

## Amend notification No. 12/2017- Central Tax (Rate) so as to exempt certain services as recommended by Goods and Services Tax Council in its 25th meeting held on 18.01.2018.

**Notification No: 2/2018-CTR**

**Classification: Rates**

**Date: 25-01-2018**

**G.S.R (E).**- In exercise of the powers conferred by sub-section (1) of **section 11 of the Central Goods and Services Tax Act, 2017 (12 of 2017)**, the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), **No.12/2017- Central Tax (Rate)**, dated the 28<sup>th</sup> June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number **G.S.R. 691(E), dated the 28th June, 2017**, namely:-

**In the said notification, in the Table, -**

- a. against serial number 3, in the entry in column (3), after the words “a Governmental Authority” the words “ or a Government Entity” shall be inserted;
- b.
- c. after serial number 3 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“3A	Chapter 99	Composite supply of goods and services in which the value of supply of goods constitutes not more than 25 per cent. of the value of the said composite supply provided to the Central Government, State Government or Union territory or local authority or a Governmental authority or a Government Entity by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution or in relation to any function entrusted to a Municipality under article 243W of the Constitution.	Nil	Nil”;

- c. against serial number 16, in the entry in column (3), for the words “one year”, the words “three years” shall be substituted;
- d. after serial number 19 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“19A	Heading 9965	Services by way of transportation of goods by an aircraft from customs station of clearance in India to a place outside India.	Nil	Nothing contained in this serial number shall apply after the 30 <sup>th</sup> day of September, 2018.

19B	Heading 9965	Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India.	Nil	Nothing contained in this serial number shall apply after the 30 <sup>th</sup> day of September, 2018.”;
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- e. against serial number 22, in the entry in column (3), after item (b), the following item shall be inserted, namely: -

**“(c) motor vehicle for transport of students, faculty and staff, to a person providing services of transportation of students, faculty and staff to an educational institution providing services by way of pre-school education and education upto higher secondary school or equivalent.”;**

- f. after serial number 29 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“29A	Heading 9971 or Heading 9991	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.	Nil	Nil

- g. against serial number 36, in the entry in column (3), in item (c), for the words “fifty thousand”, the words “two lakhs” shall be substituted;

- h. after serial number 36 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“36A	Heading 9971 or Heading 9991	Services by way of reinsurance of the insurance schemes specified in serial number 35 or 36.	Nil	Nil”;

- i. after serial number 39 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“39A	Heading 9971	Services by an intermediary of financial services located in a multi services SEZ with <b>International Financial Services Centre (IFSC)</b> status to a customer located outside India for international	Nil	Nil”;

		<p>financial services in currencies other than Indian rupees (INR).</p> <p><b>Explanation.-</b> For the purposes of this entry, the intermediary of financial services in IFSC is a person,-</p> <p>1. who is permitted or recognised as such by the Government of India or any Regulator appointed for regulation of IFSC; or</p> <p>2. who is treated as a person resident outside India under the <b>Foreign Exchange Management (International Financial Services Centre) Regulations, 2015; or</b></p> <p>3. who is registered under the Insurance Regulatory and Development Authority of India (International Financial Service Centre)</p> <p><b>Guidelines, 2015 as IFSC Insurance Office; or</b></p> <p>4. who is permitted as such by Securities and Exchange Board of India (SEBI) under the Securities and Exchange Board of India (International Financial Services Centres) <b>Guidelines, 2015.</b></p>		
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j. against serial number 45, in the entry in column (3),-

i. in item (a), after sub-item (ii), the following sub-item shall be inserted, namely:-

“(iii) the Central Government, State Government, Union territory, local authority, Governmental Authority or Government Entity;”;

ii. in item (b), after sub-item (iii), the following sub-item shall be inserted, namely:- “(iv) the Central Government, State Government, Union territory, local authority, Governmental Authority or Government Entity;”;

iii. in item (c), after sub-item (ii), the following sub-item shall be inserted, namely:-

“(iii) the Central Government, State Government, Union territory, local authority, Governmental Authority or Government Entity.”;

k. after serial number 53 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“53A	Heading 9985	Services by way of fumigation in a warehouse of agricultural produce.	Nil	Nil”;

l. against serial number 54, in the entry in column (3), after item (g), the following item shall be inserted, namely:-

“(h) services by way of fumigation in a warehouse of agricultural produce.”;

m. against serial number 60, in the entry in column (3), the words “the Ministry of External Affairs,” shall be

omitted;

n. after serial number 65 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“65A	Heading 9991	Services by way of providing information under the Right to Information Act, 2005 (22 of 2005).	Nil	Nil”;

o. against serial number 66, in the entry in column (3),-

i. **after item (a), the following item shall be inserted, namely:-**

“(aa) by an educational institution by way of conduct of entrance examination against consideration in the form of entrance fee;”;

ii. **in item (b),-**

(A) in sub-item (iv), the words “upto higher secondary” shall be omitted;

(B) after sub-item (iv), the following sub-item shall be inserted, namely:- “(v) supply of online educational journals or periodicals.”;

(C) in the proviso, for the word, brackets and letter “entry (b)”, the words, brackets and letters “sub-items (i), (ii) and (iii) of item (b)” shall be substituted;

(D) after the proviso, the following proviso shall be inserted, namely:-

“Provided further that nothing contained in sub-item (v) of item (b) shall apply to an institution providing services by way of,-

- i. pre-school education and education up to higher secondary school or equivalent;  
or
- ii. education as a part of an approved vocational education course.”

(p) against serial number 77, in the entry in column (3), in item (c), for the words “five thousand”, the words “seven thousand five hundred” shall be substituted;

(q) against serial number 81, for the entry in column (3), the following entry shall be substituted, namely: -

**“Services by way of right to admission to-**

- a. circus, dance, or theatrical performance including drama or ballet;
- b. award function, concert, pageant, musical performance or any sporting event other than a recognised sporting event;
- c. recognised sporting event;
- d. planetarium,

where the consideration for right to admission to the events or places as referred to in items (a), (b), (c) or (d) above is not more than Rs 500 per person.”.

**Note:** -The principal notification was published in the Gazette of India, Extraordinary, vide [notification No.](#)

[12/2017 - Central Tax \(Rate\)](#), dated the 28<sup>th</sup> June, 2017, *vide* number **G.S.R. 691 (E)**, dated the 28<sup>th</sup> June, 2017 and was last amended by [notification No.47/2017 - Central Tax \(Rate\)](#), dated the 14<sup>th</sup> November, 2017 *vide* number **G.S.R. 1406(E)**, dated the 14<sup>th</sup> November, 2017.