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"ADOPTING CLOUD COMPUTING IN E-HEALTH FOR EARLY DETECTION OF DIABETIC"

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Introduction:

One of the biggest taxation reforms in India -- the Goods and Service Tax (GST) -- is all set to integrate State economies and boost overall growth. GST will create a single, unified Indian market to make the economy stronger.

The implementation of GST will lead to the abolition of other taxes such as octroi, Central Sales Tax, State-level sales tax, entry tax, stamp duty, telecom licence fees, turnover tax, tax on consumption or sale of electricity, taxes on transportation of goods and services, et cetera, thus avoiding multiple layers of taxation that currently exist in India.

Definition of GST:

"Goods and Services Tax -- GST -- is a comprehensive tax levy on manufacture, sale and consumption of goods and services at a national level." Through a tax credit mechanism, this tax is collected on value-added goods and services at each stage of sale or purchase in the supply chain. The system allows the set-off of GST paid on the procurement of goods and services against the GST which is payable on the supply of goods or services. However, the end consumer bears this tax as he is the last person in the supply chain. Experts say that GST is likely to improve tax collections and boost India's economic development by breaking tax barriers between States and integrating India through a uniform tax rate.

The Advantages of GST:

1) Under GST, the taxation burden will be divided equitably between manufacturing and services, through a lower tax rate by increasing the tax base and minimizing exemptions.
2) It is expected to help build a transparent and corruption-free tax administration. GST will be is levied only at the destination point, and not at various points (from manufacturing to retail outlets).
3) Currently, a manufacturer needs to pay tax when a finished product moves out from a factory, and it is again taxed at the retail outlet when sold.

Silent Features of GST:

1) It is estimated that India will gain $15 billion a year by implementing the Goods and Services Tax as it would promote exports, raise employment and boost growth. It will divide the tax burden equitably between manufacturing and services.
2) The benefits of GST for individuals and companies: In the GST system, both Central and State taxes will be collected at the point of sale. Both components (the Central and State GST) will be charged on the manufacturing cost. This will benefit individuals as prices are likely to come down. Lower prices will lead to more consumption, thereby helping companies.It will not be an additional tax. CGST will include central excise duty (Cenvat), service tax, and additional duties of customs at the central level; and value-added tax, central sales tax, entertainment tax, luxury tax, octroi, lottery taxes, electricity duty, state surcharges related to supply of goods and services and purchase tax at the State level.

The Different type of GST:

India is planning to implement a dual GST system. Under dual GST, a Central Goods and Services Tax (CGST) and a State Goods and Services Tax (SGST) will be levied on the taxable value of a transaction. All goods and services, barring a few exceptions, will be brought into the GST base. There will be no distinction between goods and services.

The other Countries Implemented the GST

Almost 140 countries have already implemented the GST. Most of the countries have a unified GST system. Brazil and Canada follow a dual system where GST is levied by both the Union and the State governments. **France was the first country to introduce GST system in 1954**

While countries such as Singapore and New Zealand tax virtually everything at a single rate Indonesia has five positive rates, a zero rate and over 30 categories of exemptions. In China, GST applies only to goods and the provision of repairs, replacement and processing services. It is only recoverable on goods used in the production process, and GST on fixed assets is not recoverable.

There is a separate business tax in the form of VAT. For example, when the GST was introduced in New Zealand in 2013, it yielded revenues that were 45 per cent higher than anticipated, in large part due to improved compliance. It is more neutral and efficient structure could yield significant dividends to the economy in increased output and productivity. The GST in Canada replaced the federal manufacturers' sales tax which was then levied at the rate of 60 per cent and was similar in design and structure as the CENVAT in India It is estimated that this replacement resulted in an increase in potential GDP by 24 per cent, consisting of 12.4 per cent increase in national income from higher factor productivity and 50 per cent increase from a larger capital stock (due to elimination of tax cascading). The Canadian experience is suggestive of the potential benefits to the Indian economy. This means gains of about US$ 15 annually. Discounting these flows at a modest 3.9 per cent per annum, the present value of the GST works out to 30000 trillion dollars. This is indeed a staggering sum and suggests the need for energetic action to usher the GST regime at an early date. GST rates of some countries are given below.

Country	Rate
Australia	10%
France	19.6%
Canada	5%
Germany	19%
Japan	5%
Singapore	7%
Sweden	25%
India	12%
New Zealand	15%
Pakistan	18%

The Different between GST & the Existing sales tax and services tax:

1. Single versus multiple stages

unlike the existing sales tax and service tax, GST is generally charged on the consumption of goods and services at every stage of the supply chain, with the tax burden ultimately borne by the end consumer. This multiple tax levels feature of GST is the fundamental change from the present single-stage sales tax and service tax levied at only one stage of the supply chain.

2. Goods and services subject to tax

GST operates on a negative concept - all goods and services are subject to GST unless specifically exempted. For sales tax, the same concept applies where all goods are taxable unless specifically exempted. It is anticipated that the number of exemptions under the present sales tax regime would be significantly reduced. Service tax, on the other hand, operates on a positive concept where only services that are specifically prescribed are taxable. Under a GST regime, the opposite will apply and a much wider range of services will fall within the GST net than before. The potential of a wider tax base under a GST regime is attractive to governments, as it offers greater flexibility as a revenue measure and promises simplicity compared to the task of administering exemptions and identifying taxable services under the current sales tax and service tax respectively.

3. Tax payment and accounting periods

Time of supply is an important feature under the GST regime as it determines when one should account for GST in the GST returns. The approach used by many countries when adopting GST is that a supply is considered to have taken place at the earliest of the following three events:

- the time an invoice is issued; or
- the time any payment is received by the supplier; or
- the time a taxable supply is made

The tax payment by GST registrants is worked out by deducting GST credits (input tax) from GST due (output tax) in the GST return. The GST rules differ from the existing sales tax structure where sales tax becomes due and payable when there is a sale or disposal otherwise than by sale. On the other hand, service tax is only due when payment is received, and where payment is not received, the tax is accounted for at the end of the 12-month period from the date of invoice issued. The GST concept of time of supply is therefore generally wider than the provisions in the existing sales tax and service tax and it will be important for businesses to learn to cope with the change, as there will potentially be changes to the enterprise’s cash flows under the new tax.

4. Imported services and intangibles

presently, imported services are not subject to service tax as the scope of the existing service tax rules do not deal with imported services or intangibles. In many GST regimes, imported services are subject to GST through the concept of a “reverse charge”. The reverse charge operates by treating a supply received from overseas as if it had been made by the recipient of the service rather than by the provider of the service overseas. The recipient of the supply is requested to account for the output GST on the imported services and report the amount in the GST return submitted to the Customs.

5. Group registration

under most GST regimes, group registration is included as a facility that allows companies to file consolidated GST returns. The objective is to reduce their GST administration costs where supplies made within a group would be disregarded for GST purposes. The facility could potentially result in better cash flow management for the group if goods and services are regularly supplied between group companies.

Conclusions:

The Goods & Service tax will be the game changer definitely for coming decade in Economic & Political Reforms, and we all are the participant in that we all hope so it will be benefited to all industry, Government & Specially for the Common Man AS THE PRIME MINISTER SAYS AACHE DIN AANE WALE HAI.

India is a federal republic, and the GST will thus be implemented concurrently by the central and state governments as the Central GST and the State GST respectively. Exports will be zero-rated and imports will be levied the same taxes as domestic goods and services adhering to the destination principle.

The existing sales tax and service tax structures do not allow consolidated tax filings. In service tax, 'group relief' is available for certain professional services when provided to companies within the same group and subject to certain limitations

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