G.S.T. Software in India

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Abstract: *The GST was launched at midnight on 1 July 2017 by the President of India, Pranab Mukherjee and the Government of India.* *Goods and Service Tax* *(GST) is an indirect tax (or consumption tax) levied in India on the supply of goods and services. GST is levied at every step in the production process, but is refunded to all parties in the chain of production other than the final consumer. Goods and services are divided into five tax slabs for collection of tax - 0%, 5%, 12%, 18% and 28%.An e-Way Bill is an electronic permit for shipping goods similar to a waybill. It was made mandatory for inter-state transport of goods from 1st June 2018. It is required to be generated for every inter-state movement of goods beyond 10 kilometers (6.2 mi) and the threshold limit of ₹50,000 (US$750).The official Android mobile app can be used for generating an e-way bill, with powerful features for easy generation and for maintaining records. The e-way bill can also be generated or cancelled through an SMS. It is a critical compliance related GSTN project under the GST, with a capacity to process 75 lakh e-way bills per day. This paper evaluate the impact of technology on GST and it is found that it enhance the level of taxation system in India and also simplify the taxation process .GST will provide a big platform for economic and social development.*
Keywords: GST, GST software, Impact of technology on GST, Accounting software in India.

I. Objectives

This paper will find out the following objective with some remedial measure-

• In order to transfer the goods after the e-way bill is introduced, the need for the requirement of separate transit pass in each state will be eliminated.

• Single e-way bill for hassle-free movement of goods across the country.

• The GST solutions are easy-to-use accounting and invoicing systems that aims to cater the specific needs of various business organizations for tracking GST. Through the use of effective GST accounting software, the businesses can easily manage their accounts, inventory, finances, purchase, sales, taxation, payroll and various processes in an efficient manner.

Methodology

The entire information and data are taken mainly from few secondary sources such as Goods and Services Tax Act, GST report presented in Parliament, Annual reports of Government, Government Budget and Government Policy of GST,GST data provided by Government of India, various sources of Taxation System in India.

Study area

Best GST software for your business, a list of Top 5 GST software in India which can help you with GST Compliances, Invoicing and Auto-Calculation of GST. The list is in no specific order and makes a comparison showing the good with the bad for you to choose what is best for you.GST Software available in the market to be able to make a right apple to apple comparison."Goods and Services Tax" Network (GSTN) is a nonprofit organization formed for creating sophisticated network, accessible to stakeholders, government and taxpayers to access information from on a single source (portal). The portal is accessible to the Tax authorities for tracking down every transaction; while taxpayers have the ability of connect for their tax returns.

II. Introduction

The reform process of India's indirect tax regime was started in 1986 by Vishwanath Pratap Singh, Finance Minister in Rajiv Gandhi's government, with the introduction of the Modified Value Added Tax (MODVAT). Subsequently, Prime Minister P V Narasimha Rao and his Finance Minister Manmohan Singh initiated early discussions on a Value Added Tax (VAT) at the state level. A single common "Goods and

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Services Tax (GST)" was proposed and given a go-ahead in 1999 during a meeting between the Prime Minister Atal Bihari Vajpayee and his economic advisory panel, which included three former RBI governors IG Patel, Bimal Jalan and C Rangarajan. Vajpayee set up a committee headed by the Finance Minister of West Bengal, Asim Dasgupta to design a GST model.

The Ravi Dasgupta committee which was also tasked with putting in place the back-end technology and logistics (later came to be known as the GST Network, or GSTN, in 2017).It later came out for rolling out a uniform taxation regime in the country. In 2002, the Vajpayee government formed a task force under Vijay Kelkar to recommend tax reforms. In 2005, the Kelkar committee recommended rolling out GST as suggested by the 12th Finance Commission.

After the defeat of the BJP-led NDA government in the 2004 Lok Sabha election and the election of a Congress-led UPA government, the new Finance Minister P Chidambaram in February 2006 continued work on the same and proposed a GST rollout by 1 April 2010. However, in 2010, with the Trinamool Congress routing CPI (M) out of power in West Bengal, Asim Dasgupta resigned as the head of the GST committee. Dasgupta admitted in an interview that 80% of the task had been done.

In the 2014 Lok Sabha election, the Bharatiya Janata Party-led NDA government was elected into power. With the consequential dissolution of the 15th Lok Sabha, the GST Bill – approved by the standing committee for reintroduction – lapsed. Seven months after the formation of the Modi government, the new Finance Minister Arun Jaitley introduced the GST Bill in the Lok Sabha, where the BJP had a majority. In February 2015, Jaitley set another deadline of 1 April 2017 to implement GST. In May 2016, the Lok Sabha passed the Constitution Amendment Bill, paving way for GST. However, the Opposition, led by the Congress, demanded that the GST Bill be again sent back to the Select Committee of the Rajya Sabha due to disagreements on several statements in the Bill relating to taxation. Finally in August 2016, the Amendment Bill was passed. Over the next 15 to 20 days, 18 states ratified the Constitution amendment Bill and the President Pranab Mukherjee gave his assent to it.

A 21-member selected committee was formed to look into the proposed GST laws. After GST Council approved the Central Goods and Services Tax Bill 2017 (The CGST Bill), the Integrated Goods and Services Tax Bill 2017 (The IGST Bill), the Union Territory Goods and Services Tax Bill 2017 (The UTGST Bill), the Goods and Services Tax (Compensation to the States) Bill 2017 (The Compensation Bill), these Bills were passed by the Lok Sabha on 29 March, 2017. The Rajya Sabha passed these Bills on 6 April, 2017 and were then enacted as Acts on 12 April, 2017. Thereafter, State Legislatures of different States have passed respective State Goods and Services Tax Bills. After the enactment of various GST laws, Goods and Services Tax was launched all over India with effect from 1 July 2017.The Jammu and Kashmir state legislature passed its GST act on 7 July 2017, thereby ensuring that the entire nation is brought under an unified indirect taxation system. There was to be no GST on the sale and purchase of securities. That continues to be governed by Securities Transaction Tax (STT).

The GST was launched at midnight on 1 July 2017 by the President of India, Pranab Mukherjee, and the Government of India. The launch was marked by a historic midnight (30 June – 1 July) session of both the houses of parliament convened at the Central Hall of the Parliament. Though the session was attended by high-profile guests from the business and the entertainment industry including Ratan Tata, it was boycotted by the opposition due to the predicted problems that it was bound to lead for the middle and lower class Indians. It is one of the few midnight sessions that have been held by the parliament - the others being the declaration of India's independence on 15 August 1947, and the silver and golden jubilees of that occasion. After its launch, the GST rates have been modified multiple times, the latest being on 18 January 2018, where a panel of federal and state finance ministers decided to revise GST rates on 29 goods and 53 services.

Members of the Congress boycotted the GST launch altogether.They were joined by members of the Trinamool Congress, Communist Parties of India and the DMK. The parties reported that they found virtually no difference between the GST and the existing taxation system, claiming that the government was trying to merely rebrand the current taxation system. They also argued that the GST would increase existing rates on common daily goods while reducing rates on luxury items, and affect many Indians adversely, especially the middle, lower middle and poorer income groups. An e-Way Bill is an electronic permit for shipping goods similar to a waybill. It was made mandatory for inter-state transport of goods from 1st June 2018. It is required to be generated for every inter-state movement of goods beyond 10 kilometres (6.2 mi) and the threshold limit of □ 50,000(US$730).

Goods and Services Network (GSTN)

The GSTN's authorized capital is ☐ 10 crore(US$1.5 million) in which Central Government holds 24.5 percent of shares while the state government holds 24.5 percent. The remaining 51 percent are held by non-Government financial institutions, HDFC and HDFC Bank hold 20%, ICICI Bank holds 10%, NSE Strategic Investment holds 10% and LIC Housing Finance holds 11%.

It is a paperless, technology solution and critical anti-evasion tool to check tax leakages and clamping down on trade that currently happens on a cash basis. The pilot started on 1st February 2018 but was withdrawn after glitches in the GST Network. The states are divided into four zones for rolling out in phases by end of April 2018.

A unique e-Way Bill Number (EBN) is generated either by the supplier, recipient or the transporter. The EBN can be a printout, SMS or written on invoice is valid. The GST/Tax Officers tally the e-Way Bill listed goods with goods carried with it. The mechanism is aimed at plugging loopholes like overloading, understating etc. Each e-way bill has to be matched with a GST invoice.

The official Android mobile app can be used for generating an e-way bill, with powerful features for easy generation and for maintaining records. The e-way bill can also be generated or cancelled through an SMS.

It is a critical compliance related GSTN project under the GST, with a capacity to process 75 lakh e-way bills per day. The five states piloting are Andhra Pradesh, Gujarat, Kerala, Telangana and Uttar Pradesh, which account for 61% of the inter-state e-way bills, started mandatory intra-state e-way bill from 15th April 2018 to further reduce tax evasion. It was successfully introduced in Karnataka from 1st April 2018. The intra-state e-way bill will pave the way for a seamless, nation-wide single e-way bill system. Six more states Jharkhand, Bihar, Tripura, Madhya Pradesh, Uttarakhand and Haryana will roll it out from 20th April 18. All states are mandated to introduce it by May 30th, 2018.

GST Software

GST software serves as a backbone of the GST operations in organizations. GST is a well-organized version of the indirect taxes on goods and services by the central as well as state governments in India.

Features of the GST Software

The importance of the GST accounting software, many business organizations and traders has already adopted the implementation of the GST software for the smooth tax-paying experience. In addition to the ease of paying the GST, the business organizations are also benefited from its important features. Here are some of them:

- **Invoice Generation as per the GST standards:** The business organizations can prepare a proper invoice of their taxation and other financial records that abide by the GST standards. This feature by the GST software helps the businesses in proper regulation of their income and expenses.
- **E-Filing for the Returns and Return Reconciliation:** Business owners do not have the need to rush to the concerned official building to file their tax returns. With the help of the GST billing software, it can all be achieved with one-step e-filing of the returns and return reconciliation.
- **E-Payment Facility:** GST accounting software also offers the ease of paying the tax returns with much ease through the e-payment facility. It is a hassle-free process to make the payment online in a secure manner.
- **Tax Computation and Validation:** All the computations are done on the computer system and therefore, are completely validated.
- **Client Management:** The GST software also offers the ease of effective client management for the business organizations.
- **Data import:** The data that is relevant to organization's purposes can be easily imported with the help of the specialized GST billing software.
- **ITC Match/Mismatch Report Generation:** In case there is any trouble or mismatch in the ITC filing, then the GST accounting software creates the proper report of the same.
- **Credit Management:** The GST software can help in the minimization of debt and in improving the overall cash flow in the business by the allocation of varying credit limits to the different parties.
- **Budget & Controls:** The business organizations can utilize the funds in an efficient manner and can control the overall expenditure.

Best GST accounting software in India

The concept of **One Nation One Tax** is a breakthrough in the indirect tax regime. It has simplified the process of indirect taxation and has compelled the businesses to keep pace with the GST regime at the same time. Hence, the need of the hour is to go for the best **GST software** that would make working on GST a cakewalk.

List of the best GST software in India
1. HostBooks

HostBooks is an NDSL approved GST ASP provider. It has truly provided the users with an effortless approach to GST return filing and billing. **HostBooks GST** is software you can completely rely on as it builds up your clientele by filing more returns within the stipulated period of time. Following features of Host Books are-

- Associated with Amazon Web Services (AWS) that enables you to access your account anytime and anywhere.
- TLS 1.2 Transport Security with AES 256-Bit encryption (Https at SSL Level) keeps your data safe, secure, and intact just like a bank's website.
- With the Automation feature, the manual efforts would be kept to the minimum as 80% of the work would be automated.
- Automated bank feeds.

2. ProfitBooks

ProfitBooks is another popular and widespread GST software in India. It was launched in the year 2012. Being one of the oldest software, it is trusted by many businesses. Profit Books enables you to become GST compliant in the most efficient way. Following features of **ProfitBooks** are-

- Simple user interface.
- GST Invoicing with payment gateways integration.
- Easy management of expenses.
- Inventory management.

3. Tally ERP

- Tally ERP 9 is one of the most popular accounting software that is used by many manufacturers all across India. It was primarily designed for accountants. The best part is Tally works offline and doesn't require an internet connection. So, GST return filing process might become little tedious with Tally with manual import and export of data with the offline utility. Following features of Tally are-
- Automatic error detection.
- Supports multiple companies.
- Marked voucher feature.
- Management of supplier and purchase orders.

4. Clear Tax

Clear Tax is an IT return filing software and services company that has now entered the GST industry. It is a good option for those who are looking for a platform to file GST returns for their clients. Clear Tax can be used for filing returns for GST after importing data from other accounting software and ERP Systems. Following features of Clear Tax is-

- Automate reconciliations.
- Secure with 100% uptime.
- Simple integration with existing systems.
- Expedite action items.

Example of GST software is –
GST Software

GST Software

With GST in place, you might be looking for GST Billing Software and its features. Tally is offering Tally.ERP 9 Release 6 as a GST Ready Software, it's having all the features right from GST Billing to GST Returns, Error Detections & corrections, and many more.

Tally's GST Software Features

Start GST billing in a few minutes using Tally.ERP 9 Release 6

Just follow three easy steps and generate your GST bills from Tally.ERP 9

1. Enable GST.
2. Start entering GST Registration details, tax rates, and create tax ledgers.
3. Create and print sales invoices.

All GST transactions and scenarios are supported in Tally's GST-Ready Software

- Handles all your GST invoicing needs, whether it is simple invoices or advanced ones with multi-Item, multi-tax rates and so on. Tally.ERP 9 helps you prevent any incompleteness or errors. Print error-free GST invoices right from the beginning!
- Reverse Charge for all kinds of Business scenarios
- Advance Receipts and Payments
- Invoices for Branch Transfers, in case you have multiple branches
- Tax Payments for all your indirect taxes
- Journal adjustments (Input Tax Credit opening balance, utilize Input Tax Credit, utilize cash)
- Bill of Supply for Composite Dealers
- Invoices for Export businesses

Quickly reconcile with suppliers, and get rightful input tax credit

- Use Tally.ERP 9 Release 6, our GST software to easily detect cases where suppliers missed uploading invoices or if there are any mismatches. Highlight such slippages to your suppliers to avail rightful input tax credit.

Enhance customer satisfaction to get continuous business

- Keep track of invoices pending for upload and do your part to ensure that your customers get their rightful input tax credit. Enhance their satisfaction in doing business with you.

Minimize the chances of GST return rejection

- Quickly detect and correct any mismatches or missing information using Tally's GST software before uploading to GSTN. Save you from any last minute surprises in the form of GST return rejections on the GSTN portal.

Experience hassle-free GST returns

- Avoid the pain of segregating invoice-wise information as required by GST return forms. Tally.ERP 9 Release 6, our GST software helps you automatically fill your returns based on the type and value of transactions.

Conveniently file GST returns

- Simply export your GST returns in MS Excel format from our GST-ready software and share with your CA or Tax Practitioner, or file it yourself by converting data into JSON format using the external utility shared by GSTN.

Uses of GST Software in businesses

- Suppliers will record all the purchases (goods and services including other business expense purchases) made by you apart from ITC on your goods, you are eligible to avail ITC for purchased services and other business expense purchase of goods and services. You have to be very careful about your expense purchase bills, purchase with GST bill as a business rather than as a consumer.
- Choose your suppliers carefully to avail ITC smoothly. Similarly, your customers will choose you based on your compliance readiness, hence use best GST Software. They might see how well you have adopted technology, how you will be able to reconcile without discrepancies. How in GST Regime you will file your returns without much of errors, so that they can easily reconcile with you and avail ITC.
- Customers may ask for invoice upload at the time of making a purchase "Buyer gets input credit ONLY if seller pays GST" considering this you will start getting request from your customers to upload your sales invoice on GSTN. Customer will ask you to do so, to prevent themselves from any kind of disputes at a later stage. By having best GST Software in India you can easily manage all this very easily.
- You may need to get involved in matching transaction activity, while your Tax Return Preparer will continue to file your returns. There might be situations where your records may not match with your suppliers/customers and same will be intimated to you in Form 2A/1A. Now, you have to reconcile all such

mismatch with your suppliers/customers. As you know your business, you can easily connect with your suppliers and manage the same.

• Information exchange between you and your TRP will increase. Now, it's not like monthly once you can share your data with TRP as in most of the cases currently, but now you might be sharing data multiple times with your TRP as you will be reconciling mismatch with your suppliers/customers which will lead to changes in data.

• You need to upload all your outward supplies including cash sales (First level distributor and second level distributor) As department is aware of all your purchases, mismatch in stock in hand and outward supply, may lead to departmental scrutiny. Department will come to know when your inward stock is not showing corresponding outward stock

It's really important to go for the **GST software** that saves your valuable time, increases your proficiency and helps you stay ahead of the curve come what may. So, choose wisely.

GST has now come into effect and the Indian economy is following the one nation one tax concept. Several taxes are subsumed into GST and cascading tax effect has also been removed. GST is expected to have a mixed impact on the prices of the goods and services.

While not many people know what is GST or how to calculate the tax under the new GST regime, its deductions along with its rates, the best of assistance for everyone is available online. Several apps and software have been launched online by both government and private companies to help people with the GST issues that are faced by the common man.

Looking for GST software, then here is a list of some of the key features that you must ask for in your software:
Security
Needless to say, in today's digital world security is one of the most critical assurances. A secure software will protect confidential business information and avoid any kind of compromise that may pose threat to your business. Hence, you need to ensure that the GST software you buy is robust not only in return filing but also from data security point of view as well.

Multi-Platform Adaptability
Under the new regime, every business has to be compliant – there is little choice of an alternative. The concept of invoice matching has been introduced which will ensure that every taxable person in the value chain files his/her GST returns on time. This will directly affect the compliance rating of businesses. Thus, to keep up with these compliance requirements the GST software your purchase should be enabled on multiple platforms and must be accessible from desktop, tablets or mobile phones at any point in time, increasing the ease of online return filing.

Flexibility
Many large companies are already using some version of Enterprise Resource Planning (ERP) Software to manage their business operations and record or report processes. Even small and medium businesses for that matter have accounting tools for book-keeping. In such an environment, setting up new master data in a new application (GST Software) is not a feasible option. The GST software must be flexible enough to integrate with existing systems and provide a seamless experience. Multiple standalone systems operating in silos will only inflate the operating cost of businesses.

Cognizance
Under the GST regime, a normal taxpayer registered in one state will have to file thirty-seven returns during a financial period. If we look into the dynamics of today's businesses, most brands are pan-India or have a global client base. This will ensure that no deadline is missed and your business remains up and running!

User Interface and Reporting
Having discussed all the features above, one key feature which is universally appreciated is a beautiful user interface. For any typical business person, this 'beauty means informative dashboards and Informative Reports (MIS). This will enable quick decision making and transparent operations. Real-time information may help you avoid over/under stocking and may save on working capital. Also, for many businesses, an evaluation criterion for new software is the number of clicks to perform particular task. A good GST software must accommodate such requirements as well and operate on a minimum user interface principle.

There is much software that provides the above mentioned features, one of which is Profit books. It is a cloud based online Accounting software which is GST enabled. You can file all the GST Returns in a simple manner which will help you focus on your business more.

Problems in uses of GST software

Goods and Services tax Network (GSTN) which is considered as technology backbone for the revolutionize has a huge IT mandate steadfastly tackling mammoth aggregate of data which GST will spawn. GST though eradicated the cascading effect of tax has a disruptive impact upon the information technology landscape. GSTN which is handled by the government of India.GST is not a smooth sailing rather a great challenges for the businesses and consumers all over the country. The challenges and issues arising day by day by the causation of GST are numerous. People in the economy should take due care and caution to resolve the conflicts and should take some measures to get adapted under the one unified tax umbrella in an effective manner.

As expected Goods and Services Tax (GST) Act, 2017 has changed the Indian tax system fundamentally and is the biggest tax reform since Independence. It automates and simplifies the process of indirect taxation and has replaced the complicated taxes. Still Some Issues with the New Indirect Tax System:

- GST compliance procedure is to be carried out through the online portal only. Small and medium businessmen find it difficult as the compliance cost has increased and many of them are not aware of the latest technology;

- The burden of the lower threshold was an issue in previous law; manufacturers were not necessitated to comply with excise rule if the turnover is 1.5 crore or less. With merging into GST, they have to register in case of turnover crosses the limit of 20 lakhs under GST. This has created the problem for Small Business Holders;

- In GST, three types of taxes are levied i.e. CGST, SGST, and IGST. CGST and SGST are levied on intrastate sale and IGST is levied on the inter-state sale. This is creating a dispute related to confusion between types of category to be mention under which head;

- The effective rate of Service Tax was 15% which has increased to 18- 28% in GST. Therefore, Service Industry is now addressing the higher taxes.

- There is no huge discrepancy between the tax rate for luxury goods and normal goods compared to earlier laws, makes it hard for SMEs to compete with Non-SMEs.

- There are many more disputes; the businessmen are facing due to the type and nature of businesses and divergent industries.

III. Conclusion

Goods and Services Tax which is predominantly a tax on business transactions is unlikely to have a direct impact on the common man. Goods & Services Tax will impact accounting and invoicing processes across industries for both Chartered Accountants and Businesses. After July 1, businesses and accountants will have to adopt software and ERPs which are capable of managing taxation, invoicing & accounting as per the new tax regime. Technical aspects of the implementation of Goods and Services Tax, the impact on ERP systems, and what you need to do to be tax compliant in this section.GST will soon be working online as well as offline. Which means you will be able to use the software even when you are not connected with internet. Once you get online, the data will automatically sync up.

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