Tax – it is collected by the government to provide the Road, Security, Education & Infrastructure etc. it collects directly or indirectly from citizens of the country.

Types –

1. Direct : Income Tax ,Gift Tax, Wealth Tax.
2. Indirect : it applied on purchased items or Services, which were taken by the provider& paid to the government. Ex. GST, VAT, Excise etc.

GST – Goods & Services Tax :

Manufacturers, Traders & Service Providers.

GST Applicable from : 1st Jul 2017,

Objective: to set "One Nation – One Tax"

GST No Applicable with: Normal Category & Special Category

Normal Category (on State basis): Turnover : 1st Apr – 31st Mar, less then 40 Lacs. For Service Provider it is 20 Lcs.

Special Category (Pudducheri, Meghalaya, Mizoram, Tripura, Manipur, Sikkim, Nagaland, Arunanchal Pradesh & Uttarakhand) : Turnover : 1st Apr – 31st Mar, less then 20 Lacs. For Service Provider it is 10 Lacs.

Turnover: Total Sales from date 1st Apr to 31st Mar.

GST Registration Scheme –

1. **Composition Scheme**
2. **Regular Scheme**

Composition Scheme: for small Businesses-

Manufacturers & Traders: Turnover max 1.5 Cr (for Special Category – 75 Lacs)

Service Providers: Turnover max 50 Lacs.

Composition Scheme Rule –

- ***Sale only in own state only but can purchase from any state.***

- No ITC (Input Tax Credit) : GST Paid on Pur can't be adjust & once paid GST on purchase, seller again can't take another GST Amount from Customer.
- Extra GST Paid 1% by Manufacturers & Trader, 5% by Restaurant & 6% by Service Provider on total sales.
- "Bill of Supply" written on Bill, it shows that seller GST Registered under Composition Scheme.
- ITC – Input Tax Credit : in this GST Paid tax can't be take return from Govt.
- Tax paid quarterly. GST – CMP08, GSTR-4 once in a session.

Regular Scheme – Not limit of Turnover. Purchase or sale can be done in same or from another state.

- Seller can take extra GST from Customer on taken profit on Item Rate on sale.
- Pay GST tax = (total taken GST from Sale – Output GST) – (total paid GST from pur – ITC "Input Tax Credit")
- GST Payable = Output GST – Input GST
- "Tax Invoice" Written on Bill to Customer.
- To keep every bill & provide details to the Govt.
- Tax required to be paid every months.
- File GSTR-3B & GSTR-1, if Turnover more than 5 Cr then every month, if not then Quarterly file GSTR-3B & GSTR-1

GST Registration Process

Goods & Services Tax Network : www.gst.gov.in

GST Identification No (GSTIN) : it based on PAN Card of Proprietorship Firm, Partnership Firm, HUF & Company.

GST Number Format (15 Letter) : 2 Digit State Code (ex. MP – 23), 10 Letter PAN No, 1 Letter indicate that no of registration on same PAN, 1 Letter generated automatically, 1 Letter Check Code to indicate.

Ex. : 23 | AAAAA1234B | 1 | Z | V

Days to finalize GST Registration : after apply online the Reference No provided. 3 to 5 days required & confirm on provided e-mail.

Types of Dealers in GST :

1. Registered Dealers (Composition Dealer & Regular Dealers)
2. Unregistered Dealer : not taken GST No – Customers or very small businesses.

GST Types –

- SGST
- CGST
- IGST

Intra State (in same State) Pur / Sale : GGST (1/2) + SGST (1/2), if in Union Territories then UTGST applied on the place of SGST.

Inter State (in another State) Pur / Sale : applied IGST, IGST received by Central Govt. after some time the Central Govt paid it's a part to State.

Tax Rate / Tax Slab : 0%, 5%, 18% & 40%

Exercise –

Practical Approach –

- Create Company (State – UP)
- Activate GST Feature

Ledgers	Group
Pur A/c	Purchase A/c, Enable - GST
Sale A/c	Sales A/c, Enable – GST
Alpha Computers	Sundry Creditor, Varanasi ,UP
Vindhya Computers	Sundry Creditors, Waidhan, MP
Ajay Kumar	Sundry Debtors, NCL Khadia, UP
Bimal Kumar	Sundry Debtors, Vindhyanagar, MP
CGST	Duties & Taxes, Type – Central
SGST	Duties & Taxes, Type – State
IGST	Duties & Taxes, Type – Integrated

- Unit of measure – Nos (Numbers)
- Stock Items
- Stock Group (also Assign the GST Tax %)
  - Laptop – 18%
  - Desktop – 5%
  - Keyboard – 5%
  - Mouse – 5%
- Stock Items & assign the Stock Groups.

Item Name	GroupUnit		Pur Cost	Sale Cost
• HP Laptop i3	Laptop	Nos	32500	35000
• HP Laptop i5	Laptop	Nos	36000	40000
• HP Desktop i3	Desktop	Nos	28500	31000
• HP Desktop i5	Desktop	Nos	31000	33000
• HP Keyboard	Keyboard	Nos	550	700
• Dell Keyboard	Keyboard	Nos	600	800
• HP Mouse	Mouse	Nos	500	700
• Dell Mouse	Mouse	Nos	600	800

Transactions

Purchase Voucher

- if seller from Same State than CGST & SGST with half GST Rate will be applicable
- if seller from Another State than IGST GST Rate will be applicable

Sales Transaction

- if Buyer from Same State than CGST & SGST with half GST Rate will be applicable
- if Buyer from Another State than IGST GST Rate will be applicable

- If Pur > Sales then GST Refundable
- If Sale > Pur then GST Payable (Liability)

GST State Code List of India

Thus, businesses need to know about the State code GST list, which forms the first 2 digits of the GSTIN. This state code list under GST is prescribed as per the Indian Census of 2011 and is as follows:

State code list under GST	State	State code list under GST	State
01	Jammu & Kashmir	20	Jharkhand
02	Himachal Pradesh	21	Odisha
03	Punjab	22	Chhattisgarh
04	Chandigarh	**23**	Madhya Pradesh
05	Uttarakhand	24	Gujarat
06	Haryana	25	Daman & Diu
07	Delhi	26	Dadra & Nagar Haveli
08	Rajasthan	27	Maharashtra
09	Uttar Pradesh	28	Andra Pradesh (Old)
10	Bihar	29	Karnataka
11	Sikkim	30	Goa
12	Arunachal Pradesh	31	Lakshadweep
13	Nagaland	32	Kerala
14	Manipur	33	Tamil Nadu
15	Mizoram	34	Puducherry
16	Tripura	35	Andaman & Nicobar Islands
17	Meghalaya	36	Telangana
18	Assam	37	Andhra Pradesh
19	West Bengal	38	Ladakh

Current GST Tax Slabs

- **0% (Nil Rate):**
  - **Items:** Fresh produce, unpackaged grains, milk, eggs, educational services, healthcare services, life-saving cancer drugs, and health/life insurance premiums.
- **5% Rate:**
  - **Items:** Packaged essentials, FMCG basics, basic utensils, agricultural machinery, salon services, gym services, and everyday food staples.
- **18% Rate:**
  - **Items:** Consumer durables, small cars, motorcycles up to 350cc, cement, batteries, IT and software services, and standard apparel.
- **40% Rate (Luxury and Sin Goods):**
  - **Items:** Luxury cars, motorcycles over 350cc, aerated/sugary beverages, tobacco products (such as cigarettes and gutkha), pan masala, betting, and casinos.

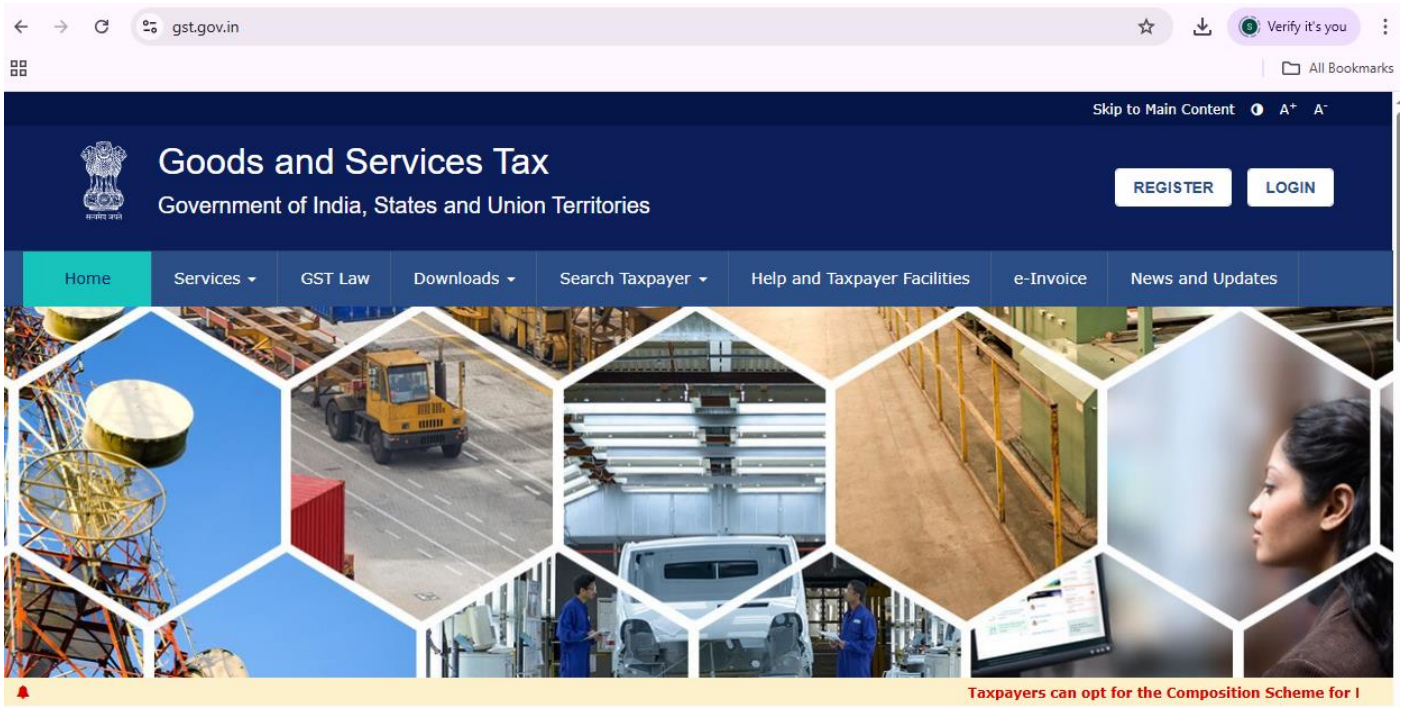
Special Rates

- **3%:** Precious metals (such as gold and silver).
- **0.25%:** Rough and cut diamonds.

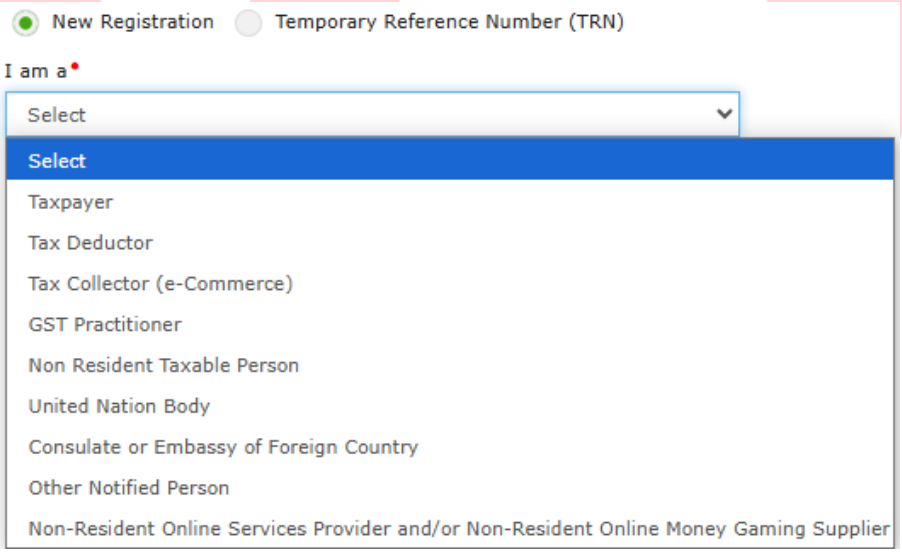
Revised GST Rates for Select Items

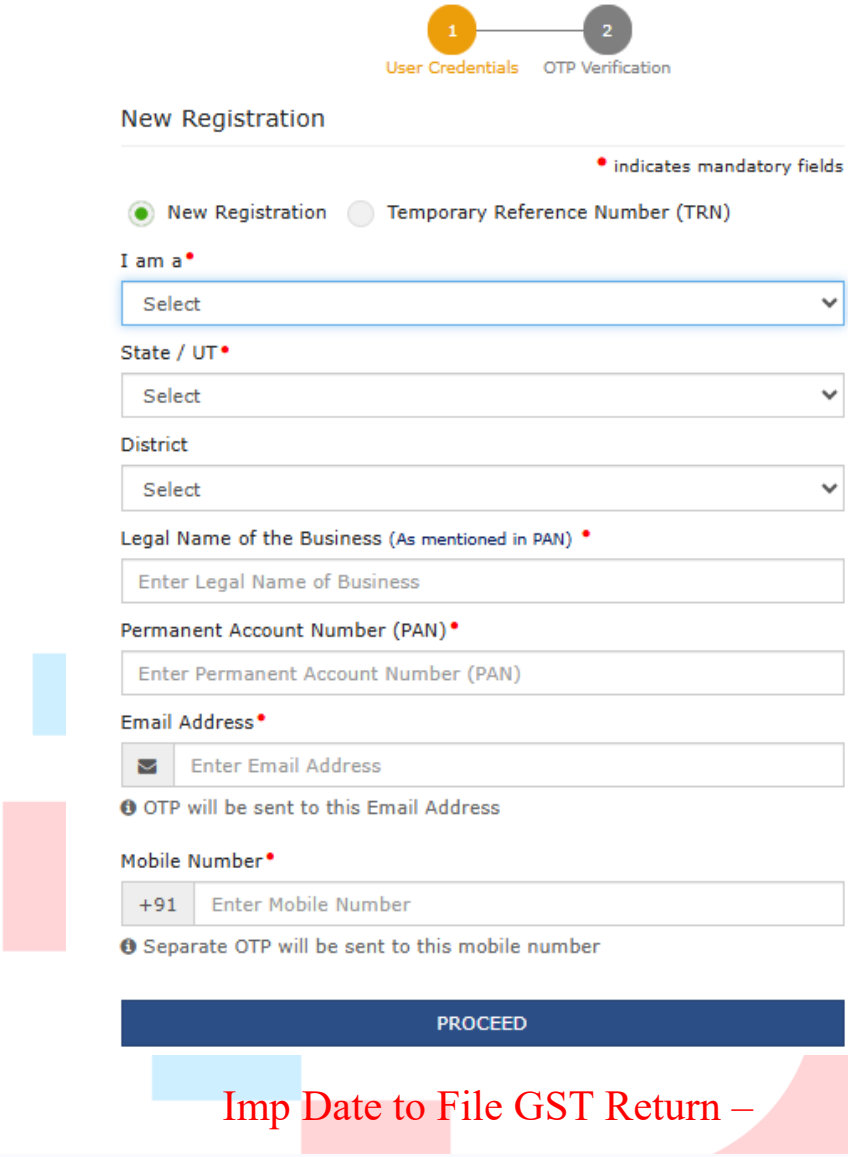
Category	Items	Previous GST rate	Revised GST rate
Daily essentials	Hair oil, shampoo, toothpaste, soap and similar household essentials	18%	5%
Daily essentials	Dairy products, namkeens, utensils, baby products and sewing machines	12%	5%
Agriculture	Tractors, tyres, bio-pesticides, irrigation equipment and agricultural machinery	12%–18%	5%
Healthcare	Individual health and life insurance premiums, 33 life-saving medicines, and Agalsidase Beta	5%–18%	Nil
Healthcare	Thermometers, oxygen equipment, diagnostic kits, glucometers and spectacles	12%–18%	5%
Automobiles	Small cars, three-wheelers, motorcycles with an engine capacity of up to 350cc, and goods vehicles	28%	18%
Education	Maps, pencils, notebooks and erasers	5%–12%	Nil
Electronics	Air conditioners, televisions with screens larger than 32 inches, monitors and dishwashers	28%	18%

GST Website –



GST Registration Page –





Imp Date to File GST Return –

Upcoming Due Dates

DOWNLOAD PDF

Monthly	Quarterly	Other Due Dates	
GSTR-3B (Oct, 2026) **Nov 20th, 2026**	GSTR-3B (Oct-Dec, 2026) **Jan 22nd, 24th, 2027**	GSTR-5 (Oct, 2026) **Nov 13th, 2026**	GSTR-5A (Oct, 2026) **Nov 20th, 2026**
GSTR-1 (Oct, 2026) **Nov 11th, 2026**	GSTR-1 (Oct-Dec, 2026) **Jan 13th, 2027**	GSTR-6 (Oct, 2026) **Nov 13th, 2026**	GSTR-7 (Oct, 2026) **Nov 10th, 2026**
IFF (Optional) (Oct,2026) **Nov 13th, 2026**	CMP-08 (Oct-Dec, 2026) **Jan 18th, 2027**	GSTR-8 (Oct, 2026) **Nov 10th, 2026**	RFD-10 **2 years from the last day of the quarter in which supply was received**