

GOVERNMENT OF KERALA
Taxes (B) Department
NOTIFICATION

G.O.(P) No. /2017/TAXES

Dated, Thiruvananthapuram, 2017
....., 1193

S.R.O.No...../2017.— In exercise of the powers conferred by sub-section (1) of section 9, sub-section (1) of section 11, sub-section (5) of section 15 and sub-section (1) of section 16 of the Kerala State Goods and Services Tax Act, 2017 (20 of 2017), the Government of Kerala and on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following amendments to the notification issued under G.O.(P) No. 72/2017/TAXES dated 30th June, 2017 and published as S.R.O. No. 370/2017 in the Kerala Gazette Extraordinary No. 1360 dated 30th June 2017, namely:-

AMENDMENT

In the said notification, in the TABLE,-

(i) against serial number 3, for item (iii) in column (3) and the entries relating thereto in columns (3), (4) and (5), the following items and entries shall respectively be substituted, namely:-

(3)	(4)	(5)
“(iii) Composite supply of works contract as defined in clause (119) of section 2 of the Kerala State Goods and Services Tax Act, 2017 (20 of 2017) supplied to the Government, a local authority or a Governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of, - (a) 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 (Central Act 24 of 1958); (b) canal, dam or other irrigation works; (c) pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal.	6	-
(iv) Composite supply of works contract as defined in clause (119) of section 2 of the Kerala State Goods and Services Tax Act, 2017, supplied by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of,- (a) a road, bridge, tunnel, or terminal for road transportation for use by general public; (b) a civil structure or any other original works pertaining to a scheme under Jawaharlal Nehru National Urban Renewal Mission or Rajiv Awaas Yojana; (c) a civil structure or any other original works pertaining to the “In-situ rehabilitation of existing	6	-

<p>slum dwellers using land as a resource through private participation” under the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana, only for existing slum dwellers;</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; or</p> <p>(f) a structure meant for funeral, burial or cremation of deceased.</p>		
<p>(v) Composite supply of works contract as defined in clause (119) of section 2 of the Kerala State Goods and Services Tax Act, 2017, supplied by way of construction, erection, commissioning, or installation of original works pertaining to,-</p> <p>(a) railways, excluding monorail and metro;</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> <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 style="padding-left: 40px;">(1) the “Affordable Housing in Partnership” component of the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana;</p> <p style="padding-left: 40px;">(2) any housing scheme of a State Government;</p> <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>	6	
<p>(vi) Construction services other than (i), (ii), (iii), (iv) and (v) above.</p>	9	-”

(ii) against serial number 8, for item (vi) in column (3) and the entries relating thereto in columns (3), (4) and (5), the following items and entries shall, respectively, be substituted, namely:-

(3)	(4)	(5)
“(vi) Transport of passengers by motorcab where the cost of fuel is included in the	2.5	Provided that credit of input tax charged

consideration charged from the service recipient.		on goods and services used in supplying the service has not been taken [Please refer to <i>Explanation</i> no. (iv)]
		or
	6	”;

(iii) against serial number 9, for item (iii) in column (3) and the entries relating thereto in columns (3), (4) and (5), the following item and entries shall, respectively, be substituted, namely:-

(3)	(4)	(5)
“(iii) Services of goods transport agency (GTA) in relation to transportation of goods (including used household goods for personal use). <i>Explanation</i> .- “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.	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 <i>Explanation</i> No. (iv)]
		or
	6	Provided that the goods transport agency opting to pay state tax @ 6% under this entry shall, thenceforth, be liable to pay state tax @ 6% on all the services of GTA supplied by it.”;

(iv) against serial number 10, for item (i) in column (3) and the entries relating thereto in columns (3), (4) and (5), the following item and entries shall, respectively, be substituted, namely:-

(3)	(4)	(5)
“(i) Renting of motorcab 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 has not been taken [Please refer to <i>Explanation</i> No. (iv)]

	or	
	6	-

(v) against serial number 11, for item (i) in column (3) and the entries relating thereto in columns (3), (4) and (5), the following item and entries shall, respectively, be substituted, namely:-

(3)	(4)	(5)
“(i) Services of goods transport agency (GTA) in relation to transportation of goods (including used household goods for personal use). <i>Explanation.</i> - “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.	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 <i>Explanation No. (iv)</i>]
	or	
	6	Provided that the goods transport agency opting to pay state tax @ 6% under this entry shall, thenceforth, be liable to pay state tax @ 6% on all the services of GTA supplied by it.”;

(vi) against serial number 26,-

(a) in column (3), in item (i),-

(A) for sub-item (b), the following sub-item shall be substituted, namely:-

“(b) Textiles and textile products falling under Chapter 50 to 63 in the First Schedule to the Customs Tariff Act, 1975 (Central Act 51 of 1975);”;

(B) the Explanation shall be omitted;

(b) for item (ii) in column (3) and the entries relating thereto in columns (3), (4) and (5), the following items and entries shall, respectively, be substituted, namely:-

(3)	(4)	(5)
“(ii) Services by way of any treatment or process on goods belonging to another person, in relation to- (a) printing of newspapers; (b) printing of books (including Braille books), journals and periodicals.	2.5	-

(iii) Manufacturing services on physical inputs (goods) owned by others, other than (i) and (ii) above.	9	-”;
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(vii) for serial number 27 and the entries relating thereto, the following serial number and entries shall, respectively, be substituted, namely:-

(1)	(2)	(3)	(4)	(5)
“27	Heading 9989	(i) Services by way of printing of newspapers, books (including Braille books), journals and periodicals, where only content is supplied by the publisher and the physical inputs including paper used for printing belong to the printer.	6	-
		(ii) Other manufacturing services; publishing, printing and reproduction services; materials recovery services, other than (i) above.	9	-”;

(viii) against serial number 34, in column (3), in item (i), after the word “drama”, the words “or planetarium” shall be inserted.

2. This notification shall be deemed to have come into force on the 22nd day of August, 2017.

By order of the Governor,

.....,
Secretary to Government

Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport.)

On the recommendation of the Council(Goods and Services Tax Council), the Government have decided to reduce the State tax payable on certain types of composite works contract from 9 percent to 6 percent. It is also decided that the State tax payable on (i) transport of passengers by motor cab and renting of motor cab where the cost of fuel is included in the consideration charged from the service recipient, (ii) services provided by ‘goods transport agency’, including supporting services in transport, with input tax credit will be 6 percent. The rate of 2.5 percent on these services, without input tax credit will continue.

It is also decided to reduce the tax rate on services by way of job work in relation to man made fibres also to 2.5 percent to align the rate with that of job work on natural fibres. It is also decided to reduce the tax rate on services by way of treatment or process on goods

belonging to another person in relation to printing of newspapers, journals, periodicals etc, to 2.5 percent from 9 percent. The tax rate on services by way of printing journals books newspapers, periodicals and the like, where only content is supplied by the publisher and other inputs belong to the printer is reduced to 6 percent from 9 percent. Also services by way of admission to a planetarium is also reduced to 9 percent.

The notification is intended to achieve the above objects.