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## FEW SIGNIFICANT CHANGES IN GST

All You Need  
To Know  
About  
**GST**

**TAX**

Presented by CA RAJIV LUTHIA

### HIGHLIGHTS..

- Till date there are
  - **113** Notifications issued for CGST
  - **69** Notifications issued for CGST (Rate)
  - **13** notifications issued for IGST
  - **73** notifications issued for IGST (Rate)



- Further CBIC has issued 84 circular till date, clarifying various issues/procedure in GST law
- Recently, on 9<sup>th</sup> August, 2018, Lok Sabha has passed 4 amendment bill to GST Law.

## Few SIGNIFICANT CHANGES IN GST - Service Related

### Changes in Rate

### Few Important Notification

- **Notification No.22/2018-CT (Rate) dated 29<sup>th</sup> June, 2018** .....exemption from payment of Tax u/s 9(4) - (i.e. Tax on RCM for supplies received from unregistered Supplier) extend till 30<sup>th</sup> September, 2019.
- **Notification No.12/2017- CT dated 28<sup>th</sup> June, 2017**..... a registered person having annual turnover up to limit specified here in below in the preceding financial year shall mention Harmonised System of Nomenclature (HSN) code of the in their tax invoice.

Serial No.	Annual Turnover in preceding Financial Year	Number of Digits of HSN Code
1.	Up to rupees one Crore fifty lakhs	NIL
2.	more than rupees one crore fifty lakhs and Up to rupees five crores	2
3.	More than rupees five crores	4

## Changes in Rate

## Few Important Notification

- **Notification No.13/2017- CT dated 28<sup>th</sup> June, 2017** has fixed following interest rate

Sr No.	Section	Rate of Interest
1.	50 (1) - Interest on Delayed payment of Tax	18%
2.	50(3) – Undue or incorrect <b>claim (Utilised????)</b> of Input tax credit	24%
3.	54(12) – Refund withheld by commissioner & later allowed as a result of appeal or proceeding	6%
4.	56 – Refund not credited beyond 60 days from application u/s 54 (5)	6%
5.	56 ( proviso) – Refund arises from order passed by adjudicating/Appellate Authority or Tribunal & not credited within 60 days	9%

- **Notification No. 1/2018- Central Tax dated 1<sup>st</sup> January, 2018** reduced the rate of tax under composition scheme as follows

Sr. No.	Particulars	Rate
1	Manufacturer	0.5% of turnover in state ( <b>Earlier 1%</b> )
2	Restaurants	2.5% of turnover in state
3	Other suppliers	0.5% of <b>taxable (Earlier Entire)</b> turnover of goods in state

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## Changes in Rate

## Few Important Notification

- **Notification 5/2017-CT dated 19<sup>th</sup> June, 2017** specifies the persons who are engaged only in making supplies of taxable goods or services or both, the total tax on which is liable to be paid under RCM by the recipient u/s 9(3) as the category of persons exempted from obtaining registration under the GST Act. Example : GTA
- **Notification No. 10/2017-IG dated 13<sup>th</sup> October, 2017** exempt person making inter-State supplies of taxable **services** (Not goods) and having an aggregate turnover, to be computed on all India basis, not exceeding an amount of Rs. 20 Lac in a financial year as the category of persons exempted from obtaining registration under GST act.

Issue :If Service provider having TO less than 20 Lakhs having inter state supply obtained registration in July, 2017 in view of Section 24(1). Can he apply for cancellation?

Refer section - Section 29(1)

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**Changes in Rate****Few Important Notification**

- **Notification 66/2017-CT dated 15<sup>th</sup> Nov, 2017** exempted all taxpayer from payment of tax on advances received in case of **supply of Goods**
- **Notification 65/2017-CT dated 15<sup>th</sup> Nov, 2017** exempted supplier of service through an E-commerce Platform from obtaining compulsory registration
- **Notification 57/2017-CT dated 15<sup>th</sup> Nov, 2017** prescribe quarterly furnishing of FORM GSTR-1 for those taxpayers with aggregate turnover(Goods & Service both) of upto Rs.1.5 crore. This is optional. Option to be excised while filing 1<sup>st</sup> return in every financial year.

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**SIGNIFICANT CHANGES IN GST***Builder & work contract service*

## Definitions

### Section 2(119)

➤ “Works contract service” means a contract for building, construction, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, alteration or commissioning of **any immovable property** wherein transfer of property in goods (whether as goods or in some other form) is involved in the execution of such contract.”

Following is “Supply of Service” as per Para 5(b) of Schedule II of CGST Act

➤ Construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, **except** where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier.

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## Changes in Rate

### Construction Service (Heading 9954)

➤ NOTIFICATION NO. 11/2017-CENTRAL TAX (RATE), DATED 28<sup>th</sup> June, 2017, AS AMENDED BY,

- NOTIFICATION NO. 20/2017-CENTRAL TAX (RATE), DATED 22<sup>nd</sup> August, 2017
- NOTIFICATION NO. 24/2017-CENTRAL TAX (RATE), DATED 2<sup>st</sup> September, 2017
- NOTIFICATION NO. 31/2017-CENTRAL TAX (RATE), DATED 13<sup>th</sup> October, 2017
- NOTIFICATION NO. 46/2017-CENTRAL TAX (RATE), DATED 14<sup>th</sup> November, 2017
- NOTIFICATION NO. 1/2018-CENTRAL TAX (RATE), DATED 25<sup>th</sup> January, 2018
- NOTIFICATION NO. 17/2018-CENTRAL TAX (RATE), DATED 26<sup>th</sup> July, 2018

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
1.	18%  (Effective Rate -12%)	Construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier.
2.	18%	Composite supply of works contract as defined in <a href="#">clause 119 of section 2</a> of Central Goods and Services Tax Act, 2017

Where Supply involve transfer of land or undivided share of land, the value of such supply shall be equivalent to the total amount charged for such supply **less** the value of transfer of land or undivided share of land and the value of such transfer of land or undivided share of land, as the case may be, in such supply shall be deemed to be **one third of the total amount charged** for such supply.

Notification 11/2017- CT dated 28<sup>th</sup> June, 2017

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Changes in Rate		Construction Service (Heading 9954)
No.	RATE	DESCRIPTION OF SERVICE
3.	12%	Composite supply of works contract supplied to the <u>government, a local authority or Governmental Authority</u> by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of, - <ul style="list-style-type: none"> <li>• a historical monument, archaeological site or remains of national importance, archaeological excavation, or antiquity specified under the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (24 of 1958);</li> <li>• canal, dam or other irrigation works;</li> <li>• pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal</li> </ul>

- Section 2(53) defines "Government" means the Central Government
- "Governmental Authority" means an authority or a board or any other body, -
  - (i) set up by an Act of Parliament or a State Legislature; or
  - (ii) established by any Government,

with 90% or more participation by way of equity or control, to carry out any function entrusted to Municipality under [article 243W](#) of the [Constitution](#) or to a Panchayat under [article 243G](#) of the [Constitution](#).

Notification 20/2017 dated 22<sup>nd</sup> August, 17

State Government??

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
3.	12%	<p>Composite supply of works contract supplied to the <u>Central Government, State Government, Union territory</u>, a local authority, a Governmental Authority or a <u>Government Entity</u> by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of, -</p> <ul style="list-style-type: none"> <li>• a historical monument, archaeological site or remains of national importance, archaeological excavation, or antiquity specified under the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (24 of 1958);</li> <li>• canal, dam or other irrigation works;</li> <li>• pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal.</li> </ul>

**Notification 31/2017 dt. 13<sup>th</sup> Oct, 17**

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DEFINITION
<p><b>“Government Entity”</b> means an authority or a board or any other body including a society, trust, corporation,</p> <p>i) set up by an Act of Parliament or State Legislature; or</p> <p>ii) established by any Government, with 90% or more participation by way of equity or control, to carry out a function entrusted by the Central Government, State Government, Union Territory or a local authority</p> <p><b>Effect :</b> Thus, contract with government entity for item mention herein above will attract GST @ 12%.</p>

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
4.	12%	<p>Composite supply of works contract, supplied by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of,-</p> <p>(a) a road, bridge, tunnel, or terminal for road transportation for use by general public;</p> <p>(b) a civil structure or any other original works pertaining to a scheme under Jawaharlal Nehru National Urban Renewal Mission or Rajiv Awas Yojana;</p> <p>(d) a civil structure or any other original works pertaining to the "Beneficiary led individual house construction / enhancement" under the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana;</p> <p>(e) a pollution control or effluent treatment plant, except located as a part of a factory;</p> <p>(f) a structure meant for funeral, burial or cremation of deceased.</p>

**Notification 20/2017 dt. 22<sup>nd</sup> August, 17**

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
4.	12%	<p>c) a civil structure or any other original works pertaining to the "In-situ redevelopment of existing slums using land as a resource, under the Housing for All (Urban) Mission/ Pradhan Mantri Awas Yojana (Urban)</p> <p>(da) a civil structure or any other original works pertaining to the "Economically Weaker Section (EWS) houses" constructed under the Affordable Housing in partnership by State or Union territory or local authority or urban development authority under the Housing for All (Urban) Mission/ Pradhan Mantri Awas Yojana (Urban);</p> <p>(db) a civil structure or any other original works pertaining to the "houses constructed or acquired under the Credit Linked Subsidy Scheme for Economically Weaker Section (EWS)/ Lower Income Group (LIG)/ Middle Income Group-1 (MIG-1)/ Middle Income Group-2 (MIG-2)" under the Housing for All (Urban) Mission/ Pradhan Mantri Awas Yojana (Urban);</p>

**Notification 1/2018 dated. 25<sup>th</sup> Jan, 18**

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
4.	12%	(g) a building owned by an entity registered under section 12AA of the Income Tax Act, 1961 (43 of 1961), which is used for carrying out the activities of providing, centralised cooking or distribution, for mid-day meals under the mid-day meal scheme sponsored by the Central Government, State Government, Union territory or local authorities.

**Notification 1/2018 dt. 25<sup>th</sup> Jan, 18**

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
5.	12%	<p>Composite supply of works contract as defined in clause (119) of section 2 of the Central Goods and Services Tax Act, 2017, supplied by way of construction, erection, commissioning, or installation of original works pertaining to,-</p> <p>(a) railways, <b>including monorail and metro;</b></p> <p>(b) a single residential unit otherwise than as a part of a residential complex;</p> <p>(c) low-cost houses up to a carpet area of 60 square metres per house in a housing project approved by competent authority empowered under the 'Scheme of Affordable Housing in Partnership' framed by the Ministry of Housing and Urban Poverty Alleviation, Government of India;</p>

**Notification 20/2017 dt. 22<sup>nd</sup> August, 17 & Notification 1/2018 dt. 25<sup>th</sup> Jan, 18**

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
5.	12%	<p>(d) low cost houses up to a carpet area of 60 square metres per house in a housing project approved by the competent authority under-</p> <p>(1) the "Affordable Housing in Partnership" component of the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana;</p> <p>(2) any housing scheme of a State Government;</p> <p>(da) low-cost houses up to a carpet area of 60 square metres per house in an affordable housing project which has been given infrastructure status vide notification of Government of India, in Ministry of Finance, Department of Economic Affairs vide F. No. 13/6/2009-INF, dated the 30th March,2017;</p>

**Notification 20/2017 dt. 22<sup>nd</sup> August, 17 & Notification 1/2018 dt. 25<sup>th</sup> Jan, 18**

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
5.	12%	<p>(e) post harvest storage infrastructure for agricultural produce including a cold storage for such purposes; or</p> <p>(f) mechanised food grain handling system, machinery or equipment for units processing agricultural produce as food stuff excluding alcoholic beverages.</p>

**Notification 20/2017 dt. 22<sup>nd</sup> August, 17**

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Changes in Rate		Construction Service (Heading 9954)
No	RATE	DESCRIPTION OF SERVICE
6.	12%	<p>Composite supply of works contract provided to the Central Government, State Government, Union Territory, a local authority, a Governmental Authority or a Government Entity by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of –</p> <p>(a) a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession;</p> <p>(b) a structure meant predominantly for use as (i) an educational, (ii) a clinical, or (iii) an art or cultural establishment; or</p> <p>(c) a residential complex predominantly meant for self-use or the use of their employees or other persons specified in paragraph 3 of the Schedule III of the Central Goods and Services Tax Act, 2017</p> <p><b>Explanation.</b> - For the purposes of this item, the term 'business' shall not include any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities</p>
Not. 24/2017 dt. 21 <sup>st</sup> Sept, 17 & Not. 17/2018-CT dt 26 <sup>th</sup> July, 2018		

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
7.	5%	Composite supply of works contract involving predominantly earth work (that is, constituting more than 75% of the value of the works contract) provided to the Central Government, State Government, Union territory, local authority, a Governmental Authority or a Government Entity.
8.	12%	Composite supply of works contract and associated services, in respect of offshore works contract relating to oil and gas exploration and production (E&P) in the offshore area beyond 12 nautical miles from the nearest point of the appropriate base line.
Notification 31/2017 dt. 13 <sup>th</sup> Oct, 17		

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Changes in Rate		Construction Service (Heading 9954)
Sr. No.	RATE	DESCRIPTION OF SERVICE
9.	12%	Composite supply of works contract provided by a sub-contractor to the main contractor providing services specified in item (iii) Eg : <b>Histrocial Monumnet, Canal Dams etc</b> or item (vi) - educational, clinical etc above to the Central Government, State Government, Union territory, a local authority, a Governmental Authority or a Government Entity.
10.	5%	Composite supply of works contract provided by a sub-contractor to the main contractor providing services specified in item (vii) above to the Central Government, State Government, Union territory, a local authority, a Governmental Authority or a Government Entity.
11.	5%	Services by way of housekeeping, such as plumbing, carpentering, etc. where person supplying such service through ECO is not liable for registration under 22(1) of the CGST Act, 2017
12.	18%	Construction services other than (i), (ii), (iii), (iv), (v), (vi), (vii), (viii),(ix), (x)and (xi) above.

Notification 1/2018-CT (Rate) dated 25<sup>th</sup> January, 2018

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Changes in Rate		Construction Service (Heading 9954)
<p><b>Notification No.4/2018-CT (Rate) dated 25<sup>th</sup> January, 2018 provides that</b> liability to pay tax on supply of following service for consideration received in the form of construction service, shall arise at the time when the said developer, builder, construction company or any other registered person, as the case may be, transfers possession or the right in the constructed complex, building or civil structure, to the person supplying the development rights by entering into a conveyance deed or similar instrument (for example allotment letter).</p> <p>a) Registered persons who supply development rights to a developer, builder, construction company or any other registered person against consideration, wholly or partly, in the form of construction service of complex, building or civil structure;</p> <p>b) Registered persons who supply construction service of complex, building or civil structure to supplier of development rights against consideration, wholly or partly, in the form of transfer of development rights,</p>		

Notification 4/2018 dated 25<sup>th</sup> January, 2018

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# TRANSPORATION OF GOODS

## TRANSPORT OF GOODS BY ROAD – Para 2(ze) of notification 9/2017-IG



**“Goods transport agency”** means any person who provides service in relation to transport of goods by road and issues consignment note, by whatever name called.

## Rate of Tax : Not 11/2017- CGST (Rate)

Chapter Heading	Particulars	Rate	Remarks
Heading 9965 (Goods Transport Service)	<p>iii) Services of goods transport agency (GTA) in relation to transportation of goods <u>(including used household goods for personal use)</u>.</p> <p>Explanation.- "Goods transport agency" means any person who provides service in relation to transport of goods by road and issues consignment note, by whatever name called.</p>	<p>5%</p> <p>or</p> <p>12%</p>	<p>Provided that credit of input tax charged on goods and services used in supplying the service has not been taken</p> <p>NIL (w.e.f. 22<sup>nd</sup> August, 2017) – As per Notification no.20/2017 CGST</p>

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## Rate of Tax : Not 11/2017- CGST (Rate)

CHAPTER HEADING	PARTICULARS	RATE	REMARKS
Heading 9966 (Rental services of transport vehicles)	(i) Renting of motorcab where the cost of fuel is included in the consideration charged from the service recipient.	<p>5%</p> <p><b>OR</b></p> <p><b>12%</b></p>	<p>Provided that credit of input tax charged on goods and services used in supplying the service has not been taken</p> <p><b>NIL (W.e.f 22<sup>nd</sup> August, 2017)</b></p>
	(ii) Rental services of <u>transport vehicles</u> with or without operators, other than (i) above.	18%	

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### ISSUE 1

- M/S. ABC Transporter was providing GTA Service to various client. As per Notification 10/2017-IG, clients of ABC were paying GST on transport charges under RCM.
- Vide Notification 20/2017-CT(Rate), Transporter was allowed to Pay tax under forward charge @ 6% w.e.f. 22nd August, 2017.
- M/s. ABC Transporter wants to avail option to pay tax for few client on forward charge & for few client under RCM.
- Can ABC Transporter allowed to opt both option simultaneously ?

### ISSUE 2

- ABC Transported has purchased a vehicle in month of July, 2017 for Rs. 10,00,000/- & paid GST on same Rs.2,80,000/-.
- He has opted to pay GST on forward charge on all transaction of GTA Service w.e.f. 1<sup>st</sup> October, 2017
- He Seeks your advice whether he is entitled to claim credit of GST paid Rs. 2,80,000/-?

## Analysis 2

- Till 30<sup>th</sup> September, ABC has opted not to pay Tax since GST was paid under RCM by the clients @ 5% with no ITC to transporter
- From 1<sup>st</sup> October, Transporter started paying GST on forward charge wherein there is no restriction on availing ITC
- There is a specific provision under Section 18(1)(c) applicable to “composite dealer” for taking ITC on capital goods once he opt to pay under normal scheme
- In such case, ITC on CG shall be reduced by prescribe percentage (5% for quarter)
- Similar, section 18(1)(d) - Exempted supply become taxable..... ITC is available on CG after reducing percentage point
- However, no specific provision for GTA scenario i.e. from RCM to Forward Charge.
- **Good case to argue**

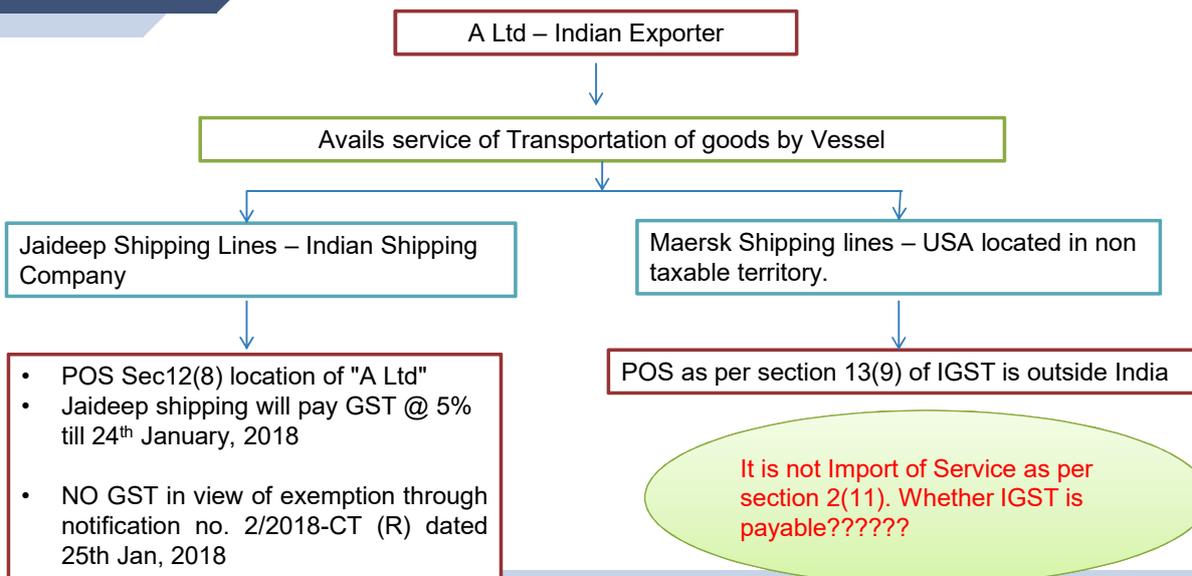
## Transport of Goods by Vessel

CHAPTER HEADING	PARTICULARS	RATE	REMARKS
Heading 9965 (Goods Transport Service)	(ii) Transport of goods in a vessel including services provided or agreed to be provided by a person <u>located in non-taxable territory to a person located in non-taxable territory</u> by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India.	5%	Provided that credit of input tax charged on goods (other than on ships, vessels including bulk carriers and tankers) used in supplying the service has not been taken  <b>Explanation: This condition will not apply where the supplier of service is located in non-taxable territory.</b>

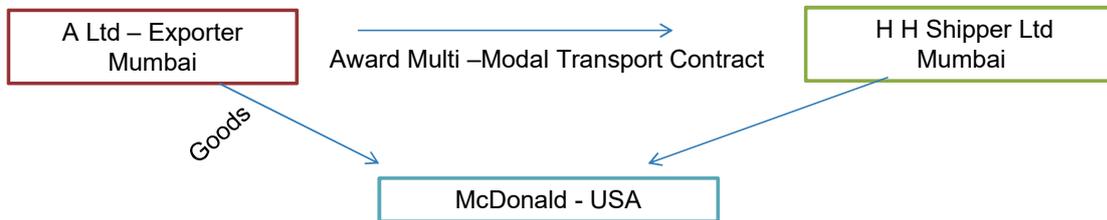
### Exemption for Outward Transportation of goods by Vessel

- Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India (exemption extended upto 30<sup>th</sup> September,2019)  
**Notification 13/2018-CT (R) w.e.f. 26<sup>th</sup> July, 2018**

### POS of Transportation of Goods by Vessel



## MULTI MODAL TRANSPORTATION



- As per Contract, H.H Shipper has to pick the Goods from A Ltd Warehouse located at Bhiwandi & the Deliver goods to USA- McDonald Warehouse
- Multi-Modal Contract is for Lumpsum price of Rs. 20,00,000/-

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### Notification 13/2018-CT (R) dated 26<sup>th</sup> July, 2018

- Government vide notification 13/2018-CT (R) dated 26<sup>th</sup> July, 2018 has inserted a new entry w.e.f 27<sup>th</sup> July, 2018 where by Rate for Multimodal Transportation of goods is 12%.
- Multimodal transportation means carriage of goods by at least two different modes of transport from the place of acceptance of goods to the place of delivery of goods by a multimodal transporter
- "Mode of transport" means carriage of goods by road, air, rail, inland waterways or sea
- "Multimodal transporter" means a person who,-
  - (A) enters into a contract under which he undertakes to perform multimodal transportation against freight; and
  - (B) acts as principal, and not as an agent either of the consignor, or consignee or of the carrier participating in the multimodal transportation and who assumes responsibility for the performance of the said contract.

### ISSUE 3

- The Concept of Multi Modal Including definition is inserted through notification for Rate.
- Amendment is not made in statute
- Multi Modal Transport is already covered under definition of Composite supply
- Whether Notification will over ride the Statute????

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# RESTAURANT

Changes in Rate		Food & Beverage(Heading 9954)
No.	RATE	DESCRIPTION OF SERVICE
1.	12%	Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, <b>neither</b> having the facility of air conditioning or central air-heating in <u>any part of the establishment, at any time during the year and nor having license or permit or by whatever name called to serve alcoholic liquor for human consumption.</u>
3.	18%	Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, <u>having license or permit or by whatever name called to serve alcoholic liquor for human consumption.</u>
4.	18%	Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, <u>having the facility of air-conditioning or central air-heating in any part of the establishment, at any time during the year.</u>

**Notification 11/2017-CT (Rate) dated 28th June, 2017**

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Changes in Rate		Food & Beverage (Heading 9954)
Sr	RATE	DESCRIPTION OF SERVICE
1.	5%	<p>Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied, <b>other than those</b> located in the premises of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of any unit of accommodation of Rs. 7,500 and above per unit per day</p> <p><b>Explanation.-</b> “declared tariff” includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.</p> <p><b>Provided that credit for ITC charged on goods and services used in supplying the service has not been taken</b></p>

**Notification 46/2017-CT (Rate) dated 14th Nov, 2017**

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Changes in Rate		Food & Beverage(Heading 9954)
Sr	RATE	DESCRIPTION OF SERVICE
3.	18%	<p>Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied, <b>located in the premises</b> of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of any unit of accommodation of Rs. 7,500/- and above per unit per day or equivalent.</p> <p><b>Explanation.-</b> “declared tariff” includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.</p>
Notification 46/2017-CT (Rate) dated 14th Nov, 2017		
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Changes in Rate		Food & Beverage(Heading 9954)
Sr	RATE	DESCRIPTION OF SERVICE
4.	18%	<p><del>Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, having the facility of air-conditioning or central air-heating in any part of the establishment, at any time during the year.</del></p>
Notification 46/2017-CT (Rate) dated 14th Nov, 2017		
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Changes in Rate		Food & Beverage(Heading 9954)
Sr	RATE	DESCRIPTION OF SERVICE
1.	5%	<p>Supply, by way of or as part of any service, of goods, being food or any other article for human consumption or any drink, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied, other than those located in the premises of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of any unit of accommodation of Rs. 7,500/- and above per unit per day or equivalent.</p> <p><i>Explanation 1.- This item includes such supply at a canteen, mess, cafeteria or dining space of an institution such as a school, college, hospital, industrial unit, office, by such institution or by any other person based on a contractual arrangement with such institution for such supply, provided that such supply is not event based or occasional.</i></p> <p><i>Explanation 2.- This item excludes the supplies covered under item 7 (v).</i></p> <p><i>Explanation 3.- "declared tariff" includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit</i></p>
<b>Notification 13/2018-CT (Rate) dated 26th July, 2018</b>		

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Changes in Rate		Food & Beverage (Heading 9954)
S	RATE	DESCRIPTION OF SERVICE
7.	18%	<p>Supply, by way of or as part of any service or in any other manner whatsoever, of goods, including but not limited to food or any other article for human consumption or any drink (whether or not alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration, in a premises (including hotel, convention center, club, pandal, shamiana or any other place, specially arranged for organising a function) together with renting of such premise</p>
<b>Notification 11/2017-CT (Rate) dated 28th June, 2017</b>		

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**Changes in Rate****Outdoor caterer (Heading 9954)**

Sr	RATE	DESCRIPTION OF SERVICE
5.	18%	Supply, by way of or as part of any service or in any other manner whatsoever in outdoor catering wherein goods, being food or any other article for human consumption or any drink (whether or not alcoholic liquor for human consumption), as a part of such outdoor catering and such supply or service is for cash, deferred payment or other valuable consideration.

**Notification 11/2017-CT (Rate) dated 28th June, 2017**

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**Changes in Rate****Outdoor Caterer (Heading 9954)**

Sr	RATE	DESCRIPTION OF SERVICE
5.	18%	Supply, by way of or as part of any service, of goods, being food or any other article for human consumption or any drink, at Exhibition Halls, Events, Conferences, Marriage Halls and other outdoor or indoor functions that are event based and occasional in nature.

**Notification 13/2018-CT (Rate) dated 26th July, 2018**

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# ACCOMMODATION

## Changes in Rate

### Accommodation(Heading 9954)

Sr	RATE	DESCRIPTION OF SERVICE
2.	12%	<ul style="list-style-type: none"> <li>Accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of a unit of accommodation of Rs. 1,000 and above but less than Rs. 2,500/- per unit per day or equivalent</li> </ul>
6.	18%	<ul style="list-style-type: none"> <li>Tariff between 2,500/- but less than Rs. 7,500</li> </ul>
8.	28%	<ul style="list-style-type: none"> <li>Tariff above Rs 7,500/-</li> </ul> <p><i>Explanation.-</i> “declared tariff” includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.</p>

Notification 11/2017-CT (Rate) dated 28th June, 2017

Changes in Rate		Accommodation(Heading 9954)
Sr	RATE	DESCRIPTION OF SERVICE
2.	12%	<ul style="list-style-type: none"> <li>Accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having <del>declared tariff</del> <b>Value of Supply</b> of a unit of accommodation of Rs. 1,000 and above but less than Rs. 2,500/- per unit per day or equivalent</li> </ul>
6.	18%	<ul style="list-style-type: none"> <li>Tariff between 2,500/- but less than Rs. 7,500</li> </ul>
8.	28%	<ul style="list-style-type: none"> <li>Tariff above Rs 7,500/-</li> </ul> <p><i>Explanation.</i>—“declared tariff” includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.—</p>

**Notification 11/2017-CT (Rate) dated 28th June, 2017**

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Changes in Rate		Accommodation, Food & Beverage Industry (Heading 9954)
Sr	RATE	DESCRIPTION OF SERVICE
9.	18%	Accommodation, food and beverage services other than (i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) above.

**Notification 11/2017-CT (Rate) dated 28th June, 2017**

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Changes in Rate		Accommodation, Food & Beverage Industry (Heading 9954)
Sr	RATE	DESCRIPTION OF SERVICE
9.	18%	<p>Accommodation, food and beverage services other than (i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) above.</p> <p><b>Explanation.-</b> For the removal of doubt, it is hereby clarified that, supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied, <b>other than those located</b> in the premises of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of any unit of accommodation of Rs. 7,500/- and above per unit per day or equivalent shall attract central tax @ 2.5% without any input tax credit under item (i) above and shall not be levied at the rate as specified under this entry.</p>
<b>Notification 46/2017-CT (Rate) dated 14th Nov, 2017</b>		

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Changes in Rate		Accommodation, Food & Beverage Industry (Heading 9954)- Present Scenarios
Sr. No.	RATE	DESCRIPTION OF SERVICE
1.	5% No ITC	All restaurants, canteen & school canteens
2.	5% No ITC	Restaurants within hotels (Room Declared Tariff <7,500)
3.	18% With ITC	Restaurants within hotels (Room Declared Tariff >7,500)
4.	18% With ITC	Outdoor catering
5.	18% With ITC	Supply of foods along with Renting of Premises (E.g. Banquet hall)
6.	5% No ITC	Canteen run by Indian Railway or IRCTC whether in Train or at Platform

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## Changes in Rate

Accommodation, Food & Beverage Industry  
(Heading 9954)

Sr. No.	RATE	DESCRIPTION OF SERVICE
1.	Exempted	Services by a hotel, inn, guest house, club or campsite, whatever name called, for residential or lodging purposes, having <del>Declared Tariff</del> <b>value of supply</b> of a unit of accommodation below Rs. 1,000/-
2.	12%	Accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having <del>Declared Tariff</del> <b>value of supply</b> of a unit of accommodation of Rs. 1,000/- but less than Rs. 2,500/- per unit per day
3.	18%	Accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having <del>Declared Tariff</del> <b>value of supply</b> of a unit of accommodation of Rs. 2,500/- but less than Rs. 7,500/- per unit per day
4.	28%	Accommodation in hotels including five star hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having <del>Declared Tariff</del> <b>value of supply</b> of a unit of accommodation of Rs.7,500/- and above per unit per day or equivalent.

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WITH KNOWLEDGE..... WE KNOW THE WORDS,  
BUT WITH EXPERIENCE..... WE KNOW THE MEANING

*Thank You!*

**CA. RAJIV LUTHIA**

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