

## **Structure of GST (SGST, CGST, UTGST & IGST)**

### **The Central Goods and Services Tax Act, 2017:**

- An Act to make a provision for levy and collection of tax on Intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto.
- It extends to the whole of India including Jammu and Kashmir.
- Total 21 chapters, 174 sections and 3 schedules.
- Amount will be used by Central Govt.
- In place of Central Excise duty, Service tax and other additional duties.
- Rate of CGST is half of total GST.
- Will be separately shown in the invoice.
- Administration will be done by Central Tax Department.

### **The State Goods and Services Tax Act, 2017:**

- Act to make a provision for levy and collection of tax on Intra-State supply of goods or services or both.
- Passed by each State Govt.
- Administration by concerned State Govt.
- In place of VAT, Entry tax and other indirect taxes levied by State Govt.
- Rate of SGST is half of total GST.
- Will be separately shown in the invoice.
- Amount will be used by the concerned State Govt.
- Administration will be done by the concerned State Tax Department.

### **The Union Territory Goods and Services Tax Act, 2017:**

- Act to make a provision for levy and collection of tax on Intra-UT supply of goods or services or both.
- Total 9 chapters and 26 sections.
- Passed by each State Govt.
- Rate of UTGST is half of total GST.
- Will be separately shown in the invoice.
- Amount will be used by the concerned UT Govt.

### **The Integrated Goods and Services Tax Act, 2017:**

- An Act to make a provision for levy and collection of tax on Inter-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto.
- Total 9 chapters, 25 sections.
- Tax will be levied by Central Govt.

- Share of the destination state will be given by central govt.
- IGST is total of CGST and SGST.
- Will be separately shown in the invoice.

### **The Goods and Services Tax (Compensation to States) Act, 2017:**

- An Act to compensate the deficit in revenue to States
- Total 14 sections and 1 schedule.
- According to section 18 of the 101 Constitution Amendment Act, 2016 the Central Govt. will compensate the affected states upto 5 years.
- Deficit will be calculated taking the financial year 2015-16 as base year.
- Calculation of deficit will be made considering all taxes subsumed into GST
- Statement of deficit to States will be audited by the CAG of India
- Central govt. will charges cess on GST to arrange the funds for compensation as per the recommendation of GST Council.