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## **GST – Boost the Development of Indian Economy**

**Dr. Ghotekar D. B.**

C. D. Jain College of Commerce,  
Shrirampur - 413709

Mob No :- 9011607082

E –mail :- [dbghotekar@gmail.com](mailto:dbghotekar@gmail.com)

- **Introduction :-**

Goods and Services Tax, properly known as GST. Within short time of period GST popular in Indian economy due to the simplification in structure and application. Before GST, There were so many taxes on central and state level. i.e. Entertainment Tax ; Value Added Tax ( VAT); Excise duties; Import duties; Luxury Tax; Central sale Tax; Service Tax etc. But after GST, There is only single tax all over the Nation. One Nation, One Tax policy developed by central & State government Simplifications are made in filling the GST. The calculations made available all over India. The collection of GST is increased and the cost of collection of GST is decreased. The government of India and all the state government are satisfied with GST. The policy makers made some essential changes whenever required. The industrialist & merchants from Gujarat State apposed the % of GST at various levels. But none from other state all are satisfied with the amendments, application of GST instead of numerous taxation policy. After independence GST is big revolution in the tax sector. Because GST has took place against numerous Taxation policy adopted all over the country.

- **What is GST ?**

**Definition :-** “GST is a comprehensive, multistage, destination – based tax that will be levied on every value addition.” In simple words, Goods and Services Tax is an indirect tax levied on tax supply of goods and services. GST law has replaced many indirect tax laws that previously existed in India. i.e. Entertainment Tax; VAT; Excise duties; Import duties; luxury Tax; Central sales tax, Service tax etc. It was very headache to customer to fill up various type taxes while full filling the demands. Today it is very easy to end users to pay the GST in prescribed % GST smoothly collected and deposited to central and State governments.

- **History :-**

In 1954 the France government has passed the bill of GST. Within short of time it is found that the application, collection and cost of recovery is very simple, increasing and reducing. France government found that GST application is very simple. The collection of Tax increased hughly and the cost of collection of GST is too much lower than previous Taxation policy. After that 140 countries are following this tax system.

In India from 1<sup>st</sup> July 2017 CGST and SGST launched all over India. Some states, sometimes apposed strongly. But it was election fewer. When Gujarat legislature declared the industrialist and merchants made Dharna Andolan in Ahmadabad. But it was very thin struggle when commissioner took their demand paper.

Former prime minister Atal Bihari Vajpayee organized one committee to draft GST law in 2000. The committee concluded that the GST must be implement to improve current tax structure. Because it was found that there are number of taxes. It is headache to tax payers to fill up the various types tax returns and finalize two type GST structure to have separate levy legislation. 50% Tax ratio deposited with central government and rest to state government. In 2010 it is decided that GST the dream Tax system should be computerized. That's why the application of GST was postponed. In 2011 the constitutional amendment Bill to enable GST law introduced. The finance minister Adv. Arun Jetali reintroduce the GST Bill in parliament for further discussion. Restructured amended model GST law has been passed in Loksabha and Rajyasabha and Hon. President gave assent. After four supplementary GST bill passed in loksabha and approved by cabinet in 2017. Rajyasabha passed four supplementary GST Bills and final GST introduced on 1<sup>st</sup> July 2017. The Central government of India launched GST software. It is historical and memorable to Indian people one nation – one Tax boost the development of Indian economy.

- **Advantages of GST –**

- 1) To remove cross effect of taxation policy.
- 2) To increased numbers of GST payers.
- 3) To increased number of Industries, distributors, wholesaler, retailers & Service sector under the GST.
- 4) To make it easy by adopting software systems.
- 5) To reduce the headache of taxpayers.
- 6) To increase efficiency in logistic services.
- 7) To regulate the unorganized sector under GST coverage.

- **Main Players of GST :-**

There are three main players of GST.

- 1) CGST – The Goods and Services Tax collected by central Government on an Inter – state sale.
- 2) SGST - The Goods and Services Tax collected by state government on Inter – state sale.
- 3) IGST – The Goods and Services Tax collected by the central government for Inter – state sale.

The GST rate lavied on manufacturer, wholesaler, retailer and consumer. The GST is indirect Tax. This Tax is collected from end users. The distribution channel passed it till the last stage.

- **Benefits of GST :-**

- 1) The GST Structure is simple.

- 2) The entire economy comes under the GST.
- 3) The GST is not applicable on export.
- 4) The impact of GST will reflect on cost reduction.
- 5) The GST can bring more transparency.
- 6) The GST revenue collection systems will reduce the misappropriation of funds.
- 7) Unorganized sector also covered under GST.

GST replace many cascading taxes; the common man may benefit after implementing it properly. The central & state government's income from GST shows shocking hike and it is helpful to developed Indian economy.

● **References :-**

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2. [www.Tax authority of India.com](http://www.Tax authority of India.com)
3. [www.icai.com](http://www.icai.com)