



Understanding GST: Goods and Services Tax

GST, or Goods and Services Tax, is a comprehensive indirect tax levied on the supply of goods and services throughout India. It was implemented in 2017 to simplify the previous complex tax structure, improve tax compliance, and boost the country's economic growth.

 by Aanchal Aggarwal

Required for GST Registration

PAN OF THE GST REGISTRANT

BUSINESS REGISTRATION OR INCORPORATION

ADDRESS PROOF OF PROMOTERS

ADDRESS PROOF FOR THE PLACE OF BUSINESS

STATEMENT SHOWING NAME, ADDRESS AND CONTACT DETAILS

DIGITAL SIGNATURE FOR THE AUTHORIZED SIGNATORY

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Who Needs to Register for GST?

1 Businesses

Any business that supplies goods or services and has an annual turnover exceeding ₹20 lakhs (₹10 lakhs for special category states) must register for GST.

2 E-commerce Operators

Online marketplaces and platforms that facilitate the supply of goods or services are required to register for GST, regardless of their turnover.

3 Casual Taxable Persons

Individuals making occasional taxable supplies in India must also register for GST, even if their turnover is below the threshold.

Threshold for GST Registration

General Threshold

The general threshold for GST registration is an annual turnover of ₹20 lakhs.

Special Category States

For businesses located in special category states, the threshold is lowered to ₹10 lakhs.

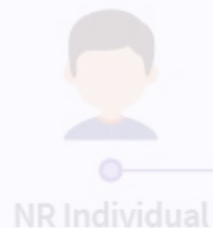
E-commerce Operators

E-commerce operators must register for GST regardless of their annual turnover.

The GST Registration Process

Application

Apply for GST registration online through the GST portal (www.gst.gov.in) by submitting the required information and documents.



NR Individual



NR Business

Tax Identification Number of Original Country

1

2

3

Approval

Upon successful verification, the GST authorities will issue a unique GST Identification Number (GSTIN) to the applicant.



Temporary Reference Number

Follow Rest of Registration Procedure

Application Signed by Authorised Signatory - a Person Resident in India with PAN

Verification

The GST authorities will verify the information provided and may conduct physical verification of the business premises.



Form GST REG-11

Extend Period of Registration



Get Registration

Documents Required for GST Registration

Personal Details

Aadhaar card, PAN card, and photographs of the business owner or authorized signatory.

Business Details

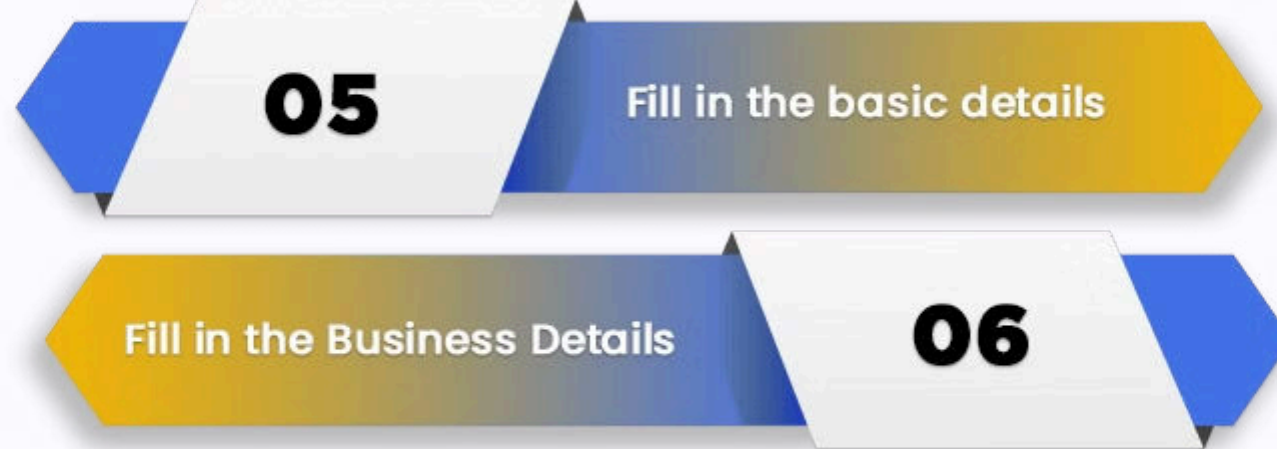
Proof of business address, such as a rent agreement or utility bill, and the business's bank account details.

Company Documents

For registered companies, the Memorandum of Association, Articles of Association, and Certificate of Incorporation are required.

Additional Documents

Depending on the nature of the business, additional documents may be required, such as licenses or permits.



Timelines for GST Registration



Application

The GST registration application must be submitted within 30 days of the business starting operations.

Verification

The GST authorities typically complete the verification process within 3 to 7 working days.

Approval

The GST registration certificate is usually issued within 3 to 7 working days after the verification is complete.

Benefits of GST Registration



Tax Compliance

GST registration ensures businesses comply with the tax laws and avoid penalties.



Input Tax Credit

Registered businesses can claim input tax credit, reducing their overall tax burden.



Business Growth

GST registration enables businesses to participate in the formal economy and access new markets.



Ease of Doing Business

The streamlined GST system simplifies tax compliance and reduces the administrative burden.

Penalties for Not Registering for GST

Offense	Penalty
Failure to register for GST	Up to ₹10,000 or 10% of the tax due, whichever is higher.
Continuing to operate without GST registration	₹10,000 per day, up to a maximum of ₹1 crore.
Obstructing or preventing access for GST authorities	₹25,000 for the first instance, and ₹50,000 for each subsequent instance.