

S.G.INFOTECH



Goods and Services Tax (GST)

STUDY MATERIAL

PREFACE

Dear Students,

The Indian Tax System before the introduction of GST was a cascading of taxes. The Central Government levies tax on manufacture (Central Excise duty), provision of services (Service Tax), interstate sale of goods (CST levied by the Centre but collected and appropriated by the States) and the State Governments levy tax on retail sales (VAT), entry of goods in the State (Entry Tax), Luxury Tax, Purchase Tax, etc. It is clearly visible that there are multiplicities of taxes which are being levied on the same supply chain.

Further, a variety of VAT laws in the country with disparate tax rates and dissimilar tax practices, divides the country into separate economic spheres. Creation of tariff and non-tariff barriers such as Octroi, entry Tax, Check posts etc. hinder the free flow of trade throughout the country. Besides that, the large number of taxes creates high compliance cost for the taxpayers in the form of number of returns, payments etc.

All the taxes mentioned earlier are proposed to be subsumed in a single tax called the Goods and Services Tax (GST) which will be levied on supply of goods or services or both at each stage of supply chain starting from manufacture or import and till the last retail level. So basically any tax that is presently being levied by the Central or State Government on the supply of goods or services is going to be converged into GST.

GST is proposed to be a dual levy where the Central Government will levy and collect Central GST (CGST) and the State will levy and collect State GST (SGST) on intra-state supply of goods or services. The Centre will also levy and collect Integrated GST (IGST) on inter-state supply of goods or services. Thus GST is a unifier that is going to integrate various taxes being levied by the Centre and the State at present and provide a platform for forging an economic union of the country.

This tax reform will lead to creation of a single national market, common tax base and common tax laws for the Centre and States. Another very significant feature of GST will be that input tax credit will be available at every stage of supply for the tax paid at the earlier stage of supply. This feature would mitigate cascading or double taxation in a major way. This tax reform will be supported by extensive use of Information Technology [through Goods and Services Tax Network (GSTN)], which will lead to greater transparency in tax burden, accountability of the tax administrations of the Centre and the States and also improve compliance levels at reduced cost of compliance for taxpayers.

*This E-Book on **Goods and Services Tax (GST)** has been designed especially keeping in mind the learners and we have tried our-best to make this E-Book simple as possible, to make it easy for the learner and also elaborate the point to be handfull for anyone using the computer.*

If this E-Book helps anyone to learn and to use the computer effectively, it will be of great success.

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INTRODUCTION TO GST

GST is a transformational tax reform in our country since independence. All the existing indirect taxes being currently levied by Central and State Governments are subsumed under GST. GST can be termed as “One Tax, One Nation and One Market”. GST is a highly compliance driven law.

GST stands for Goods and Services Tax which is concurrent levy of taxes on “Supply” of goods and services. GST in India is a dual system, where the Central and State together are levying tax on supply of goods and / or services, within the State (Intra-State) and Inter-State.

Why is GST being introduced?

It was introduced on 1st July 2017. India is a federal country where both the Centre and the States have been assigned the powers to levy and collect taxes through appropriate legislation. Both the levels of Government have distinct responsibilities to perform according to the division of powers prescribed in the Constitution for which they need to raise resources.

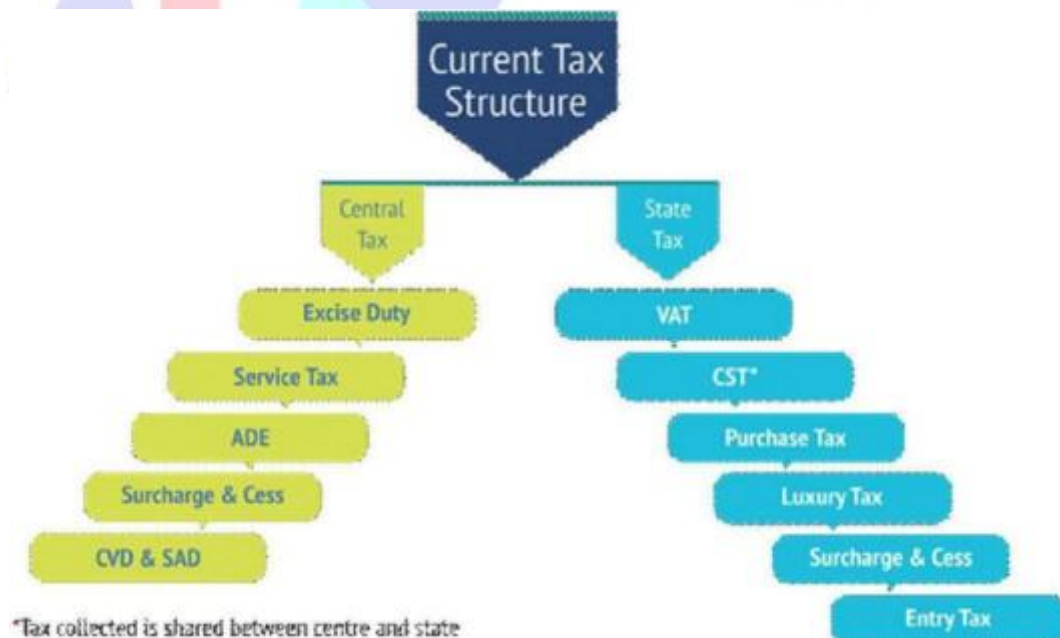
In each state of India, taxes and rules are different. GST leads to same rates of tax on different state. The current indirect tax system with multiplicity of taxes (Central Levy: – Excise duty, Service tax, Various Cess and State Levies: – VAT, Entry tax, Octroi, Luxury tax, Entertainment taxes, Purchase tax etc.) – at different rates – at multiple points (at the time of manufacture, trade, rendering services etc.). This has led to several inefficiencies and limitation. One of the major limitations is the cascading effect of tax. Under the current regime, Excise charged by the manufacturer on billing to a Dealer, the credit of input cannot be claimed by a dealer, and thus forming part of cost to dealer which leads to cascading of tax.

Under GST the credit utilization is available across the supply chain till it reaches the end consumer. Secondly, tax on tax is eliminated. Example: – Under the current tax regime, VAT is charged on the assessable value plus on Excise duty.



- **Simpler tax structure:** As multiple taxes on a goods or service are eliminated and a single tax comes into place, the tax structure is expected to be much simpler and easier to understand and administer.
- **Eliminates cascading effect of taxes:** One of the key features of GST is seamless availability of Input credit set-off mechanism. This helps in eliminating the cascading effect and benefit is passed on to consumer.
- **Increased Revenue:** A simpler tax structure can bring about greater compliance, thus increasing the number of tax payers and in turn tax revenues for the Government
- **Technology Driven System:** GST compliance is going to be transaction based and with cross matching concept, where, outward supply and inward supply are matched to determine the net tax liability for a given dealer. Millions of dealers and Billions of transaction need to be processed and „Technology“ plays a pivotal role in the successful implementation and administration of compliance.

CURRENT INDIRECT TAX STRUCTURE



Important Benefits of GST

- 1. No Tax on Tax in Case of GST**
Previously, Excise was charged on Amount. VAT/CST was charged on Amount + Excise. After GST, both Central and State GST are on Amount
- 2. Input of Central Purchases will be Available**
Previously on Central Purchases, CST is charged for which no input is available. After GST, Input is available on Central Purchases called IGST Credit.
- 3. Uniform Tax Rates in Different States**
Previously, Rates of VAT were different from state to state also in some states surcharge is levied on this VAT.
After GST, Rates are same for all. Uniform Rates
- 4. Full input on Capital Goods**
Previously on Capital Goods, 50% Cenvat was available in current year and 50% in next year. Also Input VAT on Capital Goods is different from State to State
(In Delhi, it is available in 3 years while in Haryana, not available at all)
After GST, input is available in first year

STRUCTURE OF GST

GST is a dual concept tax system. Under this system, tax is administered, collected and shared by both Centre and states based on the nature of transaction (within State or inter state). The tax components of GST are:



Differences between CGST SGST and IGST

CGST	SGST	Integrated GST (Interstate GST)
Full form of CGST is Central Goods and Service Tax	Full form of SGST is State Goods and Service Tax	Full form of IGST is Interstate Goods and Service Tax
CGST is charged on Local Sales within State	SGST is charged on Local Sales within State	IGST is charged on Central Sales (Sales Outside State)
It is charged and collected by Central Government	It is charged and collected by State Government	It is charged and collected by Central Government on Interstate Supply of Goods and Services
It replaces taxes like Central Excise and Service tax	It replaces taxes like VAT, Luxury tax and Entertainment tax	It replaces taxes like CST(Central Sales Tax)

TAXES SUBSUMED UNDER GST



HOW DOES GST ELIMINATE TAX ON TAX?

In the current regime of indirect tax system, the chain of input credit, at a certain point, is broken. Let's say Central Sales Tax (CST) applicable on interstate trade is non-creditable, leading to a break in the input credit chain. Similarly, a manufacturer charging excise duty on sale to a dealer causes the chain to break. This leads to taxes forming a part of the product cost.

GST allows for seamless flow of tax credit, and eliminates the cascading effect of all indirect taxes in the supply chain from manufacturers to retailers, and across state borders.

Let us examine this with an example of car as a product with overall rate of tax being considered same under existing and under GST regime - to illustrate elimination of tax on tax

Current Tax Structure

Example of Car:	Existing
Cost of Manufactures	4,00,000
Excise + Infrastructure cess @ 10 %	40,000
Vat 12%	52,800
Dealer Invoice	4,92,800
Dealer Cost	4,40,000
Margin @ 10 %	44,000
Sale Price for dealer	4,84,000
Vat 12 %	58,080
Price to customer	5,42,080
<i>Dealers Tax Liability</i>	
Net VAT / GST after set-off	5,280

Here, the Dealer Cost is Rs.4,40,000/-, including excise duty and infrastructure cess of Rs.40,000/-. The law does not permit excise duty and cess paid on purchases to be set off against the dealer's liability, adding to the overall cost. Rs. 40,000 is included while determining the sale price (10% margin is added), and taxed once again when the sale is affected. This results in tax cascading down to the end customer, and an increase in the cost of the car.

Example of Car:		GST
Cost of Manufactures		4,00,000
CGST@11%		44,000
SGST@11%		44,000
Dealer Invoice		4,88,000
Dealer Cost		4,00,000
Margin @ 10 %		40,000
Sale Price for dealer		4,40,000
CGST@11%		48,400
SGST@11%		48,400
Price to customer		5,36,800
Tax liability		
GST after Set off		8,800
Saving to Consumer	Amount	Percentage
	5,280	1%

Savings of 5,280 catching your eyes! Isn't it? Let's us examine this. If you observe closely, in the example, the tax paid by dealer (CGST + SGST) to manufacturer is not added to cost. This is because GST allows the dealer to set off the tax liability of CGST+SGST. This is one of the fundamental features of GST, which allows seamless credit from manufacturer to dealer, and eliminates the cascading effect.

Important Disadvantages/Demerits/Problems in GST

There are too many returns to be filed

Previously, a VAT Dealer normally files Quarterly Return for VAT (Four in One Year) A Service Provider Files Monthly Returns for Service Tax (Two in One Year)

In GST every person has to file 3 Returns Monthly

One for Purchase Details

One for Sales Details

One for both Purchase and Sales

That is 36 Returns in One Year

Apart from this, there is Annual Return also, so total 37 Returns to be filed

Returns have become Complicated

Previously, Party wise details were not given for Purchase and Sales in Service Tax and Excise

After GST, giving Party wise details are required to be given in case of GST also separately for Local, Central and Integrated GST

Difficult to compute

Suppose a shopkeeper sells the goods in Delhi, he previously paid only VAT. After GST, he is paying both State GST and Central GST on Same Transaction

Output GST

GST on sales is called Output GST. It is also called GST Liability

Input GST

GST on purchases is called Input GST.

GST Payable

Output GST – Input GST = GST Payable

GST Credit

If Input GST is more than Output GST it is called GST Credit. We calculate it separately for different types of GST

Procedure of Adjustment of IGST with CGST SGST Credit

Output IGST can be adjusted with Input GST in the following order

- Input IGST if any
- Input CGST if any
- Input SGST if any

Can CGST and SGST Adjusted Against Each Other

CGST credit cannot be adjusted against SGST Payable. Similarly, SGST Credit cannot be adjusted CGST Payable.

However, both can be adjusted against IGST Payable

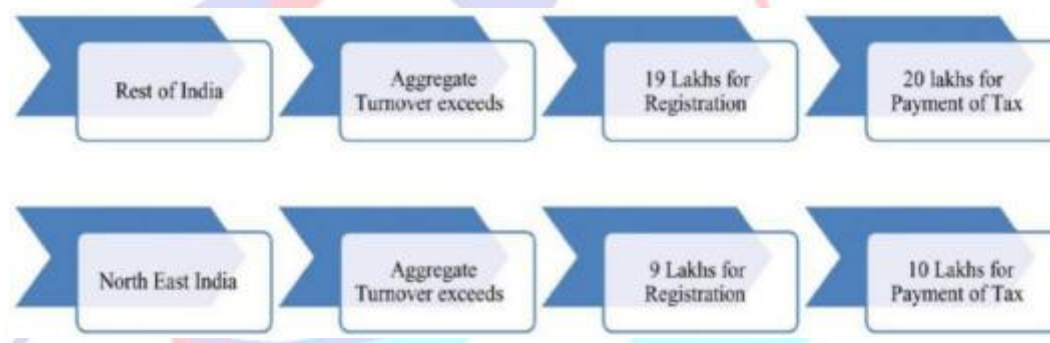
SET OFF INPUT TAX CREDIT AGAINST GST LIABILITY

GST is a dual concept system. On every transaction (within a state), there is a component of Central GST (CGST) and State GST (SGST). Integrated GST (IGST) is for interstate transactions. Therefore, it is important for businesses to know how to set off the input credit against each of these components in the order as prescribed by the Law.

The order in which credit needs to be set off is explained in the table below:

Input Tax Credit	Set off against liability
CGST	CGST and IGST (in that order)
SGST	SGST and IGST (in that order)
IGST	IGST, CGST, SGST (in that order)

REGISTRATION THRESHOLD LIMIT



This means that the day a dealer crosses Rs 10 lakh / Rs 20 lakh turnover, he is registered and needs to start charging GST and is eligible to claim input tax credit. All existing dealers registered with any of the current laws (VAT/Excise/ST) will also be required to be registered under GST by default. The turnover considered here is aggregate pan-India turnover of a business entity and not state-wise. Turnover (Aggregate) includes value of

1. Taxable Supplies
2. Non-Taxable Supplies
3. Exempt Supplies
4. Zero Rate Supplies
5. Export supplies
6. Less: value of supplies on which tax is levied on reverse charge basis & the value of inward supplies.

Hence, if a person is making only exempt sales and the amount of sales is more than 20 Lakhs, still compulsory registration in GST. Similarly if a person is making only export sales, then also Compulsory Registration in GST.

NO LIMIT OF 20 LACS IN FOLLOWING CASES

However Compulsory Registration required for making

1. Interstate Sales
2. Supplying goods on behalf of Other Persons
3. Casual Taxable Person
4. Non-resident taxable persons
5. If liable to deduct TDS in GST
6. If liable to deduct TCS in GST
7. Input Service Distributor
8. Making Sale on Behalf of other person (Franchise/Agent)
9. Reverse Charge
10. E-Commerce Companies
11. Online Database Service Provider from Outside India into India
12. Others as may be Notified

Example

Let us take an example to illustrate liability of business to register under GST. Super Cars Ltd. is a car manufacturing unit in Assam and also they own „Super Cars Service Ltd „a service unit located in Assam and Delhi. Additional details are furnished below

Business Unit	Location	PAN Number	Turnover in Rs
Super Cars Ltd.	Assam	AEHCS3476M	78 cores
Super Cars Service Ltd.	Assam	AEHCS3476M	80 Lakhs
Super Cars Service Ltd.	Delhi	AEHCS3476M	65 lakhs

As per the example,

All 3 units are registered under same PAN „AEHCS3476M“

In arriving the aggregate turnover, the turnover of all the 3 units (Super Cars Ltd. and Super cars Service Ltd. located in Assam and Delhi) are considered.

Therefore, the aggregate turnover is Rs 79.45 Cr. (Super Cars Ltd. Rs 78 Cr. + Super cars services Ltd. of Assam Rs 80 lakhs + Super cars services Ltd. of Delhi Rs 65 lakhs) are required to register under GST.

MANDATORY REGISTRATION

The following categories of suppliers are mandatorily required to be registered irrespective of turnover:

- Taxable person carrying on interstate supply
- Casual and non-resident taxable persons
- Businesses liable to pay tax under reverse charge
- Agents supplying on behalf of taxable person
- Input service distributor
- Sellers on ecommerce platforms
- Aggregator supplying services under his brand name (Ecommerce Companies)
- Persons responsible to deduct TDS (Government Departments)

Registration is a 15-digit PAN based GSTIN with following structure.

State Code		PAN										Entity Code	Blank	Check Digit
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

The entity code is applicable for taxpayers having multiple business verticals within the state.

TYPES OF RETURNS

Consider what happens today. A manufacturer who is compliant under Central Excise, Service Tax, and VAT has to file returns as specified by each of the states. The manufacturer has to deal with returns, annexure, and registers for Excise, Service tax and VAT with monthly, quarterly, half- yearly and yearly periodicity.

With GST in place, it does not matter what you are (a trader, manufacturer or a reseller), you only need to file GST Return.

Introduction to GST

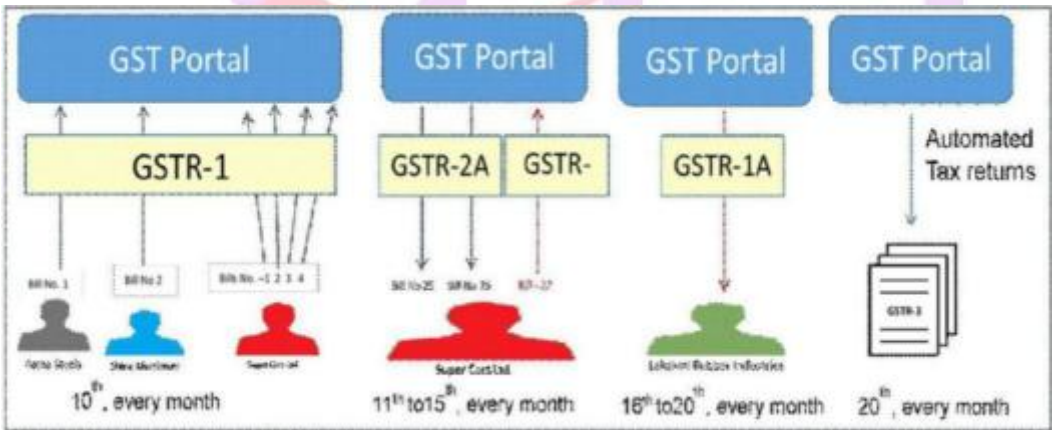
Under GST, there are 20 return forms/statements to be furnished by registered person. All these forms are required to be filed electronically (e-filing). The details of each form are listed below along with details of applicability and periodicity.

FILING OF RETURN

Every „registered taxable person“ has to furnish their outward supply details in Form GSTR-1 by 10th of the subsequent month. Between the 11th and 15th day, the recipient of goods and supply can view their Inward supplies in auto-populated GSTR-2A. This period allows for any corrections (additions, modifications and deletion) in Form GSTR-2 and submission by 15th of the subsequent month. The addition, modification and deletion by the recipient in Form GSTR-2 are made available to supplier in Form GSTR-1A. The supplier has to accept or reject the adjustments made by the recipient. On 20th, auto-populated return GSTR-3 is available for submission along with the payment. Let us understand this with an example.

The following is the Outward and Inward supply details of Super Cars Ltd.

Outward		Inward	
Bill No.	Customer Name	Bill No	Supplier Name
1	Ravindra Automobiles	25	Ratna Steels
2	Ravindra Automobiles	26	Shine Aluminum
3	A1-Spares	27	Lakshmi Rubber industries
4	Johnson Automobiles		



As shown in the illustration,

1. On 10th, Ratna Steels, Shine Aluminum and Super Cars Ltd uploaded **GSTR-1** with their outward supply bills.
2. On 11th, Super Cars Ltd has visibility of their purchase through **GSTR-2A** which is auto populated by system. And, from 11th to 15th they have time to reconcile the bills shown in **GSTR-2A** with books and do necessary additions, deletions, modifications and acceptance.
3. During verification, Super Cars Ltd found that Bill No. 27 (Purchase made from Lakshmi Rubber Industries) is missed in **GSTR-2A**.
4. On 15th, Super Cars Ltd uploads missed bill (Bill-27) in **GSTR-2**
5. Bill no. number 27 added by super cars Ltd is made available to Lakshmi Rubber Industries in **GSTR-1A**
6. Between, 16th to 20th, missed bill (Bill No. 27) will be ratified jointly by Super cars Ltd and Lakshmi Rubber Industries and it is accepted.
7. Now on 20th, automated return **GSTR-3** is available for submission and payment.

Let us discuss with an example for better understand how this works.

EXAMPLE-I – HOW CAN CGST AND SGST INPUT TAX CREDIT (ITC) BE USED? Super Cars Ltd is a car manufacturer located in Assam. The details of transactions effected by Super Cars Ltd are furnished below along with the tax component:

Party Name	Destination State	Transaction Type	Product	Input Credit		Tax Liability	
				CGST	SGST	CGST	SGST
Ratna Steels	Assam	Purchase (Inward Supply)	Steel	1,20,000	1,20,000	--	--
Ravindra Automobiles	Assam	Sale (Outward Supply)	Car	--	--	36,000	36,000
Ravindra Automobiles	Assam	Sale (Outward Supply)	Spare parts			90,000	90,000

At the end of the month, Super Cars Ltd set off the available Input credit against the tax liability.

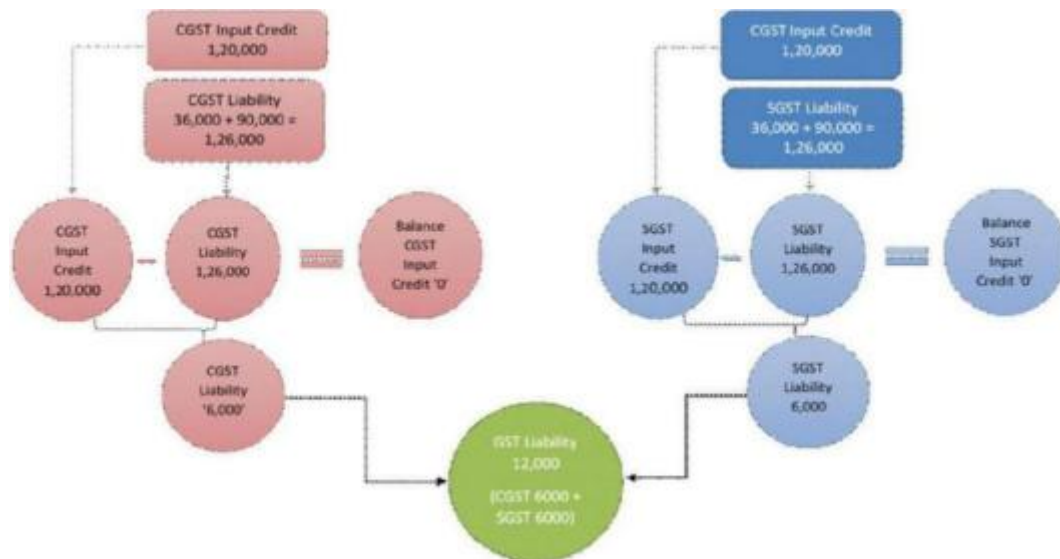


Illustration-1

In the example, Super Cars Ltd has a tax liability of Rs.12,000. Here is how this happens:

1. Super Cars Ltd have Input tax credit of Rs.1,20,000 each against CGST and SGST.
2. As prescribed by Law, Super Cars Ltd first utilized ITC of CGST Rs. 1,20,000 to set off CGST liability of Rs.1,26,000 (36,000+90,000). After this adjustment, CGST liability is 6,000 (1,26,000-1,20,000).
3. Later, SGST input credit of Rs.1,20,000 is set off against SGST liability of Rs.1,26,000 (36,000+90,000). After setting off SGST input credit, 6,000 (1,26,000 - 1,20,000) is the SGST liability.
4. After utilizing the available input credit of both CGST and SGST, the tax liability of Super Cars Ltd is Rs. 12,000 (CGST liability 6,000+SGST liability 6,000) for the month.
5. Any input credit balance of CGST, after setting off tax liability towards CGST, cannot be used to set off against SGST. The balance of ITC under CGST (post set off of CGST liability) will be carried over to the next period.
6. Similarly, the SGST balance after set off of SGST liability will be carried over to the next period.

EXAMPLE - II - HOW CAN IGST ITC BE UTILIZED? Consider another set of transactions for Super Cars Ltd.

At the end of the month, Super Cars Ltd utilized IGST Input credit to set off tax liabilities.

Party Name	Destination State	Transaction Type	Product	Input Credit			Tax Liability		
				CGS	SGS	IGST	CGST	SGST	IGST
Shine Aluminium Industries Ltd	Tamil Nadu	Purchase (Inward Supply)	Aluminum Bars	-	-	30,000	--	--	--
Lakshmi Rubber Industries Ltd	Tamil Nadu	Purchase (Inward Supply)	Tyres	-	-	10,000	--	--	--
A-1 Spares	Maharashtra	Sale (Outward Supply)	Spare Parts	--	--	--	--	--	12,000
Johnson Auto Parts	Assam	Sale (Outward Supply)	Spare Parts	-	-	--	24,000	24,000	--



Illustration-2

As illustrated above,

1. Super Cars Ltd has IGST Input tax credit of Rs. 40,000 and tax liabilities of IGST Rs. 12,000, CGST Rs. 24,000 and SGST Rs. 24,000.
2. As prescribed by Law, IGST Input credit needs to be utilized first to set off IGST tax liability. The remaining ITC can be used to set off CGST and then against the SGST liability, in that order.
3. Super Cars Ltd first utilized IGST ITC to set off IGST liability of Rs. 12,000.
4. Remaining IGST ITC credit Rs. 28,000 (40,000 – 12,000) is used to set off CGST liability of Rs. 24,000.
5. Post this adjustment, the remaining IGST ITC of 4,000 is used set off SGST liability to the extent of Rs. 4,000.
6. Now, after utilization of Input credit available, the SGST liability of Super Cars Ltd is Rs. 20,000.

EXAMPLE III – CGST ITC CANNOT BE USED FOR SGST LIABILITY

Let us consider another scenario of Super Cars Ltd to illustrate non utilization of CGST ITC against SGST liability.

Super Cars had a carried forward balance of CGST Input credit Rs. 15, 000

Input Credit balance	Amount
CGST Input Credit	15,0000

During the month, Super cars Ltd"s outward supply details is furnished below.

Party Name	Destination State	Transaction Type	Product	Input Credit		Tax Liability	
				CGST	SGST	CGST	SGST
Johnson Auto Parts	Assam	Sale(Outward Supply)	Spare Parts	--	--	11,000	11,000

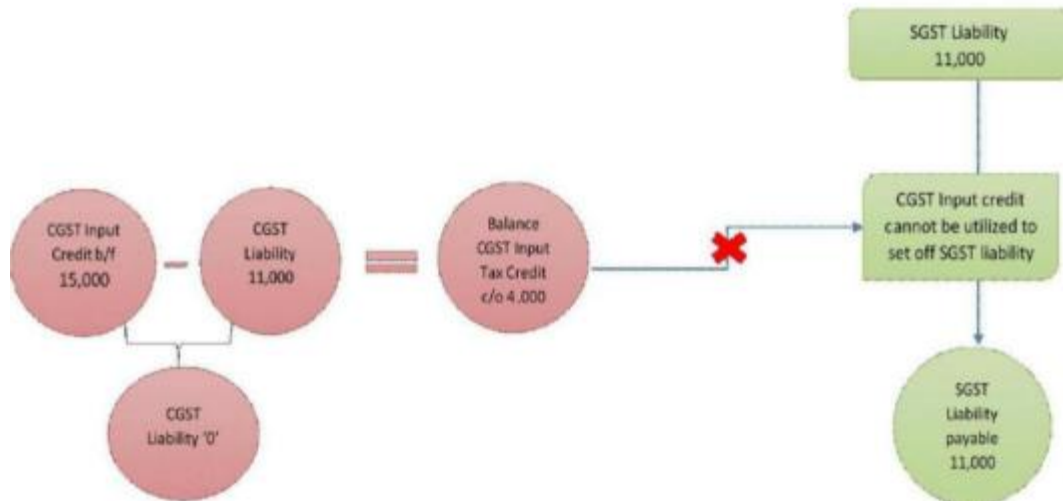


Illustration-3

As illustrated,

1. Super Car Ltd utilized CGST Input Credit of previous period Rs. 15,000/- to set off current period CGST liability of Rs.11,000.
2. After this set off, Super Cars Ltd has a balance CGST input credit of Rs.4,000.
3. As prescribed by the Law, excess CGST Input Credit for the period can not be set off against SGST liability of current period. Similarly, SGST Input Credit cannot set off against CGST liability.
4. Thus, the balance CGST credit was not utilized, and the SGST liability for Super Cars Ltd for the month is Rs.11,000/-

GST INPUT TAX CREDIT

One of the fundamental features of GST is seamless flow of input credit across the chain (from the manufacture of goods till it is consumed) and across the country. In this section, let's discuss about various conditions laid down by law to avail input credit on supply of goods or services.

All of the following conditions need to be satisfied to avail Input credit:

- The dealer should be in possession of Tax Invoice / Debit or Credit Note/ Supplementary Invoice issued by a supplier registered under GST Act.
- The said goods/services have been received.
- Returns (**Form GSTR-3**) have been filed.

- The tax charged has been paid to the government by the supplier.

WHAT DO THESE CONDITIONS IMPLY?

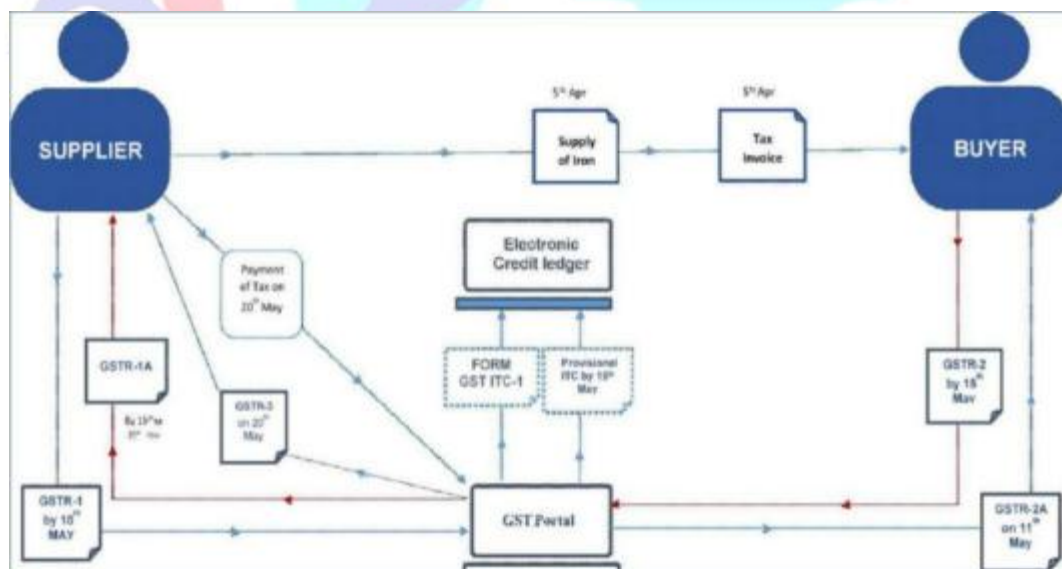
Once Form GSTR-1 (Outward supply details) is filed by the supplier, recipient has a visibility of the purchase through the auto populated Form GSTR-2A (Inward supplies details). After necessary modification, additions (if any) and acceptance in Form GSTR 2, the Input credit is credited to the recipient's electronic credit ledger on a provisional basis.

The addition and modification done by the recipient in Form GSTR-2 is made available to supplier in Form GSTR- 1A for his acceptance.

Input credit is available only when the Monthly returns (Form GSTR-3) are filed by the supplier along with payment tax. The final acceptance of Input Tax credit is communicated in Form GST ICT-1.

Let us understand this with an example

Super Cars Ltd, a manufacturer of cars purchased 30 tons of steel from **Ratna Steels**. Ratna Steels supplied steel and issued tax invoice on 5th April with GST of 2, 40,000. With this example, let us examine the process to understand the flow of availing input credit.

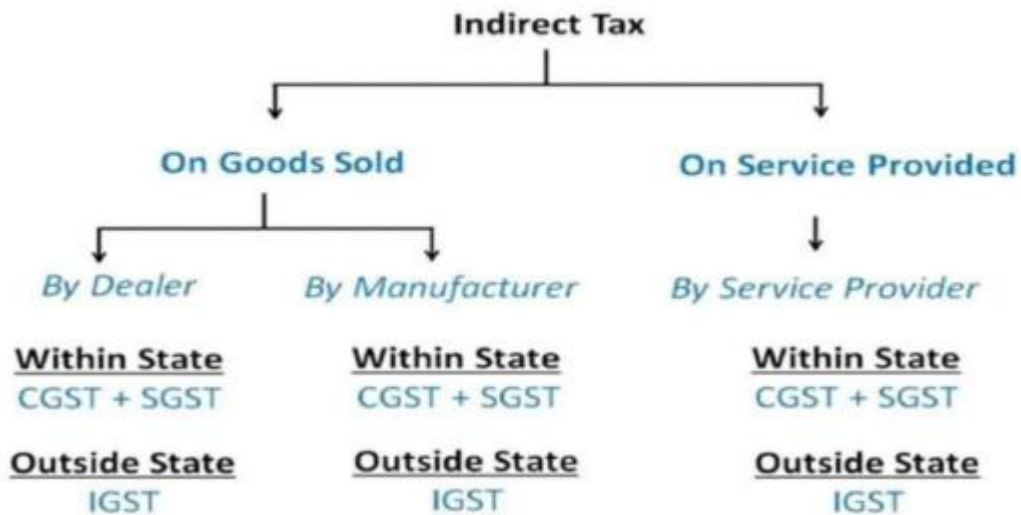


As illustrated above,

1. On 5th April, Super Cars Ltd satisfies the condition of Receiving Goods and Tax Invoice.
2. On 10th May, Ratna Steels furnishes outward supply through **Form GSTR-1** Return.
3. From 11th May, Super Cars Ltd has visibility of their purchase through auto-populated **Form GSTR-2A**.
4. From 11th to 15th May, Super Cars Ltd can make additions or modifications, if any.
In this example, it is assumed that there are no additions or modifications and super Cars Ltd. submits the **Form GSTR-2**. Since there is no modification, **Form GSTR-1A** will not be applicable in this scenario
5. Now, ITC of Rs. 2,40,000 is credited to Super Cars Ltd on a provisional basis.
6. Once the **Form GSTR-3** (Monthly Return) along with tax payment is remitted by Ratna Steels, Super Cars Ltd is eligible for ITC of Rs. 2,40,000.
7. The final acceptance of ITC will be communicated in **Form GST ITC-1**

IGST and not CGST on Interstate Sales

Current Tax	After GST
Within State VAT	Within State SGST CGST
Outside State CST	Outside State IGST



Last Period Tax to be paid first

Previously, if you have not paid last year tax, you can very well pay current period tax and file return. In future, Challan will not have period. If there is tax outstanding, it will be first adjusted against that and balance against current period

Concept of PLA to be continued

Previously in Excise, there was a concept of PLA (Personal Ledger Account or Account Current). Whatever tax we pay by Challan was deposited in PLA and our excise duty liability was adjusted in it. This confusing concept was previously only in Excise and not in VAT and Service Tax. After GST, this PLA is called Electronic Duty Credit Register and is applicable only for all types of GST

infotech

Master Creation with GST in Tally.ERP 9

Creating a Company

Go to Gateway of Tally > Alt + F3 > Create Company

1. Enter the basic information, i.e., **Name, Mailing Name and Address** of the Company, for e.g., **Epitome Educational Society** and other relevant details.
2. Select **India** from the **List of Countries** in the **Statutory Compliance for** field.

3. Specify the **E-mail** details.
4. The **Currency Symbol** for **India** will be displayed by default.
5. In the **Maintain** field, select **Accounts Only** or **Accounts with Inventory** as per the Company requirements.
6. In the **Financial Year from** and **Books beginning from** fields, the first day of the current financial year for e.g., **1-4-2017** will be displayed by default, which can be changed as per requirement.
7. Set the option **Disallow opening in Educational mode** to either **Yes** Or **No** as per requirement.
8. Enter the **TallyVault Password** if required.
9. Set **Use Security Control** field to **No**
10. Press **Y** or **Enter** to accept and save.

Enabling GST in F11: Features

To use Tally.ERP9 for GST compliance, you need to activate the GST feature. Once activated, GST-related features are available in ledgers, stock items, and transactions and GST returns can be generated.

Go to Gateway of Tally > F11: Features > F3: Statutory & Taxation

1. Enable Goods and Services Tax (GST) – Yes.
2. Set/alter GST details – Yes.

3. Specify the GSTIN/UIN for the business. This can be printed in the invoices as required. You can specify this later.
4. Specify Applicable from date. GST will be applicable for your transactions from this date onwards.
5. Accept the **Company Operations Alteration** screen

Creating Purchase Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the **Name** for the Purchase ledger
2. In the **Under** field select **Purchase Accounts** from the **List of Groups**
3. Set **Inventory values are affected** to **Yes** if you maintain inventory

4. Set the field **GST Applicable** to **Yes**
5. Set/alter GST Details – **Yes**, specify the details in the GST Details screen, and save.

Ledger Alteration - Eduzone Educational Society

Name: Purchase @ 18% (P18)

Total Opening Balance: 2,70,000.00 Dr

Difference: 2,70,000.00 Dr

Under: Purchase Accounts

Inventory values are affected: Yes

Statutory Information

Is GST Applicable: Yes

Default GST Details: Yes

Type of Supply: Goods

Mailing Details

Name Address

Provide bank details: No

FIANT No.

Tax Registration Details

Opening Balance (on 1-Jul-2017):

Accept? Yes No

6. **Taxability:** Select Taxable, if Purchase ledger is used for Purchase of goods and services that are classified as taxable under GST. Select Exempt, if it is used for purchase of type of goods or services that is exempted from tax under GST, or select Nil Rated, if it is used for purchase of goods or services that attract 0% tax rate under GST.
7. To view the history of tax rate changes, press Alt + L.
8. The rate entered for integrated tax will be equally divided between central tax and state tax.
9. To specify further GST-related details, click F12: Configuration.
10. Select the Type of supply. By default the type of supply is set to Goods.

GST Details - Eduzone Educational Society

Nature of transaction: Purchase Taxable

Tax Rate Details

Taxability: Taxable

Tax Type: Rate

Tax Type	Rate
Integrated Tax	10 %
Central Tax	9 %
State Tax	9 %
Cess	0 %

Nature of Transaction

- Not Applicable
- Imports Exempt
- Imports Taxable
- Interstate Purchase Exempt
- Interstate Purchase From Unregistered Dealer - Exempt
- Interstate Purchase From Unregistered Dealer - Taxable
- Interstate Purchase Nil Rated
- Interstate Purchase Taxable
- Purchase Exempt
- Purchase From Composition Dealer
- Purchase From SEZ - Exempt
- Purchase From SEZ - Taxable
- Purchase From Unregistered Dealer - Exempt
- Purchase From Unregistered Dealer - Taxable
- Purchase Nil Rated
- Purchase Taxable

Introduction to GST

Ledger Alteration Epitome Educational Society Ctrl + M

Name (Alias) **Inter State Purchase @20%** Total Opening Balance
2,70,000.00 Dr

Difference
2,70,000.00 Dr

Under **Purchase Accounts** Name Address

Inventory values are affected Yes

Provide bank details No

Statutory Information

Is GST Applicable **Applicable**

Set/alter GST Details Yes

Type of Supply **Goods**

PAN/IT No. Tax Registration Details

Opening Balance (on 1-Jul-2017)

Accept ?
Yes - No

GST Details Epitome Educational Society Ctrl + M

Tax Rate Details

Nature of transaction **Interstate Purchase Taxable**

Tax Details
(From 1-Jul-2017)

Taxability	Taxable
Tax Type	Rate
Integrated Tax	28 %
Central Tax	14 %
State Tax	14 %
Cess	0 %

Natures of Transaction

- Not Applicable
- Imports Exempt
- Imports Taxable
- Interstate Purchase Exempt
- Interstate Purchase From Unregistered Dealer - Exempt
- Interstate Purchase From Unregistered Dealer - Taxable
- Interstate Purchase Nil Rated
- Interstate Purchase Taxable**
- Purchase Exempt
- Purchase From Composition Dealer
- Purchase From SEZ - Exempt
- Purchase From SEZ - Taxable
- Purchase From Unregistered Dealer - Exempt
- Purchase From Unregistered Dealer - Taxable

11. Accept the screen to **Save**.

Creating Sales Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the **Name** for the Sales ledger
2. In the **Under** field select **Sales Accounts** from the **List of Groups**
3. Set **Inventory values are affected** to **Yes** if you maintain inventory
4. Set the field **GST Applicable** to **Yes**
5. Set/alter GST Details – **Yes**, specify the details in the GST Details screen, and save.

Ledger Alteration Epitome Educational Society Ctrl + M

Name: Sale @18% Total Opening Balance: 2,70,000.00 Dr
Difference: 2,70,000.00 Dr

Under: Sales Accounts
Inventory values are affected: Yes

Statutory Information
Is GST Applicable: Yes
Supplier GST Details: Yes
Type of Supply: Goods

Mailing Details
Name Address
Provide bank details: No
PAN/T No.
Tax Registration Details

Opening Balance (on 1-Jul-2017):

Accept? Yes No

6. **Taxability:** Select Taxable, if Sales ledger is used for Supply of goods and services that are classified as taxable under GST. Select Exempt, if it is used for sale of type of supply that is exempted from tax under GST, or select Nil Rated, if it is used for sale of goods or services that attract 0% tax rate under GST.
7. The rate entered for integrated tax will be equally divided between central tax and state tax.
8. To view the history of tax rate changes, press Alt + L.
9. To specify further GST-related details, click F12: Configuration.
10. Select the Type of supply. By default the type of supply is set to Goods.

GST Details Epitome Educational Society Ctrl + M

Tax Rate Details

Nature of transaction: Sales Taxable

Tax Details
(From 1-Jul-2017)

Tax Type	Rate
Integrated Tax	18 %
Central Tax	9 %
State Tax	9 %
Cess	0 %

Natures of Transaction

- 1 Not Applicable
- Deemed Exports Exempt
- Deemed Exports Taxable
- Exports Exempt
- Exports LUT/Bond
- Exports Taxable
- Interstate Sales Exempt
- Interstate Sales Nil Rated
- Interstate Sales Taxable
- Sales Exempt
- Sales Nil Rated
- Sales Taxable**
- Sales to Consumer - Exempt
- Sales to Consumer - Taxable
- Sales to CEZ - Exempt

Introduction to GST

Ledger Alteration		Eptome Educational Society		Ctrl + M	
Name (alias)	Inter State Sale @28%			Total Opening Balance	2,70,000.00 Dr
				Difference	2,70,000.00 Dr
Under	Sales Accounts	Name	Mailing Details		
Inventory values are affected	Yes	Address			
Statutory Information		Provide bank details	No		
Is GST Applicable	Yes	PAN/NT No.	Tax Registration Details		
Supplier GST Details	Yes				
Type of Supply	Goods				
Accept ?					
Opening Balance (on 1-Jul-2017)					
Yes No					

GST Details		Eptome Educational Society		Ctrl + M	
Tax Rate Details		Nature of Transaction			
Nature of transaction	Interstate Sales Taxable	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Deemed Exports Exempt <input type="checkbox"/> Deemed Exports Taxable <input type="checkbox"/> Exports Exempt <input type="checkbox"/> Exports LUT/Bond <input type="checkbox"/> Exports Taxable <input type="checkbox"/> Interstate Sales Exempt <input type="checkbox"/> Interstate Sales Nil Rated <input checked="" type="checkbox"/> Interstate Sales Taxable <input type="checkbox"/> Sales Exempt <input type="checkbox"/> Sales Nil Rated <input type="checkbox"/> Sales Taxable <input type="checkbox"/> Sales to Consumer - Exempt <input type="checkbox"/> Sales to Consumer - Taxable <input type="checkbox"/> Sales to SEZ - Exempt			
Taxability	Taxable				
Tax Type	Rate				
Integrated Tax	28 %				
Central Tax	14 %				
State Tax	14 %				
Cess	0 %				

11. Accept the screen to **Save**.

Creating a Input GST Tax Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the name for the Input **GST** ledger in the **Name** field
2. In the **Under** field, select **Duties & Taxes** from **List of Groups**
3. Select **GST** as the Type of duty/tax.
4. Select **Central Tax** as the Tax type.

Similarly, you can create ledgers for state tax, integrated tax, and cess by selecting the relevant Tax type under GST.

5. Set **Inventory Values are affected** to **No**

Supplier Information		Fulham Educational Society	
Name (called)	Input 6 GST @ 6%	Total Opening Balance	2,70,000.00 Dr
		Difference	2,70,000.00 Cr
Under	Duties & Taxes (Current Liability)	Name Address	Mailing Details
Type of duties	GST	Provide bank details	No
Tax type	Central Tax	PAN/TIN No.	Tax Registration Details
Inventory values are affected	No		
Percentage of calculation	7.6%		
Rounding method	Not Applicable		
Statutory Information			
Opening Balance (on 1-Jul-2017)		Accept ? Yes No	

Supplier Information		Fulham Educational Society	
Name (called)	Input 6 GST @ 6%	Total Opening Balance	2,70,000.00 Dr
		Difference	2,70,000.00 Cr
Under	Duties & Taxes (Current Liability)	Name Address	Mailing Details
Type of duties	GST	Provide bank details	No
Tax type	State Tax	PAN/TIN No.	Tax Registration Details
Inventory values are affected	No		
Percentage of calculation	7.6%		
Rounding method	Not Applicable		
Statutory Information			
Opening Balance (on 1-Jul-2017)		Accept ? Yes No	

Supplier Information		Fulham Educational Society	
Name (called)	Input 6 GST @ 6%	Total Opening Balance	2,70,000.00 Dr
		Difference	2,70,000.00 Cr
Under	Duties & Taxes (Current Liability)	Name Address	Mailing Details
Type of duties	GST	Provide bank details	No
Tax type	Integrated Tax	PAN/TIN No.	Tax Registration Details
Inventory values are affected	No		
Percentage of calculation	7.6%		
Rounding method	Not Applicable		
Statutory Information			
Opening Balance (on 1-Jul-2017)		Accept ? Yes No	

6. Accept the screen to **save**.

Creating a Output GST Tax Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the name for the Output **GST** ledger in the **Name** field
2. In the **Under** field, select **Duties & Taxes** from **List of Groups**
3. Select **GST** as the Type of duty/tax.
4. Select **Central Tax** as the Tax type.

Similarly, you can create ledgers for state tax, integrated tax, and cess by selecting the relevant Tax type under GST.

5. Set **Inventory Values are affected** to **No**

Ledger Alteration		Fadhwa Educational Society		Ctrl + M	
Name (alias) : Output CGST @18%			Total Opening Balance		
			2,70,000.00 Dr		
			Difference		
			2,70,000.00 Cr		
Under	Duties & Taxes (Current Liabilities)	Name	Mailing Details		
Type of duties/tax	: GST	Address			
Tax type	: Central Tax	Provide bank details	No		
Inventory values are affected	: No	PAN/TIN No.	Tax Registration Details		
Percentage of calculation	: 8 %				
Rounding method	: Not Applicable				
Statutory Information					
Opening Balance (on 1-Jul-2017) :			Accept ?		
			Yes No		

Ledger Alteration		Fadhwa Educational Society		Ctrl + M	
Name (alias) : Output SGST @18%			Total Opening Balance		
			2,70,000.00 Dr		
			Difference		
			2,70,000.00 Cr		
Under	Duties & Taxes (Current Liabilities)	Name	Mailing Details		
Type of duties/tax	: GST	Address			
Tax type	: State Tax	Provide bank details	No		
Inventory values are affected	: No	PAN/TIN No.	Tax Registration Details		
Percentage of calculation	: 8 %				
Rounding method	: Not Applicable				
Statutory Information					
Opening Balance (on 1-Jul-2017) :			Accept ?		
			Yes No		

The screenshot shows the 'Ledger Alteration' window in Tally. The ledger name is 'Output GST @20%'. The 'Under' field is set to 'Duties & Taxes (Current Ledgers)'. The 'Tax type' is 'GST Integrated Tax' with a rate of 20%. The 'Inventory values are affected' option is set to 'No'. The 'Opening Balance' is 2,78,000.00 Dr as of 1-Jul-2015. A dialog box 'Accept ?' is shown at the bottom right with 'Yes' and 'No' options.

6. Accept the screen to save.

Creating GST Tax Adjustment Ledger

Go to **Gateway of Tally > Accounts Info > Ledgers > Create**

1. Enter the name for the Adjustment ledger in the **Name** field
2. In the **Under** field, select **Duties & Taxes** from **List of Groups**
3. Select **others** as the Type of duty/tax.
4. Set **Inventory Values are affected** to **No**
5. In the option **Appropriate to** select
 - **Goods**– if the expense or income value has to be included in the stock item cost.
 - **Services**– if the expense or income value has to be included in the service value.
 - **Both**– if the expense or income value has to be included in stock item cost or service value.
 - ✓ If the option **Appropriate to** is set to **Services** or **Both**, the field **Method of Calculation** is skipped and the calculation is made based on the value entered for each stock item or service in the invoice.
 - ✓ If the option **Appropriate to** is set to **Goods**–select the **Method of Calculation** as:
 - Based on Quantity**– if the expense or income amount has to be distributed based on the quantity entered for each stock item in the invoice.

Introduction to GST

Based on Value– if the expense or income amount has to be distributed based on the value of each stock item or service selected in the invoice.

6. Select the **Method of Calculation** based on the selection made for the option **Appropriate to**
7. Accept the screen to save

The screenshot shows the 'Lodger Alteration' screen for 'GST Adjustment' in the 'Expense Educational Society' system. The screen is divided into several sections:

- Name (alias):** GST Adjustment
- Total Opening Balance:** 2,70,000.00 Dr
- Difference:** 2,70,000.00 Dr
- Under:** Duties & Taxes (Current Liability)
- Type of duty/tax:** Others
- Inventory values are affected:** No
- Percentage of calculation:** 7 @ %
- Statutory Information:** Include in assessable value calculation for: GST, Appropriate to: Both, Method of Calculation: Based on Value
- Mailing Details:** Name, Address, Provide bank details: No, FAULT No.
- Tax Reconciliation Details:**
- Opening Balance (on 1.Jul.2017):**

The screenshot shows the 'Lodger Alteration' screen for 'GST Payable' in the 'Expense Educational Society' system. The screen is divided into several sections:

- Name (alias):** GST Payable
- Total Opening Balance:** 2,70,000.00 Dr
- Difference:** 2,70,000.00 Dr
- Under:** Duties & Taxes (Current Liability)
- Type of duty/tax:** Others
- Inventory values are affected:** No
- Percentage of calculation:** 7 @ %
- Statutory Information:** Include in assessable value calculation for: GST, Appropriate to: Both, Method of Calculation: Based on Value
- Mailing Details:** Name, Address, Provide bank details: No, FAULT No.
- Tax Reconciliation Details:**
- Opening Balance (on 1.Jul.2017):**

Creating Ledger for Bank Account

Creating a Customer Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the ledger name in the **Name** field
2. In the **Under** field, select **Sundry Debtors** from the **List of Groups**
3. Set **Maintain balances bill-by-bill** to **Yes**
4. The option, **Inventory values are affected** is set to **No** by default. Set this to **Yes** if applicable
5. Enter the **Mailing Details** and **Tax Information**
6. Set/alter GST details-**Yes**

Introduction to GST

GST Details		Registration Types
Registration type	: Regular	<input type="checkbox"/> Unknown
GSTIN/UID	: 18AAAAA2345A1Z6	<input type="checkbox"/> Composition
Party Type	: <input checked="" type="checkbox"/> Not Applicable	<input checked="" type="checkbox"/> Regular
Is a e-Commerce operator	? No	<input type="checkbox"/> Unregistered

Ledger Alteration		Epitome Educational Society		Ctrl + M
Name	Ms Shivam Store			Total Opening Balance
(alias)				2,70,000.00 Dr
				Difference
				2,70,000.00 Dr
Under	Sundry Debtors (Current Assets)	Name	Ms Shivam Store	
Maintain balances bill-by-bill	? Yes	Address		
Default credit period		Country	India	
Check for credit days during voucher entry	? No	State	Karnataka	
Inventory values are affected	? No	Pincode		
		Provide bank details	No	
		Tax Registration Details		
		PAN/IT No.		
		Set/alter GST details	? Yes	
Accept ?				
Yes / No				
Opening Balance (on 1-Jul-2017) :				

GST Details		Registration Types
Registration type	: Regular	<input type="checkbox"/> Unknown
GSTIN/UID	: 29AAAAA3456A1Z4	<input type="checkbox"/> Composition
Party Type	: <input checked="" type="checkbox"/> Not Applicable	<input checked="" type="checkbox"/> Regular
Is a e-Commerce operator	? No	<input type="checkbox"/> Unregistered

7. Accept the screen to **save**

Creating a Supplier Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the ledger name as in the **Name** field
2. In the **Under** field, select **Sundry Creditors** from the **List of Groups**
3. Set **Maintain balances bill-by-bill** to **Yes**
4. The option, **Inventory values are affected** is set to **No** by default. Set this to **Yes** if applicable
5. Enter the **Mailing Details** and **Tax Information**
6. Set/alter GST details–**Yes**

Ledger Alteration		Epitome Educational Society		Ctrl + M	
Name : Ms. MTP Store (alias)			Total Opening Balance		
			2,70,000.00 Dr		
			Difference		
			2,70,000.00 Dr		
Under : Sundry Creditors (Current Liabilities)		Mailing Details			
Name Address		: Ms. MTP Store			
Country		: India		Pincode	
State		: Assam			
Provide bank details		: No			
PANIT No.		: 			
Set/alter GST details		: Yes			
Tax Registration Details					
Maintain balances bill-by-bill		: Yes			
Default credit period		: 			
Check for credit days during voucher entry		: No			
Inventory values are affected		: No			
Accept ?					
Yes No					
Opening Balance (on 1-Jul-2017) :					

GST Details		Registration Types	
Registration type	: Regular	Unknown	Composition
GSTIN/UIN	: 18AAAAA2356A1Z7	Consumer	Regular
Party Type	: [Not Applicable	Unregistered	
Is a e-Commerce operator	? No		

Introduction to GST

Ledger Alteration		Epitome Educational Society		Ctrl + N	
Name : Ms Jupiter Store (alias)			Total Opening Balance		
			2,70,000.00 Dr		
			Difference		
			2,70,000.00 Dr		
Under : Sundry Creditors (Current Liabilities)		Mailing Details			
Name : Ms Jupiter Store		Address			
Country : India		State : Delhi			
Pincode :		Provide bank details : No			
PAN/TIN No.		Tax Registration Details			
Supplier GST details ? Yes					
Maintain balances bill-by-bill ? Yes Default credit period Check for credit days during voucher entry ? No Inventory values are affected ? No					
Accept ?					
Opening Balance (on 1-Jul-2017) :					
Yes or No					

GST Details		Registration Types	
Registration type	: Regular	<input type="checkbox"/> Unknown <input type="checkbox"/> Composition <input type="checkbox"/> Consumer <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Unregistered	
GSTIN/UIN	: 07AAAAAA1234A1Z5		
Party Type	: Not Applicable		
Is a e-Commerce operator	? No		

7. Accept the screen to save

Creating Unit with GST

Go to Gateway of Tally > Inventory Info > Units of Measurement > Create

1. Enter the Symbol & Formal Name in the Name field

Unit Alteration		Epitome Educational Society	
Type : Simple	Current Date	Saturday, 1-Jul-2017	
Symbol : Nos	Current Date	1-Jul-2017	
Formal name: Number	Date of Last Day	1-Jul-2017	
Number of decimal plac	Accept ?		
Yes or No			

2. Accept the screen to **save**

Creating a Stock Groups with GST

Go to Gateway of Tally > Inventory Info > Stock Groups > Create

1. Enter the **Group Name**
2. In the **Under** field select **Primary**
3. Set/alter GST details–**Yes**
4. Accept the screen to **save**

Stock Group Alteration		Epitome Educational Society	
Name	: Electrical Appliances		
(alias)	:		
Under	: Primary		
Should quantities of items be added		? Yes	
Set/alter GST Details		? Yes	
		Accept ?	
		Yes or No	

GST Details		Epitome Educational Society	
<u>Tax Rate Details</u>			
Tax Details			
<i>(From 1-Jul-2017)</i>			
Taxability	:	Taxable	
Tax Type		Rate	
Integrated Tax		28 %	
Central Tax		14 %	
State Tax		14 %	
Cess		0 %	

Stock Group Alteration		Epitome Educational Society	
Name	: Electrical Goods		
(alias)	:		
Under	: Primary		
Should quantities of items be added	? Yes		
Set/alter GST Details	? Yes		
		<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Accept ? Yes or No </div>	

GST Details		Epitome Educational Society	
<u>Tax Rate Details</u>			
Tax Details			
<i>(From 1-Jul-2017)</i>			
Taxability	:	Taxable	
Tax Type		Rate	
Integrated Tax		18 %	
Central Tax		9 %	
State Tax		9 %	
Cess		0 %	

Creating a Stock Item with GST

Go to Gateway of Tally > Inventory Info > Stock Items> Create

1. Enter the **Stock Item Name**
2. In the **Under** field select the **Group** from the **List of Groups**
3. GST Applicable –**Applicable**
4. Set/alter GST details–**Yes**
5. Type of Supply–**Goods**
6. Accept the screen to **save**

Stock Item Alteration		Epitome Educational Society	
Name (alias)	: 18" TV		
Under	: Electrical Goods	Statutory Information	
Units	: Nos	GST Applicable	: <input checked="" type="checkbox"/> Applicable
		Set/alter GST Details	? Yes
		Type of Supply	: Goods
		Rate of Duty (eg 5)	: 0
Opening Balance	Quantity	Rate per	Value
	: 5 Nos	25,000.00 Nos	1,25,000.00
			Accept ?
			Yes or No

GST Details		Epitome Educational Society	
Tax Rate Details			
Tax Details			
<i>(From 1-Jul-2017)</i>			
Calculation type	: On Value	Calculation Type	
Taxability	: Taxable	On Item Rate	Information
		On Value	<input checked="" type="checkbox"/> Applicable
			Set/alter GST Details ? Yes
Tax Type	Rate	Type of Supply	: Goods
Integrated Tax	18 %	Rate of Duty (eg 5)	
Central Tax	9 %		
State Tax	9 %		
Cess	0 %		

Introduction to GST

Stock Item Alteration		Epitome Educational Society	
Name	: LG Air Conditioner		
(alias)	:		
Under	: Electrical Appliances	<u>Statutory Information</u>	
Units	: Nos	GST Applicable	: I Applicable
		Set/alter GST Details	? Yes
		Type of Supply	: Goods
		Rate of Duty (eg 5)	: 0
Opening Balance	: Quantity	Rate per	Value
	: 2 Nos	35,000.00 Nos	70,000.00
			Accept ?
			Yes or No

GST Details		Epitome Educational Society	
<u>Tax Rate Details</u>			
Tax Details			
(From 1-Jul-2017)			
Calculation type	: On Value	Calculation Type	
Taxability	: Taxable	On Item Rate	
		On Value	
Tax Type	Rate		
Integrated Tax	28 %		
Central Tax	14 %		
State Tax	14 %		
Cess	0 %		

Creating Purchase Invoice

Go to Gateway of Tally > Accounting Vouchers > F9: Purchase > As Invoice

- Select the ledgers Input CGST @18% and Input SGST @18%. The Input CGST and SGST amount would be automatically calculated and displayed in the amount columns.

Name of Item	Quantity	Rate per	Amount
18" TV	2 Nos	25,000.00 Nos	50,000.00
Input CGST @18%			4,500.00
Input SGST @18%			4,500.00
Narration:			
	2 Nos		59,000.00

- Click Tax Analysis to View the Tax Details. Click F1 to View Tax Break-Up in the Right Side Panel

Particulars	Taxable Value	Tax rate	Duty Tax Value
GST Details			
Purchase Taxable	50,000.00		9,000.00
Tax Break-Up			
Item Value (Purchase Value 50,000.00)	50,000.00		
Central Tax		9%	4,000.00
State Tax		9%	4,000.00
Total			9,000.00

Introduction to GST

Creating Purchase Invoice

Go to Gateway of Tally > Accounting Vouchers > F9: Purchase > As Invoice In the case of Inter-state Purchase

- Select the ledger Input IGST @28%. The Input IGST amount would be automatically calculated and displayed in the amount columns.

Name of Item	Quantity	Rate per	Amount
LG Air Conditioner	2 Nos	35,000.00 Nos	70,000.00
Input IGST @28%			19,600.00
Total			89,600.00

- Click Tax Analysis to View the Tax Details. Click F1 to View Tax Break-Up in the Right Side Panel

Particulars	Taxable Value	Tax rate	Duty Tax Value
GST Details			
Interstate Purchase (taxable)	70,000.00		19,600.00
LG Air Conditioner Item Value (Purchase Value 70,000.00)	70,000.00	28%	19,600.00
Integrated Tax			19,600.00
Total			19,600.00

Creating Sales Invoice

Go to Gateway of Tally > Accounting Vouchers > F8: Sales > As Invoice

- Select the ledgers Output CGST @18% and Output SGST @18%. The Output CGST and SGST amount would be automatically calculated and displayed in the amount columns.

Sl. No.	Quantity	Rate per	Amount
1	Nos. 27,000.00	Nos.	81,000.00
			7,290.00
			7,290.00
Total			95,586.00

- In the Sales Invoice, Press Alt+P to print the invoice

Voucher Printing			
Printer	: Smi To Outlook 2007 (Smi To Microsoft Outlook Port)	Paper type:	Letter
Number of copies	: 1		
Print language	: English	Paper size:	(Printing dimensions) 8.50" x 10.90" or (216 mm x 279 mm)
Print format	: Neat Mode	Print area:	8.50" x 10.90" or (216 mm x 279 mm)
Range of pages to print:	All		
Report Titles			
Sales Invoice			
			Print ?
<i>Without company phone no., Without company website</i>			Yes or No

For multiple copies, Press Alt+P and then Alt+C to select the number of copies

Number of Copies	
Number of Copies	: 1
Type of Copy	: Not Applicable

Sales Invoice

Eptome Educational Society GSTIN/UIN: 18AAAAE2602F1ZB		Invoice No. 2		Dated 1-Jul-2017		
		Delivery Note		Mode/Terms of Payment		
		Supplier's Ref. 345		Other Reference(s)		
Buyer Ms Sun Store		Buyer's Order No.		Dated		
Assam, Code : 18 GSTIN/UIN: 18AAAAA2345A1ZB		Despatch Document No.		Delivery Note Date		
		Despatched through		Destination		
		Terms of Delivery				
Sl No.	Description of Goods	HSN/SAC	Quantity	Rate	per	Amount
1	18" TV		3 Nos	27,000.00	Nos	81,000.00
	Output CGST @18%					7,290.00
	Output SGST @18%					7,290.00
Total			3 Nos			95,580.00
Amount Chargeable (in words)						₹ 95,580.00
INR Ninety Five Thousand Five Hundred Eighty Only						
HSN/SAC		Taxable Value	Central Tax		State Tax	
		81,000.00	Rate	Amount	Rate	Amount
			9%	7,290.00	9%	7,290.00
Total		81,000.00		7,290.00		7,290.00
Tax Amount (in words) : INR Fourteen Thousand Five Hundred Eighty Only						
Declaration We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.		for Eptome Educational Society				
		Authorized Signatory				

This is a Computer Generated Invoice

Introduction to GST

Sales Invoice
Reference no: 234
Party A/c name: Mr. Shivam Shrivastava
Current balance: 4,96,890.00 Dr
Sales ledger: Sales State Sales @20%

Name of Item	Quantity	Rate per	Amount
LG Air Conditioner	1 Nos	37,000.00 Nos	1,11,000.00
Output GST @20%			21,000.00
Net			1,11,000.00

- In the Sales Invoice, Press Alt+P to print the invoice

Voucher Printing

Printer : Send To OneNote 2017 (Send To Microsoft OneNote Port) Paper type: Letter
Number of copies : 1
Print language : English (Printing dimensions)
Print format : Neat Mode Paper size: (8.50" x 10.96") or (216 mm x 279 mm)
Range of pages to print: All Print area : (8.50" x 10.96") or (216 mm x 279 mm)

Report Titles

Sales Invoice

Without company phone no., Without company website

Print ?
Yes or No

- For multiple copies, Press Alt+P and then Alt+C to select the number of copies

Number of Copies

Number of Copies : 1
Type of Copy : Not Applicable

Sales Invoice

Epitome Educational Society GSTIN/UIN: 18AAAAE2602F1ZB		Invoice No. 1	Dated 1-Jul-2017			
		Delivery Note	Mode/Terms of Payment			
		Supplier's Ref. 234	Other Reference(s)			
Buyer Ms Shivam Store Karnataka, Code : 29 GSTIN/UIN: 29AAAAA3456A1Z4		Buyer's Order No.	Dated			
		Despatch Document No.	Delivery Note Date			
		Despatched through	Destination			
		Terms of Delivery				
Sl No.	Description of Goods	HSN/SAC	Quantity	Rate	per	Amount
1	LG Air Conditioner		3 Nos	37,000.00	Nos	1,11,000.00
	Output IGST @28%					31,080.00
	Total		3 Nos			1,42,080.00
Amount Chargeable (in words): INR One Lakh Forty Two Thousand Eighty Only						E & O E
HSN/SAC		Taxable Value	Rate	Integrated Tax Amount		
		1,11,000.00	28%	31,080.00		
		Total	1,11,000.00	31,080.00		
Tax Amount (in words) : INR Thirty One Thousand Eighty Only						
Declaration We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.		for Epitome Educational Society Authorised Signatory				
This is a Computer Generated Invoice						

- Click Tax Analysis to View the Tax Details. Click F1 to View Tax Break-Up in the Right Side Panel

Particulars	Taxable Value	Tax rate	Duty Tax Value
GST Details			
Interstate Sales Taxable	1,11,000.00		21,990.00
LG Air Conditioner (Item Value (Sales Value 1,11,000.00))	1,11,000.00	20%	21,990.00
Integrated Tax			
Total			21,990.00

To View the Report

Go to Gateway of Tally>Display>Statutory Reports>GST>GSTR1

To View the Challan Reconciliation Report for GST Payment

Go to Gateway of Tally>Display>Statutory Reports>GST>Challan Reconciliation

GST Adjustment against Tax Payable

At the end of every tax period it is advisable to set off the Output GST amount of Output GST ledgers with Input GST amount of Input GST ledgers created.

In case where the net Output is in excess, the balance amount of GST due is transferred to **GST Payable** ledger. In case of any tax period if Input tax is in excess of Output GST needs to adjust Input GST only to the extent of Output GST liability and balance of ITC can remain in the respective ledgers.

To Create a Journal voucher for adjusting the Output GST against Input GST Go

to Gateway of Tally > Accounting Vouchers > F7: Journal > Select **GST Adjustment** from the **Voucher Class List**.

1. Select the required **Output GST** ledgers to be debited from the **List of Ledger Accounts** and enter the corresponding ledger balance amount for the given period in the Debit field. These ledgers are to be debited for adjusting the total Output GST (for each rate) against Input GST ledgers.

2. Credit the required **Input GST** ledgers and enter the amount that has to be set-off against the Output GST and purchase tax ledgers that are debited.
3. In case the aggregate of Input GST ledgers is less than the debit values of Output GST values debited, transfer the balance amount to GST Payable ledger by selecting it in the credit field. **GST Payable** ledger can be grouped under **Current Liabilities** or **Duties & Taxes** with **Type of Duty/Tax** as **Others** or **Current Liabilities**.
4. *In case where the Input GST value is more than the Output GST, use the excess amount to the extent required for set-off. Here the additional ledger like GST payable need not be used.*
5. Accept the voucher and then make a payment entry for the payable amount if any

Accounting Voucher Alteration Epitome Educational Society 03/04/2017

GST Adjustment No. 1 Saturday

Particulars	Debit	Credit
Dr Output CGST @18% Cur Bal. 0.00 Dr	7,290.00	
Dr Output SGST @18% Cur Bal. 0.00 Dr	7,290.00	
Dr Output IGST @28% Cur Bal. 0.00 Dr	31,080.00	
Cr Input CGST @18% Cur Bal. 0.00 Cr		4,500.00
Cr Input SGST @18% Cur Bal. 0.00 Cr		4,500.00
Cr Input IGST @28% Cur Bal. 0.00 Cr		19,660.00
Cr GST Adjustment Cur Bal. 0.00 Cr		17,060.00
Narration:	45,660.00	45,660.00

Out Accept Delete Cancel

Accounting Voucher Alteration Epitome Educational Society 03/04/2017

GST Adjustment No. 2 Saturday

Particulars	Debit	Credit
Dr GST Adjustment Cur Bal. 0.00 Dr	17,060.00	
Cr GST Payable Cur Bal. 0.00 Cr		17,060.00
Narration:	17,060.00	17,060.00

Out Accept Delete Cancel

Creating an Entry for Payment of GST Liability

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

1. Select the **GST Payable** ledger to be debited.
2. Enter the **Amount** to be credited.
3. Select the required bank account ledger in the **Account** field from the **List of Ledger Accounts**.
4. Press **Y** or **Enter** to accept and save.

Particulars	Debit	Credit
Dr GST Payable Cur Bal: 8M Dr	17,060.00	
Cr SBI Cur Bal: 17,060 Cr		17,060.00
	17,060.00	17,060.00

Narration:

Out Accept Delete Cancel

Practice Exercise

Compute the GST Payable to the Government for the following Transactions-

1. Purchase from Raj Infotech-Local Dealer 5nos CDs of Antivirus Software @ Rs. 800 each with GST 18%
2. Purchase from Microtek India Ltd., Delhi 10 nos of Monitors @ Rs. 4000 each with GST 18%
3. Sale 8 nos CDs @ Rs. 1200 each to Local Retailer Rajiv Roy & Son with GST 18%
4. Sale 9 nos of Monitors @ Rs. 5600 each to Bangalore Retailer H. Goenka Traders with GST 18%

Service Ledger for GST Compliance

To update taxes and other GST details for your service items, you need to create your Service ledgers.

Supply of goods or rendering of services may involve additional expenses, which can either form part of stock items or service value, or can be charged separately. When such an expense is recovered from customers, it becomes an income.

While accounting for expenses and incomes, the ledgers have to be grouped under Direct Expenses, Indirect Expenses, Direct Incomes or Indirect Incomes.

To create an Expense or Income ledger

You can create Income ledgers to record direct and indirect incomes and Expense ledgers to record direct and indirect expense.

1. Go to **Gateway of Tally >Accounts Info. >Ledgers >Create**
2. **Is GST Applicable** – Applicable
3. **Set/alter GST Details** – **Yes**, specify the details in the GST Details screen
4. **Type of supply** –Services
5. **Press Ctrl + A to save**

Ledger Alteration		Epitome Educational Society		Ctrl + M	
Name : Local Advertisement (alias) :			Total Opening Balance		
			2,70,000.00 Dr		
			Difference		
			2,70,000.00 Dr		
Under : Indirect Incomes		Mailing Details			
Inventory values are affected ? No		Name Address : Local Advertisement			
		Country : I None			
		Provide bank details : No			
		PANIT No. :			
		Tax Registration Details			
Statutory Information					
Is GST Applicable ? I Applicable					
Set/alter GST Details ? Yes					
Type of Supply : Services					
Opening Balance (on 1-Jul-2017) :					
Accept ?					
Yes or No					

Introduction to GST

GST Details		Epitome Educational Society		Ctrl + M
Tax Rate Details		Natures of Transaction		
Nature of transaction	: Sales Taxable	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Deemed Exports Exempt <input type="checkbox"/> Deemed Exports Taxable <input type="checkbox"/> Exports Exempt <input type="checkbox"/> Exports LUT/Bond <input type="checkbox"/> Exports Taxable <input type="checkbox"/> Interstate Sales Exempt <input type="checkbox"/> Interstate Sales Nil Rated <input type="checkbox"/> Interstate Sales Taxable <input type="checkbox"/> Sales Exempt <input type="checkbox"/> Sales Nil Rated <input checked="" type="checkbox"/> Sales Taxable <input type="checkbox"/> Sales to Consumer - Exempt <input type="checkbox"/> Sales to Consumer - Taxable		
Tax Details (From 1-Jul-2017)				
Taxability	: Taxable			
Tax Type	Rate			
Integrated Tax	10 %			
Central Tax	9 %			
State Tax	9 %			
Cess	0 %			

Ledger Alteration		Epitome Educational Society		Ctrl + M
Name : Inter State Advertisement		Total Opening Balance		
(alias)		2,70,000.00 Dr		
		Difference		
		2,70,000.00 Dr		
Under	: Indirect Incomes	Name	: Inter State Advertisement	
Inventory values are affected	? No	Address	:	
		Country	: None	
		Provide bank details	: No	
Statutory Information		Tax Registration Details		
Is GST Applicable	? <input checked="" type="checkbox"/> Applicable	PAN/IT No.		
Set/alter GST Details	? Yes			
Type of Supply	: Services			
Opening Balance (on 1-Jul-2017) :				
		Accept ?		
		Yes or No		

GST Details Epitome Educational Society Ctrl + M

Tax Rate Details

Nature of transaction: **Interstate Sales Taxable**

Tax Details
(From 1-Jul-2017)

Taxability: Taxable

Tax Type	Rate
Integrated Tax	18 %
Central Tax	9 %
State Tax	9 %
Cess	0 %

Natures of Transaction

- Not Applicable
- Deemed Exports Exempt
- Deemed Exports Taxable
- Exports Exempt
- Exports LUT/Bond
- Exports Taxable
- Interstate Sales Exempt
- Interstate Sales Nil Rated
- Interstate Sales Taxable**
- Sales Exempt
- Sales Nil Rated
- Sales Taxable
- Sales to Consumer - Exempt
- Sales to Consumer - Taxable
- Sales to SEZ - Exempt

Supplier Allocation Epitome Educational Society

Name: / Supplier Charges:

Total Opening Balance: 2,70,000.00 Dr

Difference: 2,70,000.00 Dr

Under: Subject Expenses

Inventory values are affected: No

Shipping Details
Country: / No

Statutory Information
Is GST Applicable (Supplier GST Details): Applicable / No
Type of Supply: Yes / Services

Tax Realisation Details

Opening Balance (on 1-Jul-2017):

Accept?

GST Details Epitome Educational Society Ctrl + M

Tax Rate Details

Nature of transaction: **Purchase Taxable**

Tax Details
(From 1-Jul-2017)

Taxability: Taxable

Tax Type	Rate
Integrated Tax	18 %
Central Tax	9 %
State Tax	9 %
Cess	0 %

Natures of Transaction

- Not Applicable
- Imports Exempt
- Imports Taxable
- Interstate Purchase Exempt
- Interstate Purchase From Unregistered Dealer - Exempt
- Interstate Purchase From Unregistered Dealer - Taxable
- Interstate Purchase Nil Rated
- Interstate Purchase Taxable
- Purchase Exempt
- Purchase From Composition Dealer
- Purchase From SEZ - Exempt
- Purchase From SEZ - Taxable
- Purchase From Unregistered Dealer - Exempt
- Purchase From Unregistered Dealer - Taxable
- Purchase Nil Rated
- Purchase Taxable**

Introduction to GST

Ledger Alteration Epitome Educational Society Ctrl + M

Name: Telephone Bill
 (alias)

Total Opening Balance: 2,70,000.00 Dr
 Difference: 2,70,000.00 Dr

Under: Indirect Expenses
 Inventory values are affected: ? No

Statutory Information
 Is GST Applicable: ? E. Applicable
 Satisfies GST Details: ? Yes
 Type of Supply: Services

Mailing Details
 Name Address: Telephone Bill
 Country: I. None
 Provide bank details: No

Tax Registration Details
 PAN/TIN No.

Opening Balance (on 1-Jul-2017): Accept ?
 Yes No

GST Details Epitome Educational Society Ctrl + M

Tax Rate Details

Nature of transaction: Purchase Taxable

Tax Details
 (From 1-Jul-2017)

Tax Type	Rate
Integrated Tax	18 %
Central Tax	9 %
State Tax	9 %
Cess	0 %

Is GST Applicable: ? E. Applicable
 Satisfies GST Details: ? Yes

Natures of Transaction

- Not Applicable
- Imports Exempt
- Imports Taxable
- Interstate Purchase Exempt
- Interstate Purchase From Unregistered Dealer - Exempt
- Interstate Purchase From Unregistered Dealer - Taxable
- Interstate Purchase Nil Rated
- Interstate Purchase Taxable
- Purchase Exempt
- Purchase From Composition Dealer
- Purchase From SEZ - Exempt
- Purchase From SEZ - Taxable
- Purchase From Unregistered Dealer - Exempt
- Purchase From Unregistered Dealer - Taxable
- Purchase Nil Rated
- Purchase Taxable**

Ledger Alteration Epitome Educational Society Ctrl + M

Name: **Transportation Charges** Total Opening Balance: 2,70,000.00 IN

(Date) Difference: 2,70,000.00 IN

Under: **Direct Expenses** Name: Address: Mailing Details: **Transportation Charges**

Inventory values are affected: **No** Country: **None**

Provide bank details: **No**

Statutory Information: Is GST Applicable: **Yes** Applicable: **Services**

Set/alter GST Details: **Yes**

Type of Supply: **Services**

Provide PAN/IT No. Tax Registration Details:

Opening Balance (on 1-Jul-2017):

Accept? **Yes** / **No**

GST Details Epitome Educational Society Ctrl + M

Tax Rate Details

Nature of transaction: **Interstate Purchase Taxable**

Tax Details (From 1-Jul-2017)

Tax Type	Rate
Integrated Tax	18 %
Central Tax	9 %
State Tax	9 %
Cess	0 %

Natures of Transaction

- Not Applicable
- Imports Exempt
- Imports Taxable
- Interstate Purchase Exempt
- Interstate Purchase From Unregistered Dealer - Exempt
- Interstate Purchase From Unregistered Dealer - Taxable
- Interstate Purchase Nil Rated
- Interstate Purchase Taxable**
- Purchase Exempt
- Purchase From Composition Dealer
- Purchase From SEZ - Exempt
- Purchase From SEZ - Taxable
- Purchase From Unregistered Dealer - Exempt
- Purchase From Unregistered Dealer - Taxable
- Purchase Nil Rated

Creating a Credit or Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the ledger name as in the **Name** field
2. In the **Under** field, select **Sundry Creditors** from the **List of Groups**
3. Set **Maintain balances bill-by-bill** to **Yes**
4. The option, **Inventory values are affected** is set to **No** by default. Set this to **Yes** if applicable
5. Enter the **Mailing Details** and **Tax Information**
6. Set/alter GST details – **Yes**

Introduction to GST

Ledger Alteration Epitome Educational Society Ctrl + M

Name : BSNL
(alias) :

Total Opening Balance : 2,70,000.00 Dr
Difference : 2,70,000.00 Dr

Under : **Sundry Creditors**
(Current Liabilities)

Maintain balances bill-by-bill ? Yes
Default credit period :
Check for credit days during voucher entry ? No
Inventory values are affected ? No

Name : BSNL
Address :
Country : India
State : Assam
Pincode :
Provide bank details : No

Tax Registration Details
PANIT No. :
Set/alter GST details ? Yes

Opening Balance (on 1-Jul-2017) :
Accept ?
Yes / No

Registration Types

GST Details

Registration type : **Regular**
GSTIN/UIN : 18AAAAA4567A1Z8
Party Type : **[Not Applicable**
Is a e-Commerce operator ? **No**

Unknown
Composition
Consumer
Regular
Unregistered

Creating a Input GST Tax Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the name for the **GST** ledger in the **Name** field
2. In the **Under** field, select **Duties & Taxes** from **List of Groups**
3. Select **GST** as the Type of duty/tax.
4. Select **Central Tax** as the Tax type.

Similarly, you can create ledgers for state tax, integrated tax, and cess by selecting the relevant Tax type under GST.

5. Set **Inventory Values are affected** to **No**

Ledger Alteration		Epitome Educational Society		Ctrl = M	
Name Input CGST @18% (alias)			Total Opening Balance		
			2,70,000.00 Dr		
			Difference		
			2,70,000.00 Dr		
Under	Duties & Taxes (Current Liabilities)	Name	Mailing Details		
Type of duty/tax	GST	Address			
Tax type	Central Tax				
Inventory values are affected	? No	Provide bank details	No		
Percentage of calculation	? 0 %		Tax Registration Details		
Rounding method	[Not Applicable	PAN/IT No.			
<u>Statutory Information</u>					
Opening Balance (on 1-Jul-2017) :					Accept ? Yes = No

Ledger Alteration		Epitome Educational Society		Ctrl = M	
Name Input SGST @18% (alias)			Total Opening Balance		
			2,70,000.00 Dr		
			Difference		
			2,70,000.00 Dr		
Under	Duties & Taxes (Current Liabilities)	Name	Mailing Details		
Type of duty/tax	GST	Address			
Tax type	State Tax				
Inventory values are affected	? No	Provide bank details	No		
Percentage of calculation	? 0 %		Tax Registration Details		
Rounding method	[Not Applicable	PAN/IT No.			
<u>Statutory Information</u>					
Opening Balance (on 1-Jul-2017) :					Accept ? Yes = No

Introduction to GST

The screenshot shows the 'Ledger Alteration' window for 'Input GST @18%' in Tally. The window is titled 'Eptima Educational Society' and 'CST - 18'. The 'Name' field is 'Input GST @18%'. The 'Total Opening Balance' is 2,70,000.00 Dr. The 'Difference' is 2,70,000.00 Cr. The 'Under' field is 'Duties & Taxes (Current Liabilities)'. The 'Type of duties/tax' is 'GST', the 'Tax type' is 'Integrated Tax', and 'Inventory values are affected' is 'No'. The 'Percentage of calculation' is '18 %'. The 'Rounding method' is 'Not Applicable'. The 'Name' field is empty, and the 'Address' field is empty. The 'Provide bank details' field is 'No'. The 'PAN/TIN No.' field is empty. The 'Tax Registration Details' field is empty. The 'Opening Balance (on 1-Jul-2017)' is 0.00. The 'Accept?' button is 'Yes'.

6. Press Ctrl + A to save

Creating a Output GST Tax Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the name for the **GST** ledger in the **Name** field
2. In the **Under** field, select **Duties & Taxes** from List of Groups
3. Select **GST** as the Type of duty/tax.
4. Select **Central Tax** as the Tax type.

Similarly, you can create ledgers for state tax, integrated tax, and cess by selecting the relevant Tax type under GST.

5. Set Inventory Values are affected to No

The screenshot shows the 'Ledger Alteration' window for 'Output GST @18%' in Tally. The window is titled 'Eptima Educational Society' and 'CST - 18'. The 'Name' field is 'Output GST @18%'. The 'Total Opening Balance' is 2,70,000.00 Dr. The 'Difference' is 2,70,000.00 Cr. The 'Under' field is 'Duties & Taxes (Current Liabilities)'. The 'Type of duties/tax' is 'GST', the 'Tax type' is 'Central Tax', and 'Inventory values are affected' is 'No'. The 'Percentage of calculation' is '18 %'. The 'Rounding method' is 'Not Applicable'. The 'Name' field is empty, and the 'Address' field is empty. The 'Provide bank details' field is 'No'. The 'PAN/TIN No.' field is empty. The 'Tax Registration Details' field is empty. The 'Opening Balance (on 1-Jul-2017)' is 0.00. The 'Accept?' button is 'Yes'.

Ledger Alteration		Epitome Educational Society		Ctrl + M
Name : Output SGST @18%			Total Opening Balance	
(alias) :			2,70,000.00 Dr	
			Difference	
			2,70,000.00 Cr	
Under	Duties & Taxes (Current Liabilities)	Name	Mailing Details	
Type of duty/tax	GST	Address		
Tax type	State Tax			
Inventory values are affected	7 No	Provide bank details	No	
Percentage of calculation	7 0 %	PAN/T No.	Tax Registration Details	
Rounding method	1 Not Applicable			
Statutory Information				
Accept ?				
Opening Balance (on 1-Jul-2017) :				
Yes - No				

Ledger Alteration		Epitome Educational Society		Ctrl + M
Name : Output IGST @18%			Total Opening Balance	
(alias) :			2,70,000.00 Dr	
			Difference	
			2,70,000.00 Cr	
Under	Duties & Taxes (Current Liabilities)	Name	Mailing Details	
Type of duty/tax	GST	Address		
Tax type	Integrated Tax			
Inventory values are affected	7 No	Provide bank details	No	
Percentage of calculation	7 0 %	PAN/T No.	Tax Registration Details	
Rounding method	1 Not Applicable			
Statutory Information				
Accept ?				
Opening Balance (on 1-Jul-2017) :				
Yes - No				

6. Press Ctrl + A to save

Creating GST Tax Adjustment Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the name for the Adjustment ledger in the **Name** field
2. In the **Under** field, select **Duties & Taxes** from **List of Groups**
3. Select **others** as the Type of duty/tax.
4. Set **Inventory Values are affected to No**
5. In the option **Appropriate to** select
 - **Goods** – if the expense or income value has to be included in the stock item cost.
 - **Services**– if the expense or income value has to be included in the service value.
 - **Both**– if the expense or income value has to be included in stock item cost or service value.
 - ✓ If the option **Appropriate to** is set to **Services** or **Both**, the field **Method of Calculation** is skipped and the calculation is made based on the value entered for each stock item or service in the invoice.
 - ✓ If the option **Appropriate to** is set to **Goods** – select the **Method of Calculation** as:
 - Based on Quantity** – if the expense or income amount has to be distributed based on the quantity entered for each stock item in the invoice.
 - Based on Value**– if the expense or income amount has to be distributed based on the value of each stock item or service selected in the invoice.
6. Select the **Method of Calculation** based on the selection made for the option **Appropriate to**

Name: GST Adjustment		Total Opening Balance: 2,79,000.00 Dr.	
Under: Duties & Taxes		Address:	
Type of duty/tax: Others	Inventory values are affected to: No	Provide bank details: No	Tax finalisation details:
Appropriate to: Both	Method of Calculation: Based on Value	FAVUT No.:	
Opening Balance: 1 on 1-Jul-2017			

Ledger Alteration Epitome Educational Society Ctrl = M

Name (alias) **GST Payable** Total Opening Balance 2,70,000.00 Dr
 Difference 2,70,000.00 Cr

Under	Duties & Taxes (Current Liabilities)	Name Address	Billing Details
Type of duty/tax	Others	Provide bank details	No
Inventory values are affected	7 No	TAXPMT No.	Tax Registration Details
Percentage of calculation	7 0 %		

Statutory Information
 Include in assessable value calculation for: GST
 Appropriate to Method of Calculation Both
 Based on Value

Opening Balance (on 1-Jul-2017) :

Out Accept Done

Creating Ledger for Bank Account

Ledger Alteration Epitome Educational Society Ctrl = M

Name (alias) **SBI** Total Opening Balance 2,70,000.00 Dr
 Difference 2,70,000.00 Cr

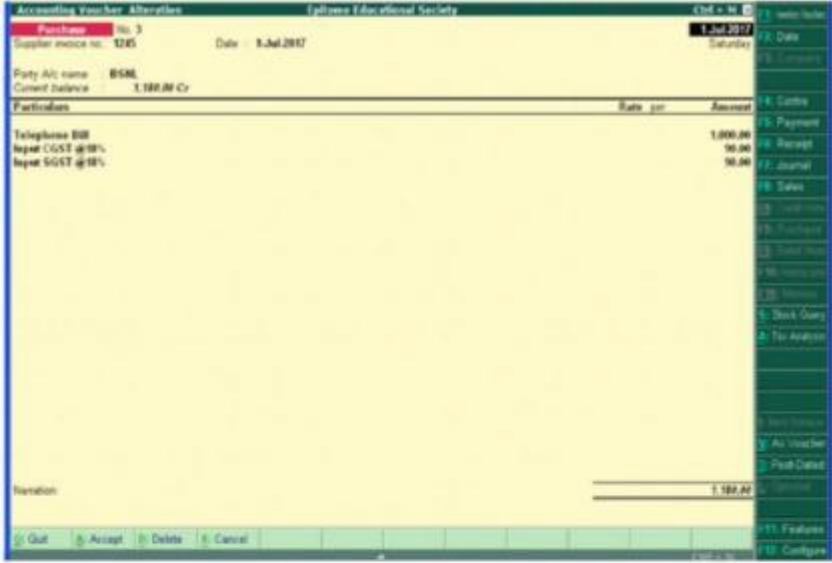
Under	Bank Accounts (Current Assets)	Name Address	Billing Details
Bank Account Details		Country State	India Assam Percode
Acc holder's name	Epitome Educational Society		
Acc no.			
IFSC code			
Bank name			
Branch			
Bank Configuration			
Set cheque books	7 No		
Set cheque printing configuration	7 No		

Opening Balance (on 1-Jul-2017) :

Out Accept Done

Creating Purchase Voucher

- Go to Gateway of Tally > Accounting Vouchers > F9: Purchase>As Voucher
 - Select the ledgers Input CGST @18% and Input SGST @18%. The Input CGST and SGST amount would be automatically calculated and displayed in the amount columns.



Accounting Voucher Alteration Epitome Educational Society 5:01 PM

Purchase No. 4 Date: 1-Jul-2017 Saturday

Supplier Invoice no.: 1256

Party A/c name: **Ms. MTP Store**
Current balance: 44,900.00 Cr

Particulars	Rate per	Amount
Counter Charges		5,000.00
Input CGST @9%		450.00
Input SGST @9%		450.00
		5,900.00

Number: _____

Out Accept Delete Cancel

Post Expense E-Mail Upload TallyShop Language Keyboard Control Centre Support Centre Help

Tax Analysis Epitome Educational Society Ctrl + M

Particulars	Taxable Value	Tax rate	Duty Tax Value
GST Details			
Purchase Taxable	5,000.00		900.00
Counter Charges			900.00
Purchase Value	5,000.00		
Central Tax		9%	400.00
State Tax		9%	400.00
		Total	900.00

Out

Creating Purchase Voucher

Go to Gateway of Tally > Accounting Vouchers > F9: Purchase > As Voucher In the case of Inter-state Purchase

- Select the ledger Input IGST @18%. The Input IGST amount would be automatically calculated and displayed in the amount columns.

Particulars Rate per Amount
 Transportation Charges 4,000.00
 Input IGST @18% 720.00
Total 4,720.00

Particulars	Taxable Value	Tax rate	Duty Tax Value
Interstate Purchase Taxable	4,000.00		720.00
Transportation Charges	4,000.00		720.00
Purchase Value		18%	720.00
Integrated Tax			
Total			720.00

Creating Sales Voucher

Go to Gateway of Tally > Accounting Vouchers > F8: Sales > As Voucher

- Select the ledgers Output CGST @18% and Output SGST @18%. The Output CGST and SGST amount would be automatically calculated and displayed in the amount columns.

Accounting Voucher - Sales

Reference No. 436

Party A/c name: Ms. Sun Store
Current balance: 2,13,500.00 Dr

Particulars	Rate per	Amount
Local Advertisement		1,00,000.00
Output CGST @18%		9,000.00
Output SGST @18%		9,000.00
Narration		1,18,000.00

Buttons: Out, Accept, Delete, Cancel

Tax Analysis

Particulars	Taxable Value	Tax rate	Duty Tax Value
GST Details			
Sales Taxable	1,00,000.00		18,000.00
Local Advertisement	1,00,000.00		18,000.00
Sales Value		0%	0,000.00
Central Tax		0%	0,000.00
State Tax		0%	0,000.00
Total			18,000.00

Buttons: Out

Creating Sales Invoice

Go to Gateway of Tally > Accounting Vouchers > F8: Sales > As Invoice In the case of Inter-state Sales

- Select the ledger Output IGST @18%. The Output IGST amount would be automatically calculated and displayed in the amount columns.

Accounting Voucher: Alteration Epitome Educational Society Ctrl + M

Sales No. 4 1 Jul 2017

Reference no.: /06 Saturday

Party A/C name: Mr Shivam Store
Current Balance: 4,00,000.00 Dr

Particulars	Rate per	Amount
Inter State Advertisement		3,00,000.00
Output IGST @18%		54,000.00
Net Total:		3,54,000.00

Navigation: Out Accept Delete Cancel

Tax Analysis Epitome Educational Society Ctrl + M

Particulars	Taxable Value	Tax rate	Duty Tax Value
GST Details			
Interstate Sales Taxable	3,00,000.00		54,000.00
Inter State Advertisement Sales Value	3,00,000.00		54,000.00
Integrated Tax		18%	54,000.00
Total			54,000.00

Navigation: Out

To View the Report

Go to Gateway of Tally>Display>Statutory Reports>GST>GSTR1

To View the Challan Reconciliation Report for GST Payment

Go to Gateway of Tally>Display>Statutory Reports>GST>Challan Reconciliation

GST Adjustment against Tax Payable

At the end of every tax period it is advisable to set off the Output GST amount of Output GST ledgers with Input GST amount of Input GST ledgers created.

In case where the net Output is in excess, the balance amount of GST due is transferred to **GST Payable** ledger. In case of any tax period if Input tax is in excess of Output, GST needs to adjust Input GST only to the extent of Output GST liability and balance of ITC can remain in the respective ledgers.

To create a journal voucher for adjusting the Output GST against Input GST

Go to **Gateway of Tally > Accounting Vouchers > F7: Journal > Select GST Adjustment** from the **Voucher Class List**.

1. Select the required **Output GST** ledgers to be debited from the **List of Ledger Accounts** and enter the corresponding ledger balance amount for the given period in the Debit field. These ledgers are to be debited for adjusting the total Output GST (for each rate) against Input GST ledgers.
2. Credit the required **Input GST** ledgers and enter the amount that has to be set-off against the Output GST and purchase tax ledgers that are debited.
3. In case the aggregate of Input GST ledgers is less than the debit values of Output GST values debited, transfer the balance amount to GST Payable ledger by selecting it in the credit field. **GST Payable** ledger can be grouped under **Current Liabilities** or **Duties & Taxes** with **Type of Duty/Tax** as **Others** or **Current Liabilities**.
4. *In case where the Input GST value is more than the Output GST, use the excess amount to the extent required for set-off. Here the additional ledger like GST payable need not be used.*
5. Accept the voucher and then make a payment entry for the payable amount if any

Introduction to GST

Accounting Voucher Alteration Epitome Educational Society Ctrl + M

GST Adjustment No. 3 1-Jul-2017 Saturday

Particulars	Debit	Credit
Dr Output GST @18% Cur Bal. #.00 Dr	9,000.00	
Dr Output SGST @18% Cur Bal. #.00 Dr	9,000.00	
Dr Output IGST @18% Cur Bal. #.00 Dr	94,000.00	
Cr Input GST @18% Cur Bal. #.00 Cr		840.00
Cr Input SGST @18% Cur Bal. #.00 Cr		840.00
Cr Input IGST @18% Cur Bal. #.00 Cr		720.00
Cr GST Adjustment Cur Bal. #.00 Cr		70,200.00
Narration		
	70,200.00	70,200.00

Out Accept Delete Cancel

Accounting Voucher Alteration Epitome Educational Society Ctrl + M

GST Adjustment No. 4 1-Jul-2017 Saturday

Particulars	Debit	Credit
Dr GST Adjustment Cur Bal. #.00 Dr	70,200.00	
Cr GST Payable Cur Bal. #.00 Cr		70,200.00
Narration		
	70,200.00	70,200.00

Out Accept Delete Cancel

Creating an Entry for Payment of GST Liability

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

1. Select the **GST Payable** ledger to be debited.
2. Enter the **Amount** to be credited.
3. Select the required bank account ledger in the **Account** field from the **List of Ledger Accounts**.
4. Press **Y** or **Enter** to accept and save.

Accounting Voucher Alteration Epitome Educational Society Ctrl + M

Payment No 2 1-Jul-2017
Saturday

Particulars	Debit	Credit
Dr GST Payable Cur Bar 8.00 Dr	70,200.00	
Cr SBI Cur Bar 87,200.00 Cr		70,200.00
Narration:		
	70,200.00	70,200.00

Out Accept Delete Cancel

Ctrl + N

1: Entry No
2: Date
3: Company
4: Contra
5: Payment
6: Receipt
7: Journal
8: Sales
9: Credit In
10: Purchase
11: Credit In
12: Salary
13: Month
14: Stat Paym
15: Trans Op
16: Post Date
17: Options
18: Feature
19: Config



20th GST Council Meeting held on 5th August, 2017

The rates of some services were discussed in the 20th GST Council meeting held on 5 August 2017. The Council has broadly approved the following rates.

Sl. No.	Description of service	From	To
1.	Job work services in respect of the textiles and textile products (including MMF yarn, garments, made-ups, etc. falling in Chapters 50 to 63)	18%/5%	5%
2	Services by way of printing of newspapers, books (including Braille books), journals and periodicals where only content is supplied by the publisher and the physical inputs including paper used for printing belongs to the printer	18% with full ITC	12% with full ITC
3	Services by way of printing of newspapers, books (including Braille books), journals and periodicals using physical inputs owned by others (including an unregistered publisher/supplier)	18% with full ITC	5% with full ITC
4	Works contract services provided to Government, local authority or governmental authority and in respect of post-harvest storage infrastructure for agricultural produce, mechanized food grain handling system	18% with full ITC	12% with full ITC
5	Margin/commission payable to Fair Price Shop Dealers by Central/ State Governments	18% with full ITC	Nil
6	Admission to planetarium	28% with full ITC	18% with full ITC
7	Rent-a-cab service	Allowed option of 12% GST with full ITC. 5% GST with no ITC will also continue	
8	Goods Transport Agency Service (GTA)	Allowed option of 12% GST with full ITC under forward charge. 5% GST with no ITC will also continue. (However, the GTA has to give an option at the beginning of financial year)	
9	In case of small house-keeping service providers (plumbers/carpenters) providing services through Electronic Commerce Operators (ECO), liability to pay GST placed on ECO		
10	Partnership firm or a firm includes LLP (Limited liability Partnership) for the purposes of levy (Including exemption therefrom) of GST on legal services.		
11	To clarify that legal services (including representational services) provided by an individual advocate or a senior advocate or a firm of advocates (including LLP) provided to a business entity in taxable territory are covered under reverse charge mechanism		
12	Goods required by FIFA and Services provided by and to FIFA and its subsidiaries in connection with FIFA U- 17 World Cup to be hosted in India in 2017 shall be exempted from GST		
13	New crop insurance schemes Pradhan Mantri Fasal Bima Yojana (PMFBY) introduced from Kharif 2016- 17 in place of National Agricultural Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS), and Restructured Weather Based Crop Insurance Scheme (RWCIS) introduced in place of Weather Based Crop Insurance Schemes, shall be extended exemption from GST.		

21st GST Council Meeting held on 09th September, 2017 in Hyderabad

The GST Council, in its 21st meeting held at Hyderabad on 9th September 2017, has recommended the following measures to facilitate taxpayers:

1. In view of the difficulties being faced by taxpayers in filing returns, the following revised schedule has been approved:

Sl. No.	Details / Return	Tax Period	Revised due date
1	GSTR-1	July, 2017	10-Oct-17
For registered persons with aggregate turnover of more than Rs. 100 crores, the due date shall be 3 rd October 2017			
2	GSTR-2	July, 2017	31-Oct-17
3	GSTR-3	July, 2017	10-Nov-17
4	GSTR-4	July-September, 2017	18-Oct-17 (no change)
Table-4 under GSTR-4 not to be filled for the quarter July-September 2017. Requirement of filing GSTR-4A for this quarter is dispensed with.			
5	GSTR-6	July, 2017	13-Oct-17

Due dates for filing of the above mentioned returns for subsequent periods shall be notified at a later date.

- a) GSTR-3B will continue to be filed for the months of August to December, 2017.
- b) A registered person (whether migrated or new registrant), who could not opt for composition scheme, shall be given the option avail composition till 30th September 2017 and such registered person shall be permitted to avail the benefit of composition scheme with effect from 1st October, 2017.

- c) Presently, any person making inter-state taxable supplies is not eligible for threshold exemption of Rs. 20 lakhs (Rs. 10 lakhs in special category states except J & K) and is liable for registration. It has been decided to allow an exemption from registration to persons making inter-State taxable supplies of handicraft goods up to aggregate turnover of Rs. 20 lakhs as long as the person has a Permanent Account Number (PAN) and the goods move under the cover of an e-way bill, irrespective of the value of the consignment.
 - d) Presently, a job worker making inter-State taxable supply of job work service is not eligible for threshold exemption of Rs. 20 lakhs (Rs. 10 lakhs in special category states except J & K) and is liable for registration. It has been decided to exempt those job workers from obtaining registration who are making inter-State taxable supply of job work service to a registered person as long as the goods move under the cover of an e-way bill, irrespective of the value of the consignment. This exemption will not be available to job work in relation to jewellery, goldsmiths" and silversmiths" wares.
 - e) FORM GST TRAN-1 can be revised once.
 - f) The due date for submission of FORM GST TRAN-1 has been extended by one month i.e. 31st October, 2017.
 - g) The registration for persons liable to deduct tax at source (TDS) and collect tax at source (TCS) will commence from 18th September 2017. However, the date from which TDS and TCS will be deducted or collected will be notified by the Council later.
2. The GST Council has decided to set up a committee consisting of Officers from both the Centre and the States under the chairmanship of the Revenue Secretary to examine the issues related to exports.
 3. The GST Council has also decided to constitute a Group of Ministers to monitor and resolve the IT challenges faced during GST implementation.

22nd GST Council Meeting held on 6th Oct 2017 at New Delhi

GST package for Small Units

The GST Council, in its 22nd meeting held at New Delhi on 6th October 2017, has recommended the following facilitative changes to ease the burden of compliance on small and medium businesses:

Composition Scheme

1. The composition scheme shall be made available to taxpayers having annual aggregate turnover of up to Rs. 1 crore as compared to the current turnover threshold of Rs. 75 lakhs. This threshold of turnover for special category States, except Jammu & Kashmir and Uttarakhand, shall be increased to Rs. 75 lakhs from Rs. 50 lakhs. The turnover threshold for Jammu & Kashmir and Uttarakhand shall be Rs. 1 crore. The facility of availing composition under the increased threshold shall be available to both migrated and new taxpayers up to 31.03.2018. The option once exercised shall become operational from the first day of the month immediately succeeding the month in which the option to avail the composition scheme is exercised. New entrants to this scheme shall have to file the return in FORM GSTR-4 only for that portion of the quarter from when the scheme becomes operational and shall file returns as a normal taxpayer for the preceding tax period. The increase in the turnover threshold will make it possible for greater number of taxpayers to avail the benefit of easier compliance under the composition scheme and is expected to greatly benefit the MSME sector.

2. Persons who are otherwise eligible for composition scheme but are providing any exempt service (such as extending deposits to banks for which interest is being received) were being considered ineligible for the said scheme. It has been decided that such persons who are otherwise eligible for availing the composition scheme and are providing any exempt service, shall be eligible for the composition scheme.

3. A Group of Ministers (GoM) shall be constituted to examine measures to make the composition scheme more attractive.

Relief for Small and Medium Enterprises

4. Presently, anyone making inter-state taxable supplies, except inter-State job worker, is compulsorily required to register, irrespective of turnover. It has now been decided to exempt those service providers whose annual aggregate turnover is less than Rs. 20 lakhs (Rs. 10 lakhs in special category states except J & K) from obtaining registration even if they are making inter-State taxable supplies of services. This measure is expected to significantly reduce the compliance cost of small service providers.

5. To facilitate the ease of payment and return filing for small and medium businesses with annual aggregate turnover up to Rs. 1.5 crores, it has been decided that such taxpayers shall be required to file quarterly returns in FORM GSTR-1, 2 & 3 and pay taxes only on a quarterly basis, starting from the third quarter of this financial year i.e. October–December, 2017. The registered buyers from such small taxpayers would be eligible to avail ITC on a monthly basis. The due dates for filing the quarterly returns for such taxpayers shall be announced in due course. Meanwhile, all taxpayers will be required to file FORM GSTR-3B on a monthly basis till December, 2017. All taxpayers are also required to file FORM GSTR-1, 2 & 3 for the months of July, August and September, 2017. Due dates for filing the returns for the month of July, 2017 have already been announced. The due dates for the months of August and September, 2017 will be announced in due course.

6. The reverse charge mechanism under sub-section (4) of section 9 of the CGST Act, 2017 and under sub-section (4) of section 5 of the IGST Act, 2017 shall be suspended till 31.03.2018 and will be reviewed by a committee of experts. This will benefit small businesses and substantially reduce compliance costs.

7. The requirement to pay GST on advances received is also proving to be burdensome for small dealers and manufacturers. In order to mitigate their inconvenience on this account, it has been decided that taxpayers having annual aggregate turnover up to Rs. 1.5 crores shall not be required to pay GST at the time of receipt of advances on account of supply of goods. The GST on such supplies shall be payable only when the supply of goods is made.

8. It has come to light that Goods Transport Agencies (GTAs) are not willing to provide services to unregistered persons. In order to remove the hardship being faced by small unregistered businesses on this account, the services provided by a GTA to an unregistered person shall be exempted from GST.

Other Facilitation Measures

9. After assessing the readiness of the trade, industry and Government departments, it has been decided that registration and operationalization of TDS/TCS provisions shall be postponed till 31.03.2018.

10. The e-way bill system shall be introduced in a staggered manner with effect from 01.01.2018 and shall be rolled out nationwide with effect from 01.04.2018. This is in order to give trade and industry more time to acclimatize itself with the GST regime.

11. The last date for filing the return in FORM GSTR-4 by a taxpayer under composition scheme for the quarter July–September, 2017 shall be extended to 15.11.2017. Also, the last date for filing the return in FORM GSTR-6 by an input service distributor for the months of July, August and September, 2017 shall be extended to 15.11.2017.

12. Invoice Rules are being modified to provide relief to certain classes of registered persons.

Relief to small units:

1. GST rates on job work services is being rationalized as follows:

Sl. No	Description of Service	Rate
1	Job work services in relation to all products falling in Chapter 71 (including imitation jewellery)	5%
2	Job work services in relation to food and food products falling under Chapters 1 to 22 of the HS Code (except packing of processed milk into packets)	5%
3	Job work services in relation to products falling under Chapters 23 of the HS Code except dog and cat food put up for retail sale (CTH 23091000)	5%
4	Job work in relation to manufacture of umbrella	12%
5	Job work in relation to manufacture of clay bricks falling under CTH 69010010	5%
6	Services by way of printing on job work basis or on goods belonging to others in relation to printing of all goods falling under Chapter 48 or 49, which attract GST @ 5% or Nil [Heading 9988]	5%
7	Services by way of printing on job work basis or on goods belonging to others in relation to printing of all goods falling under Chapter 48 or 49, which attract GST @ 12% [Heading 9988]	12%
8	Services by way of printing on job work basis or on goods belonging to others in relation to printing of goods falling under Chapter 48 or 49, other than those covered by (6) and (7) above, [Heading 9988]	18%
9	Services by way of printing in relation to printing of all goods falling under Chapter 48 or 49, which attract GST @ 5% or Nil, where only content is supplied by the publisher and the physical inputs including paper used for printing belong to the printer [(Heading 9989)]	12%
10	Services by way of printing of all goods falling under Chapter 48 or 49 which attract GST @12%, where only content is supplied by the publisher and the physical inputs including paper used for printing belong to the printer	12%
11	Services by way of printing of all goods falling under Chapter 48 or 49 which attract GST @18% or above, where only content is supplied by the publisher and the physical inputs including paper used for printing belong to the printer	18%
12	To issue a clarification with regard to classification of printing products/services.	

If a dealer who makes supplies of goods and services referred to in clause (b) of paragraph 6 of Schedule II of CGST Act and /or also receives interest income or makes supply of any exempt service, (s) he will not be ineligible for the Composition Scheme under Section 10 provided all other conditions are met. Further, in computing his aggregate turnover in order to determine his eligibility for composition scheme, interest income and value of supply of any exempt services shall not be taken into account. Removal of Difficulty order under section 172 of CGST/SGST/UTGST Act will be issued.

2. The services provided by a GTA to an unregistered person (under GST law) including unregistered casual taxable person other than the recipients liable to pay tax on GTA services under reverse charge shall be exempted from GST.
3.
 - i. Leasing of vehicles purchased and leased prior to 1.7.2017, shall be taxed at 65% of the applicable GST + Cess rate.
This reduced rate would be applicable for a period of 3 years with effect from 1st July 2017;
 - ii. The vehicles covered by the above leases (i.e. leases of vehicles purchased and leased prior to 1.7.2017), when disposed off/ sold shall also be taxed at 65% of the applicable GST + Cess rate. This reduced rate would be applicable for a period of 3 years with effect from 1st July 2017;
 - iii. Sale/supply of vehicles by a registered person, who had procured the vehicle prior to 1st July 2017 and has not availed input tax credit of central excise duty, VAT or any other taxes paid on such vehicles, would be taxed at 65% of the applicable GST + Cess rate. This reduced rate would be applicable for a period of 3 years with effect from 1st July 2017.
 - iv. Sale by way of auction etc. of used vehicles, seized and confiscated goods, scrap etc. by Central Government, State government, Union Territory or a local authority, to any person, to be subjected to GST under reverse charge under section 9(3) of the CGST Act.
4. Transport of passengers by motor cab/ renting of motor cab:-
 - i. GST of 5% without ITC and 12% with full ITC available to transport of passengers by motor cab/ renting of motor cab shall be extended to any motor vehicle;
 - ii. ITC of input services shall be allowed in the same line of business at GST rate of 5%

Other rate changes in services:

1. Works contract services involving predominantly earth works (that is, constituting more than 75% of the value of the works contract) supplied to Central Government, State Governments, Local Authority, Governmental Authority or Government Entity shall be taxed at 5%.

2. To expand the existing definition of *Governmental Authority* so as to include any authority set up to carry out any functions entrusted to a Panchayat under Article 243G of the Constitution.
3. Supply of service or goods by a Government Entity to Central Government, State Government, Union Territory, Local Authority or any person specified by them against consideration received from them in the form of grants, shall be exempted. "Government Entity" shall be defined as an authority or a board or any other body including a society, trust, corporation which is, –
 - i. set up by an Act of Parliament or State Legislature, or
 - ii. established by any government, with 90% or more participation by way of equity or control, to carry out a function entrusted by the Central Government, State Government or a local authority.
4. The reduced rate of 12% on specified works contract services supplied to the Central Government, State Government, Union Territory, Local Authority and Governmental Authority shall be extended to a Government Entity, where such specified works contract services have been procured by the government entity in relation to the work entrusted to it by the Central Government, State Government, Union Territory or Local Authority.
5. GST shall be levied @ 12% on works contract services in respect of offshore works contract relating to oil and gas exploration and production (E&P) in the offshore area beyond 12 nautical miles.
6. GST shall be levied @ 12% with ITC or 5% without ITC for transportation of natural gas through pipeline.
7. Exemption to annuity paid by NHAI (and State authorities or State owned development corporations for construction of roads) to concessionaires for construction of public roads.
8. Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service, by way of granting of long term lease of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business, provided by the State Government Industrial Development Corporations/ Undertakings or any other entity having 50% or more ownership of Central Government, State Government, Union Territory to (a) industrial units or (b) developers in any industrial or financial business area, may be exempted from GST.
9. The services provided by Overseeing Committee members to RBI shall be taxed under the reverse charge mechanism under section 9(3) of the CGST Act, 2017.
10. Some other technical changes/amendments shall be made in notifications issued under CGST, IGST, UTGST and SGST Acts.

23rd GST Council meeting held at Guwahati on 10th November, 2017

The GST Council, in its 23rd meeting held at Guwahati on 10th November 2017, has recommended the following facilitative measures for taxpayers:

Return Filing

The return filing process is to be further simplified in the following manner:

- i) All taxpayers would file return in FORM GSTR-3B along with payment of tax by 20th of the succeeding month till March, 2018.
- ii) For filing of details in FORM GSTR-1 till March 2018, taxpayers would be divided into two categories. Details of these two categories along with the last date of filing GSTR 1 are as follows:

- Taxpayers with annual aggregate turnover up to Rs. 1.5 Crores need to file GSTR-1 on quarterly basis as per following frequency:

Period	Dates
Jul- Sep	31 st Dec 2017
Oct- Dec	15 th Feb 2018
Jan- Mar	30 th April 2018

- Taxpayers with annual aggregate turnover more than Rs. 1.5 Crores need to file GSTR-1 on monthly basis from November, 2017 as per following frequency:

Period	Dates
Jul- Oct	31 st Dec 2017
Nov	10 th Jan 2018
Dec	10 th Feb 2018
Jan	10 th Mar 2018
Feb	10 th Apr 2018
Mar	10 th May 2018

- a) The time period for filing GSTR-2 and GSTR-3 for the months of July, 2017 to March 2018 would be worked out by a Committee of Officers. However, filing of GSTR-1 will continue for the entire period without requiring filing of GSTR-2 & GSTR-3 for the previous month / period.

- b) A large number of taxpayers were unable to file their return in FORM GSTR-3B within due date for the months of July, August and September, 2017. Late fee was waived in all such cases. It has been decided that where such late fee was paid, it will be re-credited to their Electronic Cash Ledger under "Tax" head instead of "Fee" head so as to enable them to use that amount for discharge of their future tax liabilities. The software changes for this would be made and thereafter this decision will be implemented.
- c) For subsequent months, i.e. October 2017 onwards, the amount of late fee payable by a tax payer whose tax liability for that month was „NIL" will be Rs. 20/- per day (Rs. 10/- per day each under CGST & SGST Acts) instead of Rs. 200/- per day (Rs. 100/- per day each under CGST & SGST Acts).

Manual Filing

- d) A facility for manual filing of application for advance ruling is being introduced for the time being.

Further benefits for service providers

- e) Exports of services to Nepal and Bhutan have already been exempted from GST. It has now been decided that such exporters will also be eligible for claiming Input Tax Credit in respect of goods or services used for effecting such exempt supply of services to Nepal and Bhutan.
- f) In an earlier meeting of the GST Council, it was decided to exempt those service providers whose annual aggregate turnover is less than Rs. 20 lakhs (Rs. 10 lakhs in special category states except J & K) from obtaining registration even if they are making inter-State taxable supplies of services. As a further measure towards taxpayer facilitation, it has been decided to exempt such suppliers providing services through an e-commerce platform from obtaining compulsory registration provided their aggregate turnover does not exceed twenty lakh rupees. As a result, all service providers, whether supplying intra-State, inter-State or through e-commerce operator, will be exempt from obtaining GST registration, provided their aggregate turnover does not exceed Rs. 20 lakhs (Rs. 10 lakhs in special category States except J & K).

Extension of dates

- g) Taking cognizance of the late availability or unavailability of some forms on the common portal, it has been decided that the due dates for furnishing the following forms shall be extended as under:

Sl. No.	FORM and Details	Original due date	Revised due date
1	GST ITC-04 for the quarter July-September, 2017	25.10.2017	31.12.2017
2	GSTR-4 for the quarter July-September, 2017	18.10.2017	24.12.2017
3	GSTR-5 for July, 2017	20.08.2017 or 7 days from the last date of registration whichever is earlier	11.12.2017
4	GSTR-5A for July, 2017	20.08.2017	15.12.2017
5	GSTR-6 for July, 2017	13.08.2017	31.12.2017
6	TRAN-1	30.09.2017	31.12.2017 (One-time option of revision also to be given till this date)

Revised due dates for subsequent tax periods will be announced in due course **Benefits for Diplomatic Missions/UN organizations**

a) In order to lessen the compliance burden on Foreign Diplomatic Missions / UN Organizations, a centralized UIN will be issued to every Foreign Diplomatic Mission / UN Organization by the Central Government and all compliance for such agencies will be done by the Central Government in coordination with the Ministry of External Affairs.

Changes in GST Rates

Name of Goods/Services	Old Rate	New Rate
Restaurants	12%, 18%	5% (No ITC)
Shampoo, Perfumes, Tiles, Watches	28%	18%
Tanks, Wet grinders	28%	12%
Condensed milk, Refined sugar, Diabetic food	18%	12%
Idli Dosa batter, Desiccated coconut, Coir products	12%	5%
Gaur meal, Khandsari sugar, Dried vegetables	5%	0%

Changes in Composition Scheme

Particulars	Old	New
Turnover Limit	1 Core	1.5 Core
Rate for Composition Dealer	1% Trader	1% Trader
	2% Manufacturer	1% Manufacturer
	5% Restaurant	5% Restaurant
Due date for Return	15-Nov-2017	24-Dec-2017



24th GST Council Meet held on 16th December 2017

Decision of GST Council: Inter-State e-way Bill to be made compulsory from 1st of February, 2018; system to be ready by 16th of January, 2018.

The 24th meeting of the GST Council was held on 16th Dec, 2017 through a video conference. It discussed about the implementation of e-way Bill system in the country. Till such time as National e-way Bill is ready, the States were authorized to continue their own separate e-way Bill systems. However, it was represented by the trade and transporters that this is causing undue hardship in inter - State movement of goods and therefore, bringing in an early all India system of e-way Bill has become a necessity. The GST Council reviewed the progress of readiness of hardware and software required for the introduction of nationwide e-way Bill system. After discussions with all the states, the following decisions are taken:-

- i. The nationwide e-way Bill system will be ready to be rolled out on a trial basis latest by 16th January, 2018. Trade and transporters can start using this system on a voluntary basis from 16th January, 2018.
- ii. The rules for implementation of nationwide e-way Bill system for inter-State movement of goods on a compulsory basis will be notified with effect from 1st February, 2018. This will bring uniformity across the States for seamless inter-State movement of goods.
- iii. While the system for both inter-State and intra-State e-way Bill generation will be ready by 16th January, 2018, the States may choose their own timings for implementation of e-way Bill for intra-State movement of goods on any date before 1st June, 2018. There are certain States which are already having system of e-way Bill for intra-State as well as inter-State movement and some of those States can be early adopters of national e-way Bill system for intra-State movement also. But in any case uniform system of e-way Bill for inter-State as well as intra-State movement will be implemented across the country by 1st June, 2018.

UPDATE:

GSTR-1 deadline for Monthly (Jul-Nov) & Quarterly (Jul-Sep) filing extended to 10th January, 2018.

Creating Sales Invoice

Go to Gateway of Tally > Accounting Vouchers > F8: Sales > As Invoice In the case of Inter-state Sales

- Select the ledger Output IGST @18%. The Output IGST amount would be automatically calculated and displayed in the amount columns.

Accounting Voucher Alteration Epitome Educational Society Ctrl + M

Sales No. 4 1-Jul-2017 Saturday

Reference to: ZB6

Party A/c name: Mr Shivam Store
Current balance: 4,00,000.00 Dr

Particulars	Rate	per	Amount
Inter State Advertisement			3,00,000.00
Output IGST @18%			54,000.00
Narration:			3,54,000.00

Out Accept Delete Cancel

Tax Analysis Epitome Educational Society Ctrl + M

Tax Analysis

Particulars	Taxable Value	Tax rate	Duty Tax Value
GST Details			
Interstate Sales Taxable	3,00,000.00		54,000.00
Inter State Advertisement			
Sales Value	3,00,000.00		
Integrated Tax		18%	54,000.00
Total			54,000.00

Out

To View the Report

Go to Gateway of Tally>Display>Statutory Reports>GST>GSTR1

To View the Challan Reconciliation Report for GST Payment

Go to Gateway of Tally>Display>Statutory Reports>GST> Challan Reconciliation

GST Adjustment against Tax Payable

At the end of every tax period it is advisable to set off the Output GST amount of Output GST ledgers with Input GST amount of Input GST ledgers created.

In case where the net Output is in excess, the balance amount of GST due is transferred to **GST Payable** ledger. In case of any tax period if Input tax is in excess of Output GST needs to adjust Input GST only to the extent of Output GST liability and balance of ITC can remain in the respective ledgers.

To create a journal voucher for adjusting the Output GST against Input GST

Go to **Gateway of Tally > Accounting Vouchers > F7: Journal > Select GST Adjustment** from the Voucher Class List.

1. Select the required **Output GST** ledgers to be debited from the **List of Ledger Accounts** and enter the corresponding ledger balance amount for the given period in the Debit field. These ledgers are to be debited for adjusting the total Output GST (for each rate) against Input GST ledgers.
2. Credit the required **Input GST** ledgers and enter the amount that has to be set-off against the Output GST and purchase tax ledgers that are debited.
3. In case the aggregate of Input GST ledgers is less than the debit values of Output GST values debited, transfer the balance amount to GST Payable ledger by selecting it in the credit field. **GST Payable** ledger can be grouped under **Current Liabilities** or **Duties & Taxes** with **Type of Duty/Tax** as **others** or **Current Liabilities**.
4. *In case where the Input GST value is more than the Output GST, use the excess amount to the extent required for set-off. Here the additional ledger like GST payable need not be used.*
5. Accept the voucher and then make a payment entry for the payable amount if any

Particulars	Debit	Credit
Dr Output CGST @18% Cur Bal. 6,000 Dr	6,000.00	
Dr Output SGST @9% Cur Bal. 6,000 Dr	6,000.00	
Dr Output ICGST @18% Cur Bal. 6,000 Dr	64,000.00	
Cr Input CGST @18% Cur Bal. 6,000 Cr		6,000.00
Cr Input SGST @9% Cur Bal. 6,000 Cr		6,000.00
Cr Input ICGST @18% Cur Bal. 6,000 Cr		7,000.00
Cr GST Adjustment Cur Bal. 6,000 Cr		70,000.00
	72,000.00	72,000.00

Narration:

Accounting Voucher Alteration Epitome Educational Society Ctrl + M

GST Adjustment No. 4 1-Jul-2017 Saturday

Particulars	Debit	Credit
Dr GST Adjustment Cur Bal. 8.00 Dr	70,200.00	
Cr GST Payable Cur Bal. 8.00 Cr		70,200.00
Narration:		
	70,200.00	70,200.00

Ctrl + M

Creating an Entry for Payment of GST Liability

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

1. Select the **GST Payable** ledger to be debited.
2. Enter the **Amount** to be credited.
3. Select the required bank account ledger in the **Account** field from the **List of Ledger Accounts**.
4. Press **Y** or **Enter** to accept and save.

Accounting Voucher Alteration Epitome Educational Society Ctrl + M

Payment No. 2 1-Jul-2017 Saturday

Particulars	Debit	Credit
Dr GST Payable Cur Bal. 8.00 Dr	70,200.00	
Cr SBI Cur Bal. 81,200.00 Cr		70,200.00
Narration:		
	70,200.00	70,200.00

Ctrl + M

CONCLUSION

Goods and Services Tax was introduced on 1st of July 2017 and it has been significant step in the field of indirect tax reforms in India.

Tally.ERP9 with GST is designed with the latest amendment in GST.

This book Tally.ERP9 with GST provides with exceptional capabilities that will simplify the critical aspects of your business, including accounting, sales and purchase, inventory, manufacturing, taxation, payroll, MIS reporting and much more.

With GST, India has done away with the cascading effects of Taxes across all the states. Now with GST, it has become One Nation One Tax, though we have seen various slabs of taxation.

After the initial roll out of GST, various amendments have been made to make it more appealing to all sections of the society and will continue to do so under a vibrant economy. The various amendments that have been enacted has been provided herewith as annexure

A good student of Tally should always be up to date with the amendment that will be coming in future.

The logo for 'infotech' is displayed in a light purple, lowercase, sans-serif font. It is positioned at the bottom of the page, partially overlaid by a large, faint watermark of a stylized 'G' in the background.