

MAJOR IMPACTS ON SALES FUNCTION

SI No	Particulars	Provision Under Excise Act	Provision under VAT Act	Provision under GST Act
1.	Branch / Agent Sale	Sales to Agent or Branches is taxable since tax is levied on removal of goods from place of manufacture	Tax is not levied on transfer of goods to agent or branches wherever they are made other than by way of sale	Tax will be levied on supply to agents, interstate branch transfer and transfer to different verticals within same state but having different registration
2.	Advance Payment	Tax liability does not arise on Advance Payment	Tax liability does not arise on Advance Payment	Tax liability will arise on advance receipts / payment
3.	Place of Supply / Sale	Place of sale was not required to be checked	Place of sale was required to be checked to identify whether CST or VAT to be charged	Place of supply to be checked to identify whether CGST & SGST or IGST to be charged
4.	Reverse Charge	No tax payable under reverse charge on goods procured	Generally no tax payable under reverse charge. In some states, Purchase Tax is levied on purchase from unregistered dealers	Tax will be payable under reverse charge on all purchases made from unregistered dealers and on other goods as notified
5.	Penalty for Late Payment	Penal Interest, late fee & penalty charged for delayed payment of consideration is not included in valuation	Penal Interest, late fee & penalty charged for delayed payment of consideration is not included in valuation	Interest, late fee and penalty charged for delayed payment of consideration is to be included in valuation for the purpose of calculation of tax
6.	Anti Profiteering Clause	No anti profiteering measure to ensure pass on of credit of tax to final consumer	No anti profiteering measure to ensure pass on of credit of tax to final consumer	Anti profiteering measure is introduced to ensure credit is passed on to the final consumer
7.	Consumption / Destination based Tax	Tax is levied by the Central Government on origin based principal	Tax is levied by states on origin based principal	Tax is levied by centre and state concurrently on destination based consumption principal.

Hence, we should plan our sale to obtain maximum benefit, like some of the points mentioned below :-

- We can explore new markets beyond the boundaries of our state
- We need to check for the distribution network, warehousing mechanism, etc to reduce costs and achieve the synergies of India as a market
- We need to check the pricing of goods and services to cater anti profiteering clause
- We need to check the sale strategies in the wake of supply provisions