Challenges of Goods and Services Tax (GST) in Indian Prospective

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Abstract

From 1 April 2017 there are manufacturers, traders and community reactions to the goods and services tax (GST) that are enforced by the Indian government, illogical claims and opinions. Several media companies around the world have concentrated on this unification law and have achieved government performance. With the passage of tax legislation for goods and services in Rajya Sabha, India is at the center of the world economy. As the bill was passed, many international newspapers have given their opinion on how the GST legislation has brought a new wave of economic reforms in Britain. The document emphasizes the background, investment prospects and problems surrounding the implementation of the goods and services tax (GST) in India. Finally, this document examines the conclusions and draws conclusions.

Introduction

The "Genesis" of the Bible suggests that a fifth of all crops should be given to Pharaoh. Ancient Greek city nations have imposed eishpora to pay a lot of war costs. But when the war was over, the surplus had to be repaid. Athens imposed a monthly rent on foreigners. The empire, Rome, strengthened the growth of the empire by using homage drawn from the settlers. Julius Caesar imposed a sales tax of 1%. August introduced a inheritance tax to provide the army with pension benefits. But humanity has remained the most favorable form of tribute to both Greece and Rome. (Courtesy New Internationalist Magazine).

The Indian tax system

India has a well-structured and streamlined tax system with a prestigious separation between the central government, various state governments and local groups. The Ministry of Finance of the Indian Ministry of Finance is solely responsible for the tax calculation. This department levies taxes on individuals and organizations for income, taxes, service tax and central consumption. However, the income tax for agriculture is levied by each state. Local authorities have the authority to calculate and charge taxes on drainage, water supply and many other utilities and other public services. In the past 15 years, the tax system in India has undergone tremendous reforms. Apart from the rationalization of the tax rate, other tax legislation simplified during this period. But the tax rationalization process in India is still under way. New business map of India)

Amendments to the Constitution for GST
India's 100th constitution and first constitution, officially recognized as the constitution of 2016 (first amendment of the constitution), introduced the national tax on goods and services from India on 1 April 2017. GST is a value added tax (VAT) and is subject to an extensive indirect tax on the production, sale and consumption of goods, as well as on national services. It replaces all indirect taxes on goods and services by IGST, a one-off tax on the delivery of goods and services from the manufacturer to the consumer. The tax amount paid at each stage can be used in the next phase of VAT, and GST will in principle only levy the added value at each stage. Therefore, the final customer will only be charged GST, which is imposed by the last dealer in the supply chain, and compensatory benefits will be provided at all previous levels of central and provincial government in India. It is meant to be comprehensive for most goods and services. India's GST enforcement mainly consists of two components: a 'double', the Center (CGST) and the United States and the Union Territory (SGST).

Research methodology

The researchers collected extensive academic literature on goods and services taxes using in-depth research techniques based on each journal, annual report, the historical literature of the newspaper and the journal. For the purposes of this study, research design is essentially narrative. Available secondary data have been widely used in research.

Research objectives

1. Investigation of the illogical view of manufacturers, traders and society about the tax on goods and services (GST).
2. Study the challenge of importing goods and services tax (GST in India).
3. Study on the prospect of India's introduction of taxes on goods and services (GST)
   1. The ban had a huge impact on the tax on goods and services (GST), which raises serious questions about the implementation of GST on the target date of the central government of 1 April 2017.
   2. Emphasize that the impact of demonizing currency with high added value on the economy of each country on 8 November is not the right time to implement. It can have an unstable influence on the economy.
   3. The Center does not compromise on the issue of jurisdiction over the assessment, and the State maintains it.
   4. It is not correct to determine the fate of GST for political reasons. Ideally, GST is an economic and tax reform and economic and tax reforms should not be politically accepted.
   5. Manufacturers, traders and society are eagerly looking forward to the approval of GST and the application of tariffs for products and services.
   6. GST also has an influence on cash flow and working capital. The cash flow and working capital of a company that maintains high commodity stocks in other states is adversely affected by the payment of full GST on the transfer of shares from one
country to another. At the moment, CST / VAT is paid at the time of sale, not the transfer of shares.

7. Implement the GST in the unorganized sector, ie companies that are not registered, are at a disadvantage vis-à-vis the government.

Prospects for the implementation of GST

The introduction of goods and services tax (GST) in India has now begun. Changes to the Constitution A legislative proposal to replace various existing indirect taxes with a constant GST in India.

1. The current indirect tax structure is a major obstacle to India's economic growth and competitiveness. Tax impediments in the form of CST, import duties and a limited tax credit distorted the Indian market. The cascading effect of tax on costs makes indigenous production less attractive. Complex multiple taxes increase the compliance costs. In this scenario we consider the introduction of GST.

2. By removing the tax barriers for uniform GST acceptance across the country with smooth creditworthiness, India will be a common market leading to economies of scale and efficiency of the supply chain. It will expand trade and commerce. GST will have a favorable impact on the organized logistics sector and modern warehouses.

3. Electronic processing of tax refunds, reimbursements and tax payments via 'GSTNET' without human intervention reduces corruption and tax evasion. Built-in controls for business transactions through seamless credit and return processing reduce the amount of black money generated, leading to productive capital use.

4. The main beneficiaries of GST are the FMCG, pharmaceutical, durable goods and car and storage and logistics industries.

5. High inflationary effects include telecommunications, banking and financial services, air and road transport, construction and development of real estate.

Conclusion

You can conclude that the GST will bring one country and one tax market. Providing assistance to producers and consumers through a wide range of pre-tax reductions, service taxes and comprehensive taxes. By structuring GST effectively, you can significantly increase your focus and revenue and revenue from the country by increasing your revenue base and improving compliance with tax laws. It can also be concluded that GST has a positive impact on various sectors and industries. GST requires intensive efforts from all stakeholders, such as central and provincial governments, trade and industry. Electronic processing of tax refunds, reimbursements and tax payments via 'GSTNET' without human intervention reduces corruption and tax evasion. Built-in inspections for business transactions through seamless credit and return processing reduce the size of the surplus that leads to productive use of capital, so training and
ongoing seminars and workshops on GST should be taught and conducted by the government. That is why you must take the necessary measures.

References