

GST: A LAW OF TROUBLE OR RELIEF?

ABSTRACT

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The abbreviation GST has been in the air for a long time and now that it has been implemented, still a lot of people are unaware about its working. Being one of the most awaited law, GST has grabbed a great hype in the country. The GST journey began in the year 2000 when a committee was set up to draft law. It took 17 years from then for the Law to evolve. In 2017 the GST Bill was passed in the Lok Sabha and Rajya Sabha. On 1st July 2017 the GST Law came into force.

GST is an abbreviation for Goods and Services Tax, India. It is a uniform indirect tax, replacing various indirect taxes at different stages, levied before by both central and state governments. GST treats India as one big market following a uniform tax regime throughout the country, irrespective of states. Goods and Services Tax (GST) in India is a tax levied uniformly throughout India on the supply of goods and services as well as on the import of goods from foreign destinations. GST has divided particular goods and services under uniform tax slots, which initially varied from state to state. GST is an indirect Tax i.e. the dealers registered with GST act as intermediaries, collecting the tax from the end customer, which is the consumer, who ultimately bears the final burden of tax. GST is a huge reform for indirect taxation in India, the likes of which the country has not seen post-independence. GST aims to simplify indirect taxation, reduce complexities, and remove the cascading effect. Experts believe that it will have a huge impact on businesses both big and small, and change the way the economy functions.

Keywords : GST, Cascading Effect, Indirect Taxation

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² Here it means, tax on tax or we can say multiplication of taxes.