

GST Implementation will have likely effect on the digital India economy

We in India are influenced by what is happening in the foreign world especially when it is the US, UK, Europe and Australia. The GST itself has its [hungry shark world cheats](#) bearing in the UK, Europe and Australia and has been implemented there. We have been struggling with the GST implementation in India for a decade but the serious action has been there in the last two years.

In the beginning of 2015, the European Union extended its consumption tax to include broadcasting and electronic service providers based on the location of their customers. The digital downloads and services sold to European retail consumers are taxed at VAT rates of up to 27 per cent. Thus, the digital retail economy is a significant source of tax revenue there.

In Australia the local digital product [hungry shark world cheats](#) and service providers have to charge the GST on retail sales. They were at a disadvantage as compared to the overseas suppliers who were not liable for taxation. In the 2015-16 budget the Australian government has extended the GST to offshore intangible supplies to Australian consumers. This will come into effect from July 2017.

Not to be left far behind the CBDT panel in India has recommended the imposition of 6 to 8 per cent tax on certain digital services. The private biggies like Amazon [soccer stars hack](#) and Flipkart were a part of this panel which worked on the taxation of e-commerce. The panel has identified thirteen digital services for a levy of this tax which is being termed as an equalisation levy.

The services offered digitally like online collection of payments, website hosting, design and creation of websites, email, blogs, radio and television advertising may attract the equalization levy. In future, the online sale of goods and services that include software, movie and song downloads, books and games, and even online consumption of news may be [gangstar vegas hack](#) brought under the ambit of this levy. At present, the B2B transactions may only be taxed and the individual consumers may be spared.

Before the GST is implemented in India the country seems to be following the footprints of the developed world in taxing the digital economy. These proposals will affect the entities like Google and Facebook but the start-ups that rely heavily on digital marketing will also be affected.

The government is pushing through for digital payments to bring the money under the taxman's scanner. This will also limit the flow of [clash royale cheats](#) black money in the system. All people are now eyeing the GST bill which is a critical requirement for the tax reforms in this direction. Today, a large number of taxpayers do not use the ERP based systems for their financial transactions. With the digitisation campaign, it is expected that the e-disconnected taxpayers will be brought online at the time of GST implementation.

The government in office has announced the digital India reform. Suitable measures are being planned along with RBI to usher India into a cashless or digital economy. There have to [pixel gun 3d hack](#) be incentives for online transactions and taxes for cash withdrawals and payments.

To summarize, on one hand the government is bringing more and more digital services under the tax net and on the other it is promoting the use of digital transactions to bring them under the tax scanner. The delay in the GST is only giving them more time to enforce the digital economy in order to reap the benefits when the GST is finally implemented.

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