

Notification No. 20/2019- Central Tax (Rate) dt. 30th September, 2019

Sr No.	Category of Service
7	Accommodation, food and beverage services
10	Rental services of transport vehicles with operators
15	Financial and related services
17	Leasing or rental services without operator
21	Other professional, technical and business services
24	Support services to agriculture, hunting, forestry, fishing, mining and utilities
26	Manufacturing services on physical inputs (goods) owned by others)

- Accommodation, food and beverage services

From 1st Oct 2019

Against serial number 7, for the entries relating thereto in column (3), (4) and (5), the following items and entries shall be substituted, namely, -

7	Heading 9963 (Accommodation, food and beverage services)	Supply of 'hotel accommodation' having value of supply of a unit of accommodation above Rs 1000 but less than or equal to Rs 7500 per unit per day or equivalent.	6	-
		(ii) Supply of 'restaurant service' other than at 'specified premises'	2.5	Provided ITC has not been taken [Please refer to <i>Explanation</i> no. (iv)]
		(iii) Supply of goods, being food or any other article for human consumption or any drink, by the Indian Railways or IRCTC Ltd. or their licensees, whether in trains or at platforms.	2.5	Provided ITC has not been taken [Please refer to <i>Explanation</i> no. (iv)]
		(iv) Supply of 'outdoor catering', at premises other than 'specified premises' provided by any person other than- (a) suppliers providing 'hotel accommodation' at 'specified premises', or (b) suppliers located in 'specified premises'.	2.5	Provided ITC has not been taken [Please refer to <i>Explanation</i> no. (iv)]
		(v) Composite supply of 'outdoor catering' together with renting of premises (including hotel, convention center, club, pandal, shamiana or any other place, specially arranged for organising a function) at premises other than 'specified premises' provided by any person other than-	2.5	Provided ITC has not been taken [Please refer to <i>Explanation</i> no. (iv)]

	<p>(a) suppliers providing ‘hotel accommodation’ at ‘specified premises’, or</p> <p>(b) Suppliers located in ‘specified premises’.</p>		
	<p>(vi) Accommodation, food and beverage services other than (i) to (v) above</p> <p>Explanation:</p> <p>(a) For the removal of doubt, it is hereby clarified that, supplies covered by items (ii), (iii), (iv) and (v) in column (3) shall attract central tax prescribed against them in column (4) subject to conditions specified against them in column (5), which is a mandatory rate and shall not be levied at the rate as specified under this entry.</p> <p>(b) This entry covers supply of ‘restaurant service’ at ‘specified premises’</p> <p>(c) This entry covers supply of ‘hotel accommodation’ having value of supply of a unit of accommodation above Rs 7500 per unit per day or equivalent.</p> <p>(d) This entry covers supply of ‘outdoor catering’, provided by suppliers providing ‘hotel accommodation’ at ‘specified premises’, or suppliers located in ‘specified premises’.</p> <p>(e) This entry covers composite supply of ‘outdoor catering’ together with renting of premises (including hotel, convention center, club, pandal, shamiana or any other place, specially arranged for organising a function) provided by suppliers providing ‘hotel accommodation’ at ‘specified premises’, or suppliers located in ‘specified premises’.</p>	9	

(iii) in paragraph 4 relating to explanation, after clause (xxx), the following clauses shall be inserted, namely:-

“(xxxii) Restaurant service” means 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.

(xxxiii) **Outdoor catering**”

means 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.

(xxxiv) Hotel accommodation“ means supply, by way of accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes including the supply of time share usage rights by way of accommodation.

(xxxv) Declared tariff“ means 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.

(xxxvi) Specified premises“ means premises providing „hotel accommodation“ services having declared tariff of any unit of accommodation above seven thousand five hundred rupees per unit per day or equivalent.”

- Rental services of transport vehicles with operators**

Against serial number 10, in column (2), after the word “vehicles”, the words “with operators” shall be inserted

Against serial number 10, in column (3), in item (iii), the words “or without” shall be omitted;

10	Heading 9966 (Rental services of transport vehicles with operators)	(i) Renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient.	2.5	Provided that credit of input tax charged on goods and services used in supplying the service, other than the input tax credit of input service in the same line of business (i.e. service procured from another service provider of transporting passengers in a motor vehicle or renting of a motor vehicle) has not been taken. [Please refer to <i>Explanation</i> no. (iv)]
				or
			6	-]
		ii) Time charter of vessels for transport of goods.	2.5	Provided that credit of input tax charged on goods (other than on ships, vessels including bulk carriers and tankers) has not been taken [Please refer to <i>Explanation</i> no. (iv)].
		(iii) Rental services of transport vehicles with or without operators, other than (i) and (ii) above.	9	-]

- **Financial and related services**

Against serial number 15, in column (3), item (iv) and the entries relating thereto in column (4) and (5) shall be omitted;

Against serial number 15, in column (3), in item (vii), the brackets and words “, (iv)” shall be omitted;

15	Heading 9971 (Financial and related services)	(i) Services provided by a foreman of a chit fund in relation to chit. <i>Explanation.-</i> (a) "chit" means a transaction whether called chit, chit fund, chitty, kuri, or by whatever name by or under which a person enters into an agreement with a specified number of persons that every one of them shall subscribe a certain sum of money (or a certain quantity of grain instead) by way of periodical installments over a definite period and that each subscriber shall, in his turn, as determined by lot or by auction or by tender or in such other manner as may be specified in the chit agreement, be entitled to a prize amount; (b) “foreman of a chit fund” shall have the same meaning as is assigned to the expression “foreman” in clause (j) of section 2 of the Chit Funds Act, 1982 (40 of 1982).	6	Provided that credit of input tax charged on goods used in supplying the service has not been taken [Please refer to Explanation no. (iv)]
		(ii) Transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration.	Same rate of central tax as on supply of like goods involving transfer of title in goods	-
		(iii) Any transfer of right in goods or of undivided share in goods without the transfer of title thereof.	Same rate of central tax as on supply of like goods involving transfer of title in goods	-

	<p>(iv) Leasing of aircrafts by an operator for operating scheduled air transport service or scheduled air cargo service by way of transaction covered by clause (f) paragraph 5 of Schedule II of the Central Goods and Services Act, 2017.</p> <p>Explanation—</p> <p>(a) “operator” means a person, organisation or enterprise engaged in or offering to engage in aircraft operations;</p> <p>(b) “scheduled air transport service” means an air transport service undertaken between the same two or more places operated according to a published time table or with flights so regular or frequent that they constitute a recognisable systematic series, each flight being open to use by members of the public;</p> <p>(c) “scheduled air cargo service” means air transportation of cargo or mail on a scheduled basis according to a published time table or with flights so regular or frequent that they constitute a recognisably systematic series, not open to use by passengers.</p>	<p>2.5</p>	<p>Provided that credit of input tax charged on goods used in supplying the service has not been taken [Please refer to Explanation no. (iv)]”</p>
	<p>(v) Leasing of motor vehicles purchased and leased prior to 1st July 2017;</p>	<p>65 per cent. of the rate of central tax as applicable on supply of like goods involving transfer of title in goods.</p> <p>Note:- Nothing contained in this entry shall apply on or after 1st July, 2020.</p>	<p>-</p>
	<p>(vi) Service of third party insurance of “goods carriage”</p>	<p>6</p>	<p>-</p>
	<p>(vii) Financial and related services other than (i), (ii), (iii), (v), and (vi) above.</p>	<p>9</p>	<p>-]</p>

- Leasing or rental services ~~with or~~ without operator

Against serial number 17, in column (2), the figures and words “, with or” shall be omitted;

Against serial number 17, in column (3), item (v) and (vii) and the entries relating thereto in column (4) and (5) shall be omitted;

17	Heading 9973 (Leasing or rental services with or without operator)	(i) Temporary or permanent transfer or permitting the use or enjoyment of Intellectual Property (IP) right in respect of goods other than Information Technology software.	6	-
		(ii) Temporary or permanent transfer or permitting the use or enjoyment of Intellectual Property (IP) right in respect of Information Technology software. [Please refer to <i>Explanation</i> no. (v)]	9	-
		(iii) Transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration.	Same rate of central tax as on supply of like goods involving transfer of title in goods	-
		(iv) Any transfer of right in goods or of undivided share in goods without the transfer of title thereof.	Same rate of central tax as on supply of like goods involving transfer of title in goods	-
		v) Leasing of aircrafts by an operator for operating scheduled air transport service or scheduled air cargo service by way of transaction covered by clause (f) paragraph 5 of Schedule II of the Central Goods and Services Act, 2017. Explanation.— (a) “operator” means a person, organisation or enterprise engaged in or offering to engage in aircraft operations; (b) “scheduled air transport service” means an air transport service undertaken between the same two or more places operated according to a published time table or with flights so regular or frequent that they constitute a recognisable systematic series, each flight being open to use by members of the public; (c) “scheduled air cargo service” means air transportation of cargo or mail on a scheduled	2.5	Provided that credit of input tax charged on goods used in supplying the service has not been taken [Please refer to Explanation no. (iv)]

	basis according to a published time table or with flights so regular or frequent that they constitute a recognisably systematic series, not open to use by passengers.		
	(vi) Leasing of motor vehicles purchased and leased prior to 1st July 2017;	65 per cent. of the rate of central tax as applicable on supply of like goods involving transfer of title in goods. Note:- Nothing contained in this entry shall apply on or after 1st July, 2020.	-
	[(vii) Time charter of vessels for transport of goods.	2.5	Provided that credit of input tax charged on goods (other than on ships, vessels including bulk carriers and tankers) has not been taken [Please refer to Explanation no. (iv)].
	(viiia) Leasing or renting of goods	Same rate of central tax as applicable on supply of like goods involving transfer of title in goods	-
	(viii) Leasing or rental services, without operator, other than (i), (ii), (iii), (iv), (vi), and (viiia) above.]	9	-]

- **Other professional, technical and business services**

Against serial number 21, after item (i) in column (3) and the entries relating thereto in columns (3), (4) and (5), the following shall be **inserted**, namely: -

Against serial number 21, in column (3), in item (ii), for the brackets and words “(i) above”, the brackets and words “(i) and (ia) above” shall be substituted

21	Heading 9983 (Other professional, technical and business services)	(i) Selling of space for advertisement in print media.	2.5	-
		(ia) Other professional, technical and business services relating to exploration, mining or drilling of petroleum crude or natural gas or both.	6	-]
		(ii) Other professional, technical and business services other	9	-

	than (i) and (ia) above and serial number 38 below.	
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- **Support services to agriculture, hunting, forestry, fishing, mining and utilities**

Against serial number 24, in column (2), after the numbers “9986”, the brackets, words and figures “(Support services to agriculture, hunting, forestry, fishing, mining and utilities)” shall be inserted;

Against serial number 24, in column (3), in item (ii), for the words “Service of”, the words “Support services to” shall be substituted;

<p>Heading 9986 [(Support services to agriculture, hunting, forestry, fishing, mining and utilities)]</p>	<p>(i) Support services to agriculture, forestry, fishing, animal husbandry.</p> <p>Explanation. – “Support services to agriculture, forestry, fishing, animal husbandry” mean –</p> <p>(i) Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce by way of-</p> <p>(a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing;</p> <p>(b) supply of farm labour;</p> <p>(c) processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;</p> <p>(d) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;</p> <p>(e) loading, unloading, packing, storage or warehousing of agricultural produce;</p> <p>(f) agricultural extension services;</p> <p>(g) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce.</p> <p>(h) services by way of fumigation in a warehouse of agricultural produce.</p> <p>(ii) Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.</p> <p>(iii) Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals,</p>	<p>Nil-</p>
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	except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce.		
	(ii) [Support services to] exploration, mining or drilling of petroleum crude or natural gas or both.	6	-
	(iii) Support services to mining, electricity, gas and water distribution other than (ii) above.	9	-

- Manufacturing services on physical inputs (goods) owned by others)

Against serial number 26, in column (3), in item (i), in clause (c), after the words “products”, the figures and words “, other than diamonds,” shall be inserted;

Against serial number 26, in column (3), after item (ia) and the entries relating thereto in columns (3), (4) and (5), the following shall be inserted, namely: -

Against serial number 26, in column (3), in item (iv), after the brackets, words and figures “(ia),”, the brackets, words and figures “(ib), (ic), (id),” shall be inserted

26	Heading 9988 (Manufacturing services on physical inputs (goods) owned by others)	(i) Services by way of job work in relation to- (a) Printing of newspapers; (b) Textiles and textile products falling under Chapter 50 to 63 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975); (c) all products [other than diamonds,] falling under Chapter 71 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975); (d) Printing of books (including Braille books), journals and periodicals; (da) printing of all goods falling under Chapter 48 or 49, which attract CGST @ 2.5per cent. or Nil;] (e) Processing of hides, skins and leather falling under Chapter 41 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975); (ea) manufacture of leather goods or foot wear falling under Chapter 42 or 64 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975) respectively;] (f) all food and food products falling under Chapters 1 to 22 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975); (g) all products falling under Chapter 23 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975), except dog and cat food put up for retail sale falling under tariff item 23091000 of the said Chapter; (h) manufacture of clay bricks falling under tariff item 69010010 in the	2.5	-
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First Schedule to the Customs Tariff Act, 1975 (51of 1975);]		
(i) manufacture of handicraft goods.		
Explanation. - The expression “handicraft goods” shall have the same meaning as assigned to it in the notification No.32/2017-Central Tax, dated the 15th September, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 1158 (E), dated the 15th September, 2017 as amended from time to time.		
(ia) Services by way of job work in relation to-	6	-]
(a) manufacture of umbrella;		
(b) printing of all goods falling under Chapter 48 or 49, which attract CGST @ 6per cent.		
(ib) Services by way of job work in relation to diamonds falling under chapter 71 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975);	0.75	-
(ic) Services by way of job work in relation to bus body building;	9	-
(id) Services by way of job work other than (i), (ia), (ib) and (ic) above;	6	-]
(ii) Services by way of any treatment or process on goods belonging to another person, in relation to-	2.5	
(a) printing of newspapers;		
(b) printing of books (including Braille books), journals and periodicals.		
(c) printing of all goods falling under Chapter 48 or 49, which attract CGST @ 2.5 per cent. or Nil.]		
(iia) Services by way of any treatment or process on goods belonging to another person, in relation to printing of all goods falling under Chapter 48 or 49, which attract CGST @ 6per cent.	6	-]
(iii) Tailoring services.	2.5	-
(iv) Manufacturing services on physical inputs (goods) owned by others, other than (i), (ia), (ii), (iia), [(ib), (ic), (id)] and (iii) above.	9	-]

Extract of press release - To reduce rate of GST from 18%to 12% on supply of machine job work **such as in engineering industry**, except supply of job work in relation to bus body building which would remain at 18%.

[2A. Where a **registered** person transfers development right or FSI (including additional FSI) to a promoter against consideration, wholly or partly, in the form of construction of apartments, the value of construction service in respect of such apartments shall be deemed to be equal to the Total Amount charged for similar apartments in the project from the independent buyers, other than the person transferring the development right or FSI (including additional FSI), nearest to the date on which such development right or FSI (including additional FSI) is transferred to the promoter, less the value of transfer of land, if any, as prescribed in paragraph 2 above.



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