



# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

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# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

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# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **Agenda**

- **Goods and Service Tax**
- **ERP / Accounting Package**
  - **Master Data**
  - **Transaction Data**
  - **Returns**
  - **Transition Data**



# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **Goods and Service Tax**

- **A comprehensive tax levied on supply of goods or services or both in India from 1<sup>st</sup> July 2017.**
  - ✓ **A Uniform tax across India**
  - ✓ **Same returns for the State and the Central Taxes**
  - ✓ **Online Return filing only**



# GST IMPACT ON ERP & ACCOUNTING PACKAGES

## Enterprise Resource Planning

Enterprise resource planning (ERP) is a process by which a company (often a manufacturer) manages and integrates the important parts of its business. An ERP management information system integrates areas such as planning, purchasing, inventory, sales, marketing, finance and human resources.

ERP is most frequently used in the context of software. As the methodology has become more popular, large software applications have been developed to help companies implement ERP.

Credits : [Enterprise Resource Planning](#)

(ERP) <https://www.investopedia.com/terms/e/erp.asp#ixzz4zsh3FE00>



# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **Accounting Package**

**Accounting software describes a type of application software that records and processes accounting transactions within functional modules such as accounts payable, accounts receivable, general ledger & trial balance**

# GST IMPACT ON ERP & ACCOUNTING PACKAGES

## ➤ Significance of ERP / Accounting Package in GST

- Single return for goods and services
- Same return for the State and the Central Taxes
- Return filing is online
- Transaction level data to be reported



# GST IMPACT ON ERP & ACCOUNTING PACKAGES

**GST  
Impact  
on ERP**

**Master Data**

**Transaction Data**

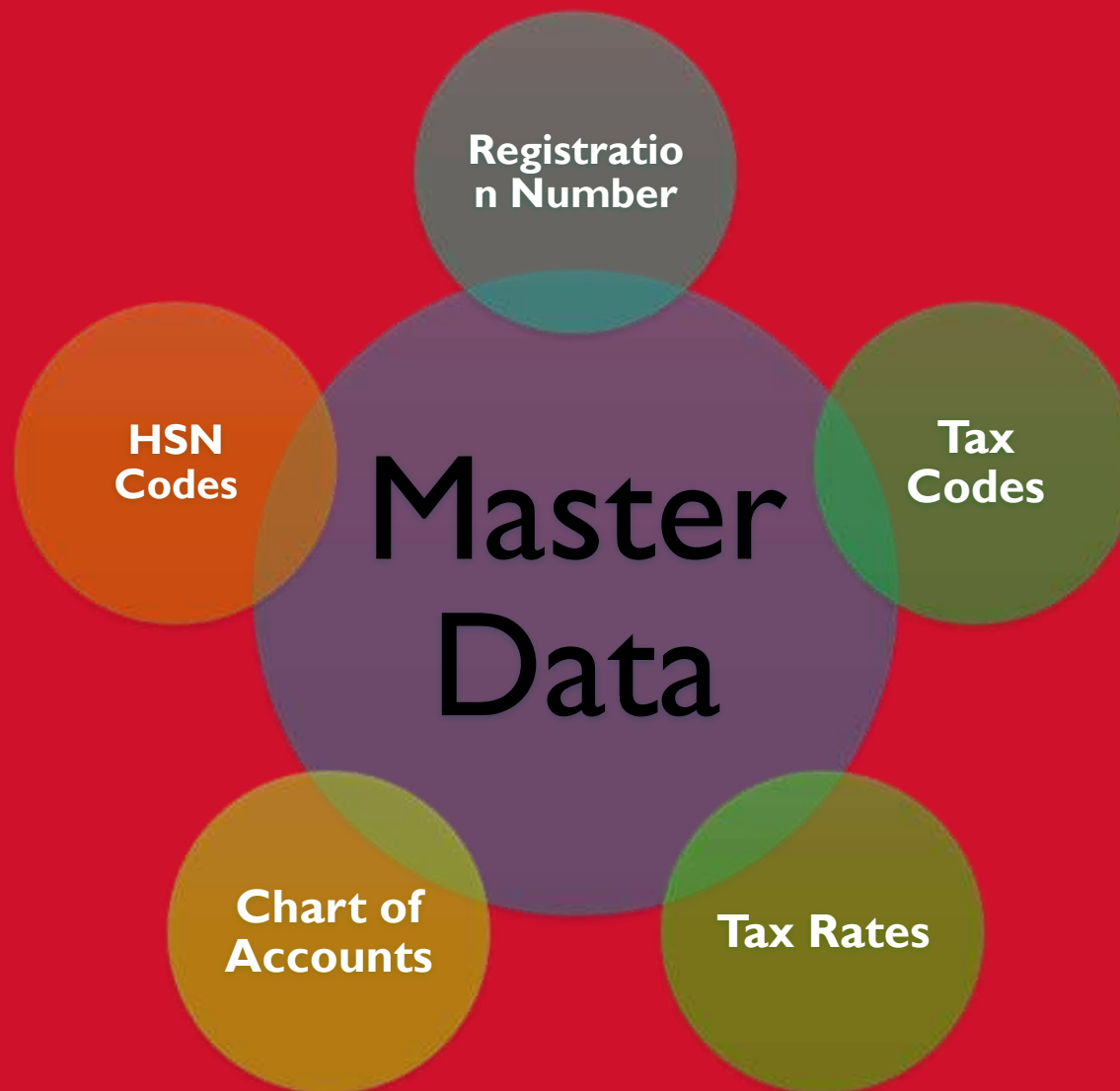
**Reporting**

**Transition Data**



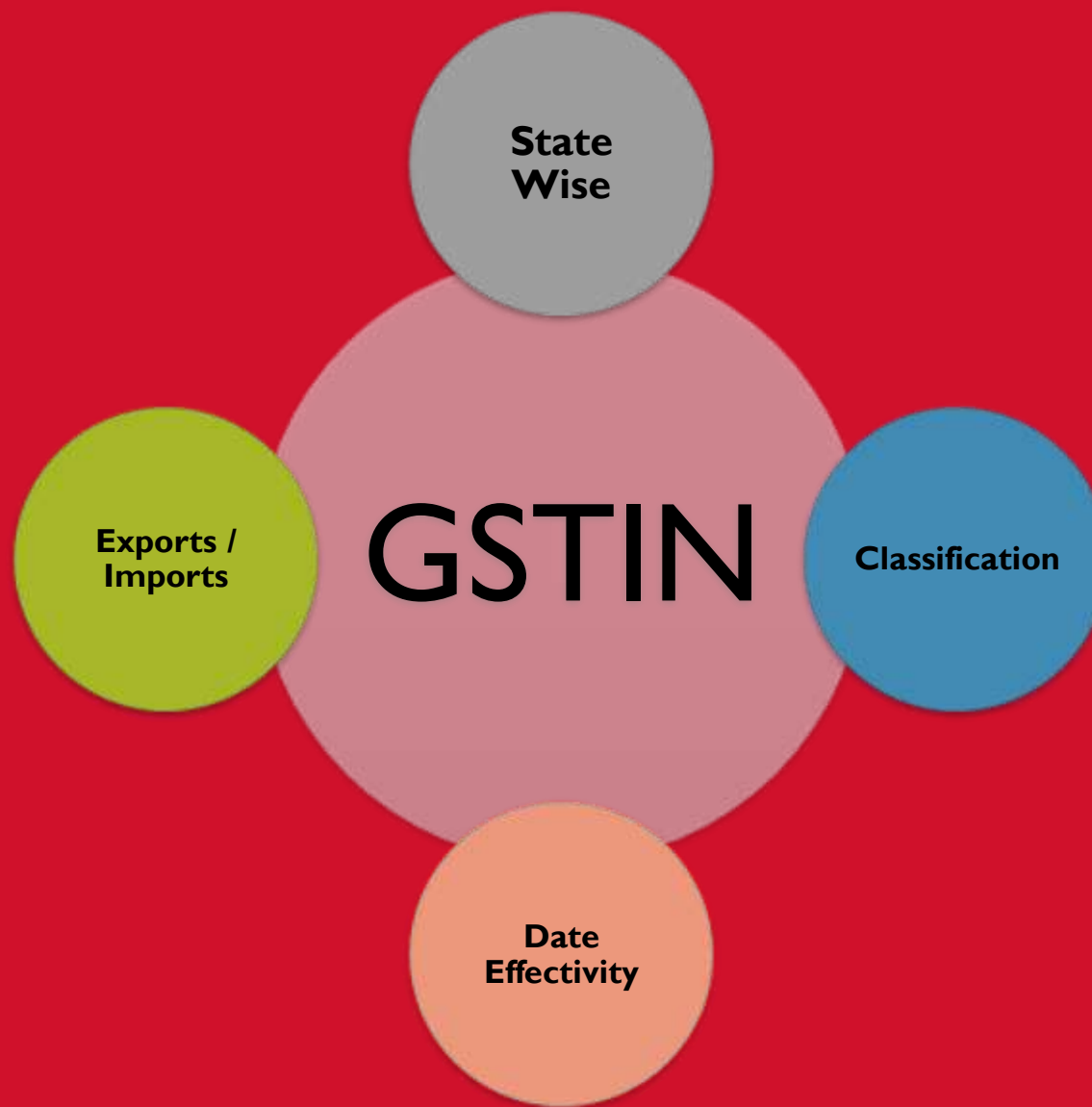


**GST**  
**Impact**  
ERP –  
Master  
Data

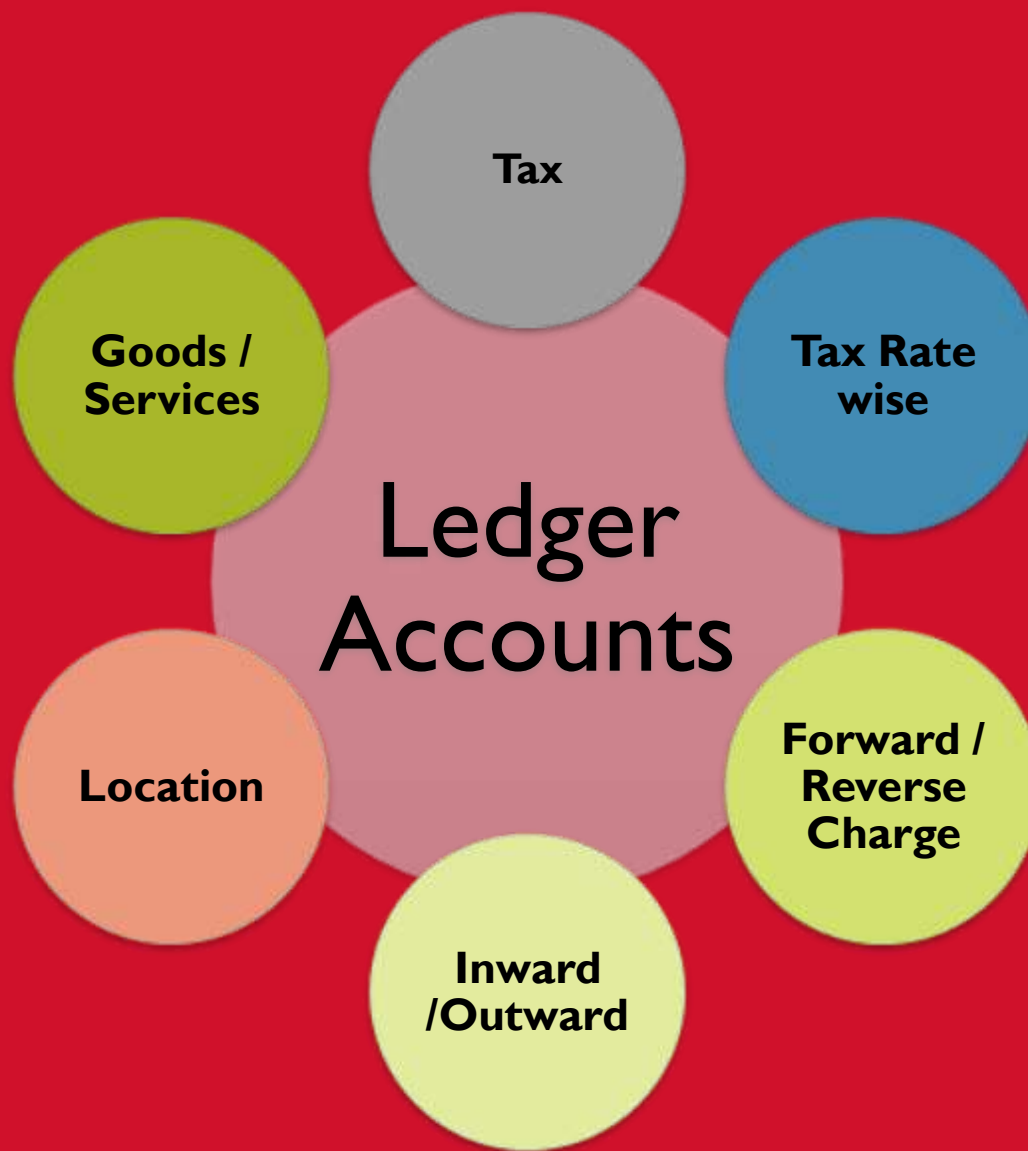




**GST**  
**Impact**  
**ERP –**  
**Master**  
**Data**



**GST**  
**Impact**  
ERP –  
Master  
Data



# GST IMPACT ON ERP & ACCOUNTING PACKAGES

## ➤ Considerations for master data

**Date Effectivity – GSTR – 2 (table 7, Composition Supplies )**

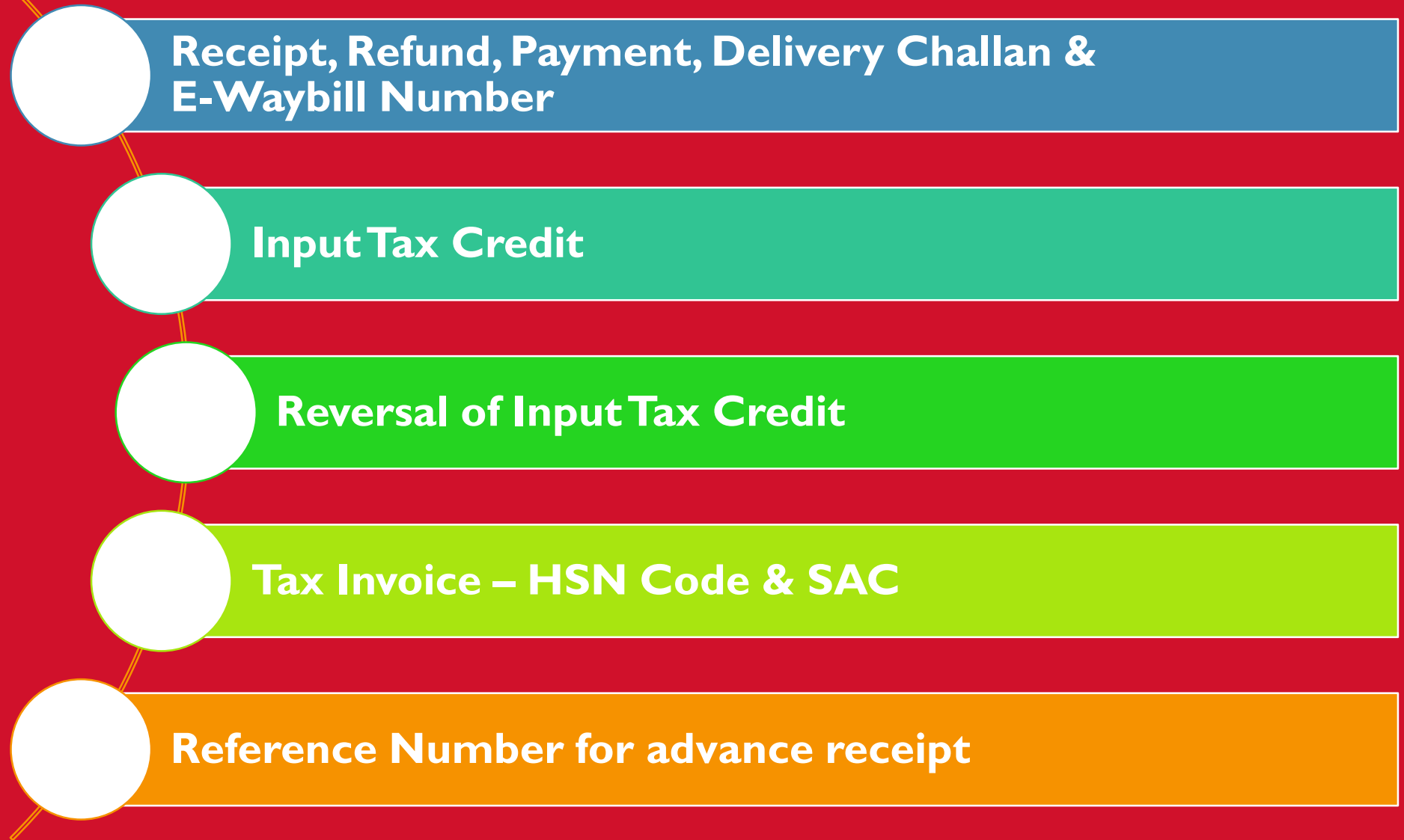
**Should be able to define them at GSTIN Level (ledger accounts)**

**Flagged at transaction level (tax rates – PO & Receipt)**

**Audit trail to be retained (changes made, tax payer status)**

**HSN Codes**

## Transaction Data





# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **➤ Transaction Data – Documents in GST**

- **Tax Invoice**
- **Bill of Supply**
- **Debit / Credit Note**
- **Advance Receipt**
- **Refund Voucher**
- **Payment Voucher**
- **Delivery Challan**
- **E-way Bill**



# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **➤ Transaction Data – Invoice**

- Transaction Value**
- Open Market Value**
- Costs paid on behalf of the Recipient**
- Costs to be paid by Recipient but paid by Supplier**
- Numbering Location wise**
- Unique for each financial year & not more than 16 digits**



# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **➤ Transaction Data – Debit / Credit Note**

- Link to the original transaction**
- Reference Number on the Debit / Credit Note**
- Reporting implications – issue single document for multiple invoices in normal course of business but in portal not able to upload.**





# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **➤ Transaction Data – Input Tax Credit**

- Track Separately for Goods & Services**
- Reference Number to be mapped for each transaction in Input Credit Ledger**
- To Process claim partially / fully**
- Provision to Reverse if supplier not paid in 180 Days**
- Interest**
- Reclaim ITC after payment**
- Implications of capital goods**



**GST**  
**Impact**  
**ERP –**  
**Reporting**

## **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

**Engage a GSP / ASP – if required**

**Conclude on the File Format**

**Do a trail run if planning for two way interface**

**Train your Business Partners**



# **GST IMPACT ON ERP & ACCOUNTING PACKAGES**

## **➤ Transition Data**

- **Tarif Code – Old / Create New**
- **Tax code / Taxes**
- **Ledger Accounts – Taxes**
- **Pre GST Transactions -**





Website - <http://india-gst.in/>

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Android Application - [IndiaGST](#)

iOS Application - [IndiaGST](#)

