

GST:

Goods and services tax (GST) is an indirect tax (or consumption tax) used in India on the supply of goods and services. It is a comprehensive, multi-stage, destination-based tax: comprehensive because it has subsumed almost all the indirect taxes except a few estate taxes.

\* Taxation system before and after GST:

The previous tax structure has been replaced by GST and a number of changes have taken place as a result. Here are the most prominent differences between the VAT structure and GST:

Parameter	VAT	GST
Structure	Under the old taxation system the central taxes applicable were custom duty / central excise duty, central sales taxes on commodities & services, surcharges and cesses. The state taxes include VAT, WCT, entertainment tax, luxury tax, tax on gambling betting and lottery, sales tax deducted at source.	Under GST, all the central and state taxes will be subsumed and a single tax will be levied on all commodities & services apart from motor spirit, petroleum, natural gas and high-speed diesel.

Place of levy Under VAT, tax will be levied at the place where goods are manufactured or sold, or the place at which services are rendered.

Registration Under VAT, the registration is decentralised under state and central authorities.

Under GST, tax will be levied at will be levied at the place of consumption, like a destination based tax.

Under GST, there will be uniform e-registration depending upon the PAN of the identity.

\* Different direct taxes imposed in India are:

Few of such taxes include inheritance tax, interest tax, gift tax, wealth tax, etc. Wealth tax Act, 1957 was repealed in the year 2015. Direct Taxes in India were governed by two major legislations, income tax act, 1961 and wealth tax act, 1957.

\* Types of Direct Taxes:

- (1) Corporate Tax.
- (2) Minimum Alternative Tax (MAT).
- (3) Fringe Benefits Tax (FBT).
- (4) Dividend Distribution Tax (DDT).
- (5) Securities Transaction Tax (STT).