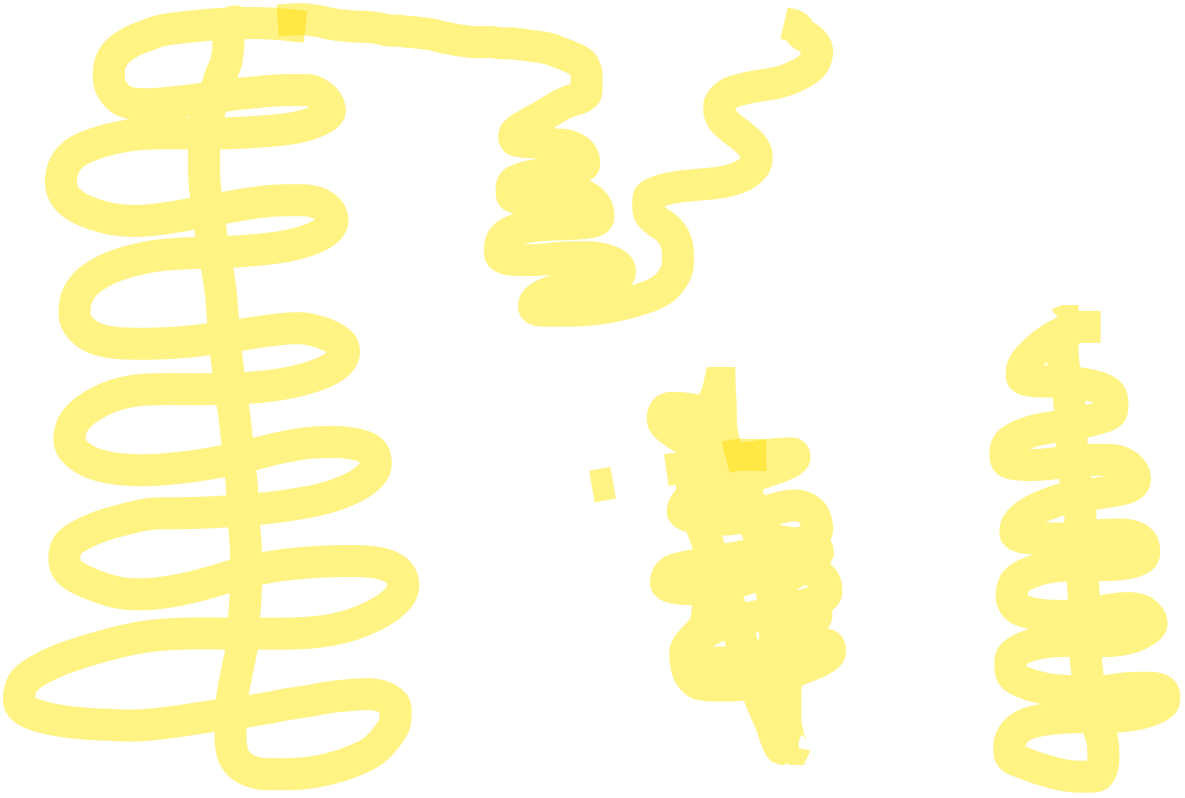
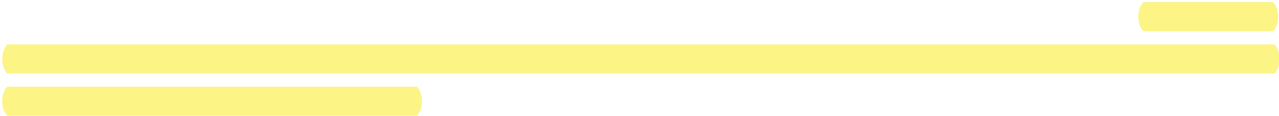
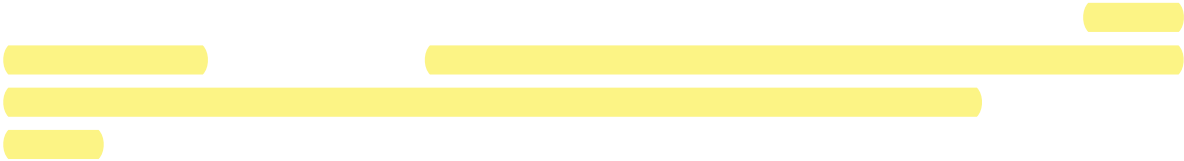


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4. Pre-GST, applicable VAT rates on sale of used vehicles [cars], as informed by the Fitment Committee members, were as under:

S. No.	STATE	GST Rate
1.	Maharashtra	12.5% on 15% of sale value
2.	UP	5% of sale value
3.	Karnataka	5.5% of margin
4.	West Bengal	2.5% of sale value
5.	Bihar	Rs. 3000 less than 1000cc, others Rs.4500
6.	Jharkhand	5% of sale value
7.	Kerala	0.5% of sale value
8.	Haryana	Rs. 3000 less than 1000cc, others Rs. 5000
9.	Telangana	14.5% on margin
10.	Punjab	Rs. 3000 less than 1000cc, others Rs. 5000

5. Exemption of Compensation Cess on supply of used motor vehicles will be iniquitous, as it will largely be applicable for bigger cars and SUVs.
6. Fitment Committee recommends the following rate on the supply of used motor vehicle by a person who has not availed input tax credit on such motor vehicle:
 - a) 12% GST + Nil Compensation Cess on all motor vehicles, including all motor vehicles falling under 8702 [other than medium and large cars and SUVs];
 - b) 18% GST + Nil Compensation Cess on medium and large cars and SUVs,on the margin of the supplier of such motor vehicle.







(c) the words and expressions used and not defined in this notification, but defined in the Central Goods and Service Tax Act, 2017 (12 of 2017), the Integrated Goods and Services Tax Act, 2017 (13 of 2017) and the Union Territory Goods and Services Tax Act, 2017 (14 of 2017), shall have the same meanings as assigned to them in those Acts.

2. This notification shall come into force on the 22nd September, 2025.

[F. No CBIC-190341/188/2025-TRU]

(Dheeraj Sharma)

Under Secretary to the Government of India

[Redacted]

[Redacted]

[Redacted]

[Redacted]

works contract service

[Redacted]

[Redacted]

accommodation and food services

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

passenger transport services

[Redacted]

[Redacted]

goods transport services



rental vehicle with operator

Postal and courier services

financial services



other professional and technical and business services



other support services



job work services

	(vii) Services by way of any treatment or process on goods belonging to another person, other than (v) and (vi) above.	9	
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- (xi) against serial number 32, in column (3),- **treatment of effluents services**
 (A) against item (i), for the entry in column (4), the entry “2.5” shall be substituted;
 (B) against item (ia), for the entry in column (4), the entry “2.5” shall be substituted;
- (xii) against serial number 34, in column (3),- **recreational cultural and sporting services**
 (A) against item (ii), for the entry in column (4), the entry “2.5” shall be substituted;
 (B) in item (iiia), the following explanation shall be inserted, namely: -
 “Explanation: Nothing contained in clause (b) of this item shall apply to a ‘recognised sporting event’.”;
 (C) against item (iiia), for the entry in column (4), the entry “20” shall be substituted;
 (D) against item (iv), for the entry in column (4), the entry “20” shall be substituted;
- (xiii) for serial number 35 and the entries relating thereto, the following shall be substituted:-

(1)	(2)	(3)	(4)	(5)
“35	Heading 9997	(i) Beauty and physical well-being services falling under Group 99972.	2.5	Provided that credit of input tax charged on goods and services used in supplying the service has not been taken [Please refer to Explanation No. (iv)]
		(ii) Other services (washing, cleaning, and dyeing services; and other miscellaneous services including services nowhere else classified). Explanation.- For the removal of doubt, it is hereby clarified that, supplies covered by item (i) in column (3) shall	9	-”;



		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 specified under this item.		
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(xiv) against serial number 38, in column (3), for the Explanation, the following explanation shall be substituted:- **Solar power installation services**

“Explanation:- This entry shall be read in conjunction with serial number 437 of Schedule I of notification No. 9/2025- Central Tax (Rate), dated 17th September, 2025.”

(b) in paragraph 4 relating to Explanation,-

(i) for clause (xxxx), the following clause shall be substituted: -

“(xxxx) ‘goods transport agency’ means any person who provides service in relation to transport of goods by road and issues a consignment note by whatever name called, but does not include

- (i) electronic commerce operator by whom services of local delivery are provided;
- (ii) electronic commerce operator through whom services of local delivery are provided”;

(ii) after clause (xxxx), the following clauses shall be inserted, namely: -

“(xxxxi) ‘recognised sporting event’ has the same meaning as assigned to it in clause (zw) of paragraph 2 of notification No. 12/2017 -Central Tax (Rate), dated 28th 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, as amended from time to time;

(xxxxii) ‘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;

(xxxxiii) ‘mode of transport’ means carriage of goods by road, air, rail, inland waterways or sea;

(xxxxiv) ‘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.”.



(2) with effect from the 1st day of April, 2025, in paragraph 4, in clause (xxxvi), the following Explanations shall be inserted, namely: -

“Explanation 1.- For the purposes of this clause, ‘premises’ means a place from where hotel accommodation services are being supplied or are to be supplied.

Explanation 2.- For the purpose of sub-clause (c), the expression ‘a person applying for registration’ shall include a person applying for amendment of registration to declare an additional place of business.”.

[F.No.190341/188/2025-TRU]

(Md. Adil Ashraf)

Under Secretary to the Government of India

Note: The principal notification number 11/2017-Central Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, *vide* number G.S.R. 690 (E), dated the 28th June, 2017 and last amended *vide* notification number 05/2025-Central Tax (Rate), dated the 16th January, 2025 published in the Gazette of India *vide* number G.S.R. 38(E), dated the 16th January, 2025.



[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

Government of India
Ministry of Finance
(Department of Revenue)

Notification
No. 16 /2025-Central Tax (Rate)

New Delhi, the 17th September, 2025

G.S.R. ----(E). - In exercise of the powers conferred by sub-sections (3) and (4) of section 9, sub-section (1) of section 11, sub-section (5) of section 15 and section 148 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), number 12/2017-Central Tax (Rate), dated the 28th 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,-

- (a) In the table, -
(i) against serial number 18, in column (3), after clause (b), the following explanation shall be inserted, namely:-

“Explanation. - Nothing contained in this entry shall apply to:

- (i) local delivery services provided by an Electronic Commerce Operator; or
(ii) local delivery services provided through an Electronic Commerce Operator.”;

- (ii) after serial number 36B and the entries relating thereto, the following serial numbers and entries relating thereto shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
“36C	Heading 9971	Services of life insurance business provided by an insurer to the insured, where the insured is not a group. [Please refer to clause (zfb) in para 2] <i>Explanation:</i> For the removal of doubts, it is hereby clarified that: a. This exemption shall apply to a contract of insurance where the insured is an	Nil	Nil



		<p>individual, or an individual and family of the said individual.</p> <p>b. For the purposes of (a) above, family shall include all individuals insured as family in the contract of insurance.</p>		
36D	Heading 9971	<p>Services of health insurance business provided by an insurer to the insured, where the insured is not a group.</p> <p>[Please refer to clause (zfb) in para 2]</p> <p><i>Explanation:</i> For the removal of doubts, it is hereby clarified that:</p> <p>a. This exemption shall apply to a contract of insurance where the insured is an individual, or an individual and family of the said individual.</p> <p>b. For the purposes of (a) above, family shall include all individuals insured as family in the contract of insurance.</p>	Nil	Nil
36E	Heading 9971	Reinsurance of the insurance services specified in serial numbers 36C or 36D.	Nil	Nil”;

(b) in paragraph 2,

(i) for clause (ze), the following shall be substituted, namely: -

“(ze) ‘goods transport agency’ means any person who provides service in relation to transport of goods by road and issues a consignment note by whatever name called, but does not include

(i) an electronic commerce operator by whom the services of local delivery are provided,

(ii) an electronic commerce operator through whom the services of local delivery are provided”;

(ii) after clause (zfa), the following clause shall be inserted, namely:-

“(zfb) For the purposes of entries at serial numbers 36C and 36D in the table above, ‘group’ means group of persons who join together with a commonality of purpose or for engaging in a common economic activity, other than availing insurance, and includes:



- a. Employer– employee groups, where an employer-employee relationship exists between the master/group policyholder and the members of the group in accordance with the applicable laws;
- b. Non employer– employee groups, where a clearly evident relationship exists between the master/group policyholder and the members of the group, for services/ activities other than insurance.”;

(iii) after clause (zg), the following clause shall be inserted, namely: -

“(zga) ‘health insurance business’ means the effecting of contracts which provide for sickness benefits or medical, surgical or hospital expense benefits, whether in-patient or out-patient, travel cover and personal accident cover;”.

2. This notification shall come into force with effect from the 22nd day of September, 2025.

[F.No.190341/188/2025-TRU]

(Md. Adil Ashraf)

Under Secretary to the Government of India

Note: The principal notification No. 12/2017 - Central Tax (Rate), dated the 28th June, 2017 was 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 and was last amended vide notification number 06/2025-Central Tax (Rate), dated the 16th January, 2025 published in the Gazette of India, Extraordinary, vide number G.S.R. 41(E), dated the 16th January, 2025.



[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

Government of India
Ministry of Finance
(Department of Revenue)
Notification

No. 17/2025-Central Tax (Rate)

New Delhi, the 17th September 2025

G.S.R.....(E).- In exercise of the powers conferred by sub-section (5) of section 9 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, 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.17/2017- Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 696(E), dated the 28th June, 2017, namely:-

In the said notification, after clause (iv), the following clause shall be inserted, namely: -

“(v) services by way of local delivery except where the person supplying such services through electronic commerce operator is liable for registration under sub section (1) of section 22 of the Central Goods and Services Tax Act, 2017.”.

2. This notification shall come into force with effect from the 22nd day of September 2025.

[F.No.190341/188/2025-TRU]

(Md. Adil Ashraf)

Under Secretary to the Government of India

Note: The principal notification No. 17/2017-Central Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 696 (E), dated the 28th June, 2017 and was last amended by notification No. 08/2025-Central Tax (Rate), dated 16th January, 2025 published in the Gazette of India, Extraordinary, vide number G.S.R. 47(E), dated the 16th January, 2025.