

FICCI looks forward to working with the Governments to ensure successful implementation of GST

New Delhi, 29 June 2017: FICCI congratulates the Union and the State Governments on setting up one of the most important reforms in the country the Goods and Services Tax (GST).

FICCI expects that the roll out of GST will bring about significant gains to the country's economy and advantages for the stakeholders. GST will prevent cascading of taxes since Input Tax Credit (ITC) will be available across goods and services at each stage of the supply chain. The harmonisation of the laws, procedures and rates of taxes enforced by the Centre and the States will bring transparency/uniformity in our tax regime. It will ease the burden of taxpayers in understanding and complying with various tax laws.

Establishment of GST Network automates the processing of tax related filings enabling automation of processes like registration, returns, refunds, tax payments, etc. This is expected to reduce the interface between the tax payer and the tax administration and will go a long way to reduce unwarranted litigation on indirect tax matters.

FICCI believes that introduction of GST will help in a major way in reducing the generation of black money and the spread of the parallel economy in the country. The very framework of the tax structure whereby input tax credit is available for the subsequent activity of manufacture or trading serves as an incentive to be more tax compliant.

Introduction of comprehensive GST will enable an accurate quantification and corresponding refunds of all taxes and duties suffered by an export product making India's exports competitive in the international market.

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FICCI MEDIA DIVISION