will also lower the costs of doing business, thereby increasing the competitiveness of national products on national and international markets. There is no doubt that GST India will offer a world-class tax system to seize other treatments in the processing and service sectors. But all this depends on a reasonable design and timely implementation. Due to the tax on goods and services in India is wrong and the allocation of resources, productivity and economic growth decline, due to the cascade effect can become any taxes imposed on the production. The need for time is a VAT on goods and services to remove distortions and taxable consumption. Under this structure, all production and distribution can be easily interpreted as a deduction (passing tax) and is essentially a tax on consumption in the tax area of the faithful. The 'zero-defect' GST is designed as a target type VAT-based invoice credit method. It helps to optimize efficiency, justice and efficiency.

References: