

GST - Frequently Asked Questions

What is GST and what are its types?

GST (Goods and Services Tax) is an indirect tax levied on supply of goods and services. Types: CGST (Central) and SGST (State) for intra-state supply; IGST (Integrated) for inter-state supply. GST subsumed many earlier taxes like VAT, service tax, and excise.

What is the GST registration threshold?

For normal category states, registration is required if aggregate turnover in a financial year exceeds Rs 40 lakh (goods) or Rs 20 lakh (services). For special category states it is Rs 20 lakh and Rs 10 lakh respectively. Voluntary registration is allowed.

What are the main GST rates?

Common rates: 0% (essential items), 5% (e.g. edible oils, coal), 12% (e.g. processed food, medicines), 18% (e.g. soaps, capital goods), 28% (e.g. luxury items, sin goods). Some items are exempt.

How do I file GST returns?

GSTR-1 (outward supplies) is filed monthly/quarterly. GSTR-3B (summary return with tax payment) is filed monthly. Annual return GSTR-9 is filed once a year. Filing is done on the GST portal (gov.in) before the due dates.

What is Input Tax Credit (ITC)?

ITC allows you to claim credit for GST paid on inputs, input services, and capital goods used for business. You can set off ITC against output GST liability. ITC is not available for certain items like personal use, blocked credits under the law.