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GOVERNMENT OF INDIA

MINISTRY OF FINANCE : DEPARTMENT OF REVENUE

OFFICE OF THE PRINCIPAL CHIEF COMMISSIONER OF GST & CENTRAL EXCISE

TAMILNADU & PUDUCHERRY

No.26/1, MAHATHMA GANDHI ROAD, CHENNAI - 600 034

C.No. IV/16/10/2018-PCCO

Date: 2 -02-2018

GST TRADE NOTICE NO.005/2018

Sub: GST - Changes in rate and amendments to exemption in respect of goods and services - Exemption to Royalty & license fee under IGST - Compensation Cess Rate on all old and used motor vehicles - Central Tax Rate Notifications No.01/2018-CT(Rate) to 09/2018-CT(Rate) all dated 25.01.2018 - Integrated Tax Rate Notifications No.1/2018-IT(Rate) to 10/2018-IT(Rate) all dated 25.01.2018 - Union Territory Tax Rate Notifications No.01/2018-UT (Rate) to 09/2018-UT (Rate), all dated 25.01.2018 - Compensation Cess (Rate) Notification No.1/2018 dated 25.01.2018 - Communication thereof - Reg.

The Central Board of Excise & Customs [CBEC] has issued the following Notifications and the gist of the same is detailed as hereunder:

Sl. No.	Notification No. & date	Gist of the Notifications
1	01/2018-Central Tax (Rate), dt. 25-01-2018	Seeks to amend Notification No. 11/2017- Central Tax (Rate) dated 28.06.2017 in respect of rate on supply of services: Amendment to CGST Rates in respect of certain services specified such as Construction Services under specified schemes, Composite supply of works contract, services by way of house-keeping where the person supplying such service through -e-commerce operator is not liable for registration, time charter of vessels for transport of goods, rental services of transport vehicles with or without operators, service of exploration, mining or drilling of petroleum crude or natural gas or both, support services to mining, electricity, gas and water distribution, tailoring services, services by way of treatment of effluents by a Common Effluent Treatment Plant, services by way of admission to amusement parks including theme parks, etc.

Sl. No.	Notification No. & date	Gist of the Notifications
2	02/2018-Central Tax (Rate), dt. 25-01-2018	<p>Seeks to amend Exemption notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 in respect of exemption envisaged to supply of services:</p> <p>Notification No.12/2017-CT (Rate) dated 28.06.2017 has been amended to provide exemption from payment of CGST on certain specified services. Illustrative list furnished hereunder:</p> <ul style="list-style-type: none"> (i) S.No.3A - Composite Supply of goods and services in which the value of goods constitutes not more than 25% of the value of said composite supply provided to Central Government, State Government, Union Territory or local authority, etc. (ii) Sl.No.19A - Services by way of transportation of goods by an aircraft from customs station of clearance in India to a place outside India – Valid upto 30.09.2018 only (iii) Sl.No.19B - Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India – Valid upto 30.09.2018 only (iv) Sl.No.29A - Services of life insurance provided or agreed to be provided by the Naval Group Insurance Fund to the personnel of Coast Guard under the Group Insurance Schemes of the Central Government (v) Sl.No.36A - Services by way of reinsurance of the insurance schemes specified in Sl.No.35 or 36 (vi) Sl.No.39A - Services by an intermediary of financial services located in a multi services SEZ with International Financial Services Centre (IFSC) status to a customer located outside India for international financial services in currencies other than Indian Rupees (vii) Sl.No.53A - Services by way of fumigation in a warehouse of agricultural produce (viii) S.No.65A - Services by way of providing information under the RTI Act, 2005 <p>Further, amendments have also been made in respect of S.Nos.22, 45, 54, 60, 66, 77, 81 etc</p>

Sl. No.	Notification No. & date	Gist of the Notifications
3	03/2018-Central Tax (Rate), dt. 25-01-2018	<p>Seeks to amend notification No. 13/2017- Central Tax (Rate) dated 28.06.2017 pertaining to taxability of services under Reverse Charge Mechanism:</p> <p>Entry under Sl.No.5A has been inserted to specify services supplied by the Central Government, State Government, Union territory or local authority by way of renting of immovable property to a registered person under CGST Act, 2017</p> <p>Further, meaning of 'insurance agent' has been inserted in the Explanation after clause (c)</p>
4	04/2018-Central Tax (Rate) ,dt. 25-01-2018	<p>Seeks to notify the classes of registered persons as the registered persons in respect of supply of development rights to a developer etc and supply of construction service of complex to supplier of development rights as specified therein and the time when the liability to pay central tax arises</p>
5	05/2018-Central Tax (Rate) ,dt. 25-01-2018	<p>CGST on intra-State supply of services by way of grant of license or lease to explore or mine petroleum crude or natural gas or both is exempted as is leviable on the consideration paid to the Central Government in the form as specified.</p>
6	06/2018-Central Tax (Rate) ,dt. 25-01-2018	<p>Seeks to amend Notification No.1/2017-CGST (Rate) - Rate on goods. The illustrative list is furnished hereunder:</p> <p>(A) Schedule I - 2.5% - Tamarind Kernel Powder (S.No.76A), Mehendi paste in cones (78A), Rice bran as specified (103B), Liquefied Propane and Butane Mixture, Liquefied Propane, Liquefied Butane and Liquefied Petroleum Gases for supply to household domestic consumers (165A), Corduroy fabrics, velvet fabrics (219A), Scientific and technical instruments, apparatus, etc (243A)</p> <p>(B) Schedule II - 6% - Sugar Boiled confectionery [S.No.32AA], Drinking water packed in 20 Litres bottles [46B], Fertiliser grade phosphoric acid [57B], various bio-pesticides [78A], Bio-diesel [80A], Bamboo wood building joinery [99A], Tableware and Kitchenware of wood [99B], Sprinklers; drip irrigation system including laterals; mechanical sprayers[195B]</p> <p>(C) Schedule III - 9% - Cigarette Filter rods [163A], Ghamella [236A], Sanitary ware and parts thereof, of iron and steel [236B], Buses for use in public transport which exclusively run on Bio-diesel[399A]</p> <p>(D) Schedule IV - 14% - Actionable claim in the form of chance to win in betting, gambling, or horse racing in race club [S.No.229]</p> <p>(E) Schedule V - 1.5% - Amendments to Sl.Nos.2, 3, 4, 13, 17 have been made</p> <p>(F) Schedule VI - 0.125% - Diamonds, semi-precious stones, precious stones etc - Amendments made in Sl.Nos.1, 2 & 3 and new Sl.No.2A and Sl.No.4 have been inserted.</p>

Sl. No.	Notification No. & date	Gist of the Notifications
7	07/2018-Central Tax (Rate), dt. 25-01-2018	Seeks to amend exemption Notification No.2/2017-CGST (Rate) in respect of Rate on goods: Amendment made to exemption provided to goods under Sl.Nos.102, 136A, 137, 148 and S.No.102A (De-oiled rice bran) S.No.102B (Cotton Seed oil cake) and S.No.151 (Part for hearing aids) inserted
8	08/2018-Central Tax (Rate), dt. 25-01-2018	Provides for partial exemption to old and used vehicles from the rate as specified in Notification No.1/2017-Central Tax (Rate) dated 28.06.2017
9	09/2018-Central Tax (Rate), dt. 25-01-2018	Seeks to amend Notification No.45/2017-Central (Rate): Notification No.45/2017-CT (Rate) dated 14.11.2017 pertains to providing concessional GST rate of 2.5% on scientific and technical equipments supplied to public funded research institutions. The following amendments have been made to the aforesaid notification: (a) Sl.No.1 - entry under Col.2 has been substituted (b) Sl.No.1, 2 & 4 - In Col.4, the words "Department of Scientific and Research" has been substituted with "Department of Scientific and Industrial Research" (c) The existing explanation is numbered as Explanation 1. Further, Explanation 2 has been inserted, effective from 15.11.2017
10	Integrated Tax (Rate) Notification Nos. 01/2018- to 5/2018 and 7/2018 to 10/2018, all dt. 25.01.2018	Notifications issued under IGST Act, 2017 corresponding to the amendments made vide the Central Tax Notifications as furnished above in Sl.Nos.1 to 9.
11	06/2018-Integrated Tax (Rate) ,dt.25-01-2018	Seeks to exempt royalty and license fee from Integrated tax to the extent it is paid on the consideration attributable to royalty and license fee included in transaction value under Rule 10(1)(c) of Customs Valuation (Determination of value of imported Goods) Rules, 2007
12	Union Territory tax (Rate) Notification Nos. 01/2018- to 09/2018, all dt.25-01-2018	Notifications issued under UTGST Act, 2017 corresponding to the amendments made vide the Central Tax Notifications as furnished above in Sl.Nos.1 to 9.
13	Notification No.1/2018-Compensation Cess (Rate) dated 25.01.2018	Notification No.1/2017-Compensation Cess (Rate) dated 28.06.2017 amended to insert S.No.42A with Compensation Cess rate on all old and used motor vehicles as NIL

2. This Trade Notice is being issued so as to sensitize the trade and field formations about the contents of the aforesaid references and for complete details, the respective references may please be referred in the CBEC's website www.cbec.gov.in.

3. All the Commissioners are requested to bring the contents of the Trade Notice to the notice of all the officers working under their charge and the assesseees falling under their respective jurisdiction.

4. The Trade & Industry Associations/Chambers of Commerce are requested to bring the contents of the Trade Notice to the notice of all their members.



[C.P. RAO]
PRINCIPAL CHIEF COMMISSIONER

To

- i. The Principal Commissioner / Commissioner of GST and Central Excise,
Chennai North / Chennai South / Chennai Outer / Coimbatore / Salem / Tiruchirappalli
/ Madurai / Puducherry / Chennai Audit I / Chennai Audit II / Coimbatore Audit /
Chennai Appeals I / Chennai Appeals II / Coimbatore Appeals Commissionerates
- ii. The Commissioner of Commercial Taxes, State CT Head Office, Ezhilagam,
No.3, Kamarajar Salai, Chepauk, Chennai-600005 **[By e-mail]**
- iii. Zonal RAC Members **[By e-mail]**

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The Computer Section, Chennai North Commissionerate [For uploading in website]