



Codilar Technologies

Magento 2 GST Extension- User Guide

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Glossary

- GST- Goods and Services Tax*
- IGST- Integrated GST*
- CGST- Central GST*
- SGST- State GST*
- HSN- Harmonised System of Description*

Introduction

The advent of GST has affected all aspects of trade and commerce. Even the online marketplaces cannot escape the changes brought about by GST and are compelled to embrace this regime. Studies say that GST could be the key to unlocking most of the issues that are being faced by e-commerce sector when it comes to bearing indirect taxes. We act as a key-bearer by providing GST extension for Magento based e-commerce website. We provide GST extension that is compatible with the existing e-commerce website and smoothly assimilate with your existing platform.

In this extension module we will setup India GST in Magento as a default and hence all the tax operations will automatically align to the new GST standards. Though GST seems to be a promising affair for e-commerce, it might still sprout complexities like any other change in the system. We, therefore, strive to reduce challenges at the Magento 2 GST Tax implementation stage and make it the simplest possible process. We effectively configure Magento 2 GST extension to cater to changes related to invoice generation, payment collection, monthly GST filing, and product catalogues. With services from Codilar and the platform used is Magento, GST India compliance in e-commerce is a piece of cake!

Magento allows to set up different tax classes and tax rates, and bringing them together into tax rules. You can also define product tax classes and assign them to products. Tax rules are combination of product tax class, customer tax class, tax rates, shipping address and amount of purchase.

What is SGST/CGST/IGST?

The GST to be levied by the Centre on intra-State supply of goods and/or services is Central GST (CGST) and that by the States is State GST (SGST). On inter-state supply of goods and services, Integrated GST (IGST) will be collected by Centre. IGST will also apply on imports.

GST is a consumption based tax i.e. the tax should be received by the state in which the goods or services are consumed and not by the state in which such goods are manufactured. IGST is designed to ensure seamless flow of input tax credit from one state to another. One state has to deal only with the Centre government to settle the tax amounts and not with every other state, thus making the process easier.

For e.g.: – Rajesh, a dealer in Maharashtra sold goods to Anand in Maharashtra worth Rs. 10,000. The GST Rate is 18% comprising of CGST rate of 9% and SGST rate of 9%, in such case the dealer collects Rs. 1800 and Rs. 900 will go to the central government and Rs. 900 will go to the Maharashtra government.

Now, if Rajesh in Maharashtra had sold goods to Anand in Gujarat worth Rs. 1,00,000. The GST rate is 18% comprising of CGST rate of 9% and SGST rate of 9%. In such case the dealer has to charge Rs. 18,000 as IGST. This IGST will go to the Centre.

Prerequisite: *You need to have a GST Registration Number for Magento 2-GST Extension*

Installation Instruction

Install Codilar_Gst Extension in normal method.

1. Extract the module file `codilar_gst_mage2_1.0.2.tgz` to your Magento root folder.
2. Make sure GST module extracted under `Magento-Root-Folder/app/code/Codilar`.
3. Run command `php -f bin/magento setup:upgrade` to install extension.
4. Run command `php -f bin/magento cache:clean` to clean cache.
5. Deploy static view files

```
rm -rf pub/static/*; rm -rf var/view_preprocessed/*; php -f bin/magento setup:static-content:deploy
```

6. Navigate to Magento admin → Stores → Configuration → Codilar → GST to make sure GST extension is installed properly.

Configuration

1. Navigate to Magento admin → Stores → Configuration → Codilar → GST
2. Enable GST Extension and Enter GST ID and Production state, you can also enter store wise the production state and GST ID.

GST Extension

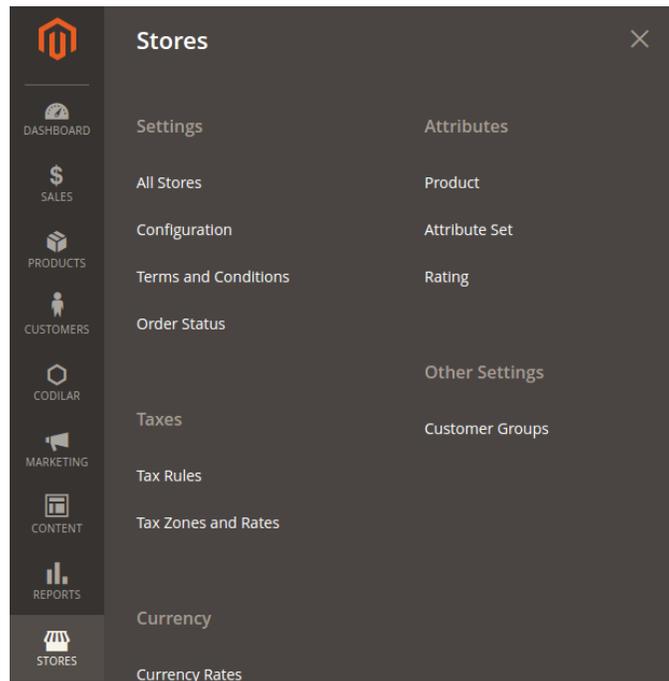


Enable This Module <small>[store view]</small>	Yes	▼
GSTIN <small>[store view]</small>	asdfghjkl125	
Production State <small>[store view]</small>	Karnataka	

3. Save the configuration.

Creating TAX Rates in Magento 2 for GST

1. Navigate to Magento admin → Stores → Taxes → Tax Zones and Rates



2. Click on add new Tax Rate.
3. Fill the details and Save rate.
4. Same way you can create multiple tax rates i.e. 5%, 12% and 18%

New Tax Rate

admin

← Back Reset Save Rate

Tax Identifier * GST 5%

Zip/Post is Range

Zip/Post Code * *

** - matches any; 'xyz*' - matches any that begins on 'xyz' and are not longer than 10.

State * *

Country * India

Rate Percent * 5

Creating TAX Rules in Magento 2 for GST

1. Navigate to Magento admin → Stores → Taxes → Tax Rules.
2. Click on add new Tax Rule
3. Enter the Name, select the tax rate.
4. Select Product tax class under Additional Settings.
5. Click on add new tax class under Product Tax Class to Create new Product tax class.
6. You need to create 3 new tax classes for 5%, 12% and 18%.

▼ Additional Settings

Customer Tax Class * Retail Customer

Add New Tax Class

Product Tax Class * Taxable Goods
GST18
GST12

Add New Tax Class

Priority * 0

Tax rates at the same priority are added, others are compounded.

Calculate Off Subtotal Only

Sort Order * 0

ogies

Displaying Tax Breakup in Tax Summary

1. Navigate to Magento admin → Stores → Configuration → Sales → Tax
2. Click on Shopping Cart Display Settings tab, Select Yes for Display Full Tax Summary.

Shopping Cart Display Settings

Display Prices <small>[store view]</small>	Excluding Tax	<input checked="" type="checkbox"/> Use system value
Display Subtotal <small>[store view]</small>	Excluding Tax	<input checked="" type="checkbox"/> Use system value
Display Shipping Amount <small>[store view]</small>	Excluding Tax	<input checked="" type="checkbox"/> Use system value
Include Tax In Order Total <small>[store view]</small>	No	<input checked="" type="checkbox"/> Use system value
Display Full Tax Summary <small>[store view]</small>	Yes	<input type="checkbox"/> Use system value
Display Zero Tax Subtotal <small>[store view]</small>	No	<input checked="" type="checkbox"/> Use system value

3. Same way Select Yes for Display Full Tax summary under Orders, Invoices, Credit Memos Display Settings.

Orders, Invoices, Credit Memos Display Settings

Display Prices <small>[store view]</small>	Excluding Tax	<input checked="" type="checkbox"/> Use system value
Display Subtotal <small>[store view]</small>	Excluding Tax	<input checked="" type="checkbox"/> Use system value
Display Shipping Amount <small>[store view]</small>	Excluding Tax	<input checked="" type="checkbox"/> Use system value
Include Tax In Order Total <small>[store view]</small>	Yes	<input type="checkbox"/> Use system value
Display Full Tax Summary <small>[store view]</small>	Yes	<input type="checkbox"/> Use system value
Display Zero Tax Subtotal <small>[store view]</small>	No	<input checked="" type="checkbox"/> Use system value

Setup Shipping Rate for GST (Optional)

1. As per the new rule all shipping service will have 18% GST
2. Create the shipping tax class as explained in previous section
3. From Magento admin → Stores → Configuration → Tax → Tax Class for Shipping → Select the TAX class that created for shipping.

Tax Classes

Tax Class for Shipping <small>[website]</small>	None	<input type="checkbox"/> Use system value
Default Tax Class for Product <small>[global]</small>	Taxable Goods	<input checked="" type="checkbox"/> Use system value
Default Tax Class for Customer <small>[global]</small>	Retail Customer	<input checked="" type="checkbox"/> Use system value

Product HSN Attribute and Customer GSTIN

1. For showing hsn in invoice and admin pages create a product attribute in which the attribute code should be “hsn”.
2. For adding Customer GSTIN in the site add the customer attribute “gstn” in address templates
3. Go to Stores->Configuration->Customers->Customer Configurations->Address Templates
4. Add following code in the “Text” Textarea:“`{{depend gstin}}GSTIN: {{var gstin}}{/depend}}`”
5. Add following code in the “HTML” Textarea:“`{{depend gstin}}GSTIN: {{var gstin}}
{/depend}}`”
6. Add following code in the “PDF” Textarea:“`{{depend gstin}}GSTIN: {{var gstin}}{/depend}}` ”