



# The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

## GST & Indirect Taxes Committee



### NOTIFICATION NO. 2/2017-COMPENSATION CESS (RATE), DATED 28-6-2017

[AS AMENDED BY, CORRIGENDUM GSR 813(E), DATED 1-7-2017 AND NOTIFICATION NO. 6/2017-COMPENSATION CESS (RATE), DATED 13-10-2017]

In exercise of the powers conferred by sub-section (1) and sub-section (2) of section 8 of the Goods and Services Tax (Compensation to States) Act, 2017 (15 of 2017), the Central Government, on the recommendations of the Council, hereby notifies, that the cess, on the supply of services of description specified in column (2) of the Table below and falling in Chapter, Section, Heading or Group specified in column (3) of the said Table, shall be levied at the rate specified in the corresponding entry in column (4) of the said Table.

TABLE

Sl. No.	Description of Services	Chapter, Section, Heading or Group	Rate (in per-cent)
(1)	(2)	(3)	(4)
1.	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	Chapter 99	Same rate of cess as applicable on supply of similar goods involving transfer of title in goods
2.	Transfer of right in goods or of undivided share in goods without the transfer of title thereof	Chapter 99	Same rate of cess as applicable on supply of similar goods involving transfer of title in goods
<sup>1</sup> [2A.	<i>Leasing of motor vehicles purchased and leased prior to 1st July 2017</i>	Chapter 99	<i>65 per cent of the rate of cess as applicable on supply of similar goods involving transfer of title in goods.</i>  <i>Note: - Nothing contained in this entry shall apply on or after 1st day of July, 2020.]</i>
3.	Any other supply of services	Chapter 99	Nil

2. Explanation.—Reference to "Chapter", "Section", "Heading" or "Group", wherever they occur, unless the context otherwise requires, shall mean respectively as "Chapter", "Section" and "Heading" in the scheme of classification of services [annexed to Notification No. 11/2017-Central Tax (Rate), published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated 28th June 2017, vide number G.S.R. 690(E), dated 28th June, 2017].

3. This notification shall come into force with effect from 1st day of July, 2017.

<sup>1</sup> Inserted by Notification No. 6/2017-Compensation Cess (Rate), dated 13-10-2017, w.e.f. 13-10-2017.