



"IMPACT OF GST ON INDIAN ECONOMY"

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Abstract: A good tax system should keep in view issues of income distribution and, at the same time, also endeavour to generate tax revenues to support government expenditure on public services and infrastructure development. Now a days GST is the most crucial economic reform since the liberalization, Privatization and Globalization (LPG) reforms in the year 1991. In India GST is an Indirect Tax which has replaced Many Indirect Taxes that previously existed In India. France was the first country to implement GST in the year 1954, Malaysia 01st April 2015. In India GST Journey began in the year 2000 when a committee was set up to draft GST law by Atal Bihari Vajapayee Government. It took Seventeen years from then for the Law to evolve in 2017 the GST bill was passed in the Lok Sabha and Rajya Sabha and GST comes in to Force from 01st July, 2017. GST is a path breaking indirect Tax Reform which will create a common National Market by dismantling Domestic State Trade barriers.

GST is defined as the giant indirect tax structures designed to support and enhance the economic growth of a country. The main objectives of GST are "one Nation, One Tax and One Market". This paper presents an overview of GST, Concept Its Features and analyse the Impact on Indian Economy.

Keyword: Goods and service tax, Market, Rate of GST, Indirect Tax, revolutionary tax reform, Benefits and Need of GST, Impact of GST on the Indian Economy

Introduction:

GST a revolutionary tax reform in India and Now a day's GST is the buzz word of today's generation. Goods and service tax is the India's biggest Tax reform since Independence. GST is one indirect Tax for the whole India, which will make India One Unified Common Market. GST make our products competitive in the domestic / local and International market. Studies show that this would instantly spur economic growth. There may also be revenue gain for the centre and the states due to widening of tax base, increase in trade volume and improved Tax compliance.

The Kelkar Task Force on the implementation of Fiscal Responsibility and Budget Management (FRBM) Act, 2003, had pointed out that the existing system of Taxation on Goods & Services suffers from many problems and, therefore, suggested is comprehensive Goods and service tax (GST). GST be levied and collected at each stage of sale or purchase of goods or services based on input tax credit method. Under this system, GST-registered commercial houses shall be entitled to claim credit of the tax they paid on purchase of goods and services as a part of their day to day businesses. The new Reformed tax system was launched at a function in Central Hall of Parliament on 1st July, 2017 (Friday midnight). GST is the Biggest Indian Tax Reform founded on the nation of "One Nation, One Market,