



Analysis Of GST Rate Notifications Dated 28th Feb 2023 Pursuant To 49th GST Council Meeting

Description

ANALYSIS OF LATEST GST RATE NOTIFICATIONS DATED 28th FEB 2023

SUDHIR HALAKHANDI

ABHAS HALAKHANDI

S.NO	NOTIFICATION NUMBER	RELATED AMENDMENT	R
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01/2023-Central Tax (Rate)

– 28th Feb 2023

[01/2023-Integrated Tax (Rate)- 28th Feb 2023 &

01/2023- Union Territory Tax (rate)– 28th Feb 2023]

Entrance Examination Fee Exemption Widened

A new clause (iva) has been added to Para 3 in Explanation of **NNo. 12/2017** (Service Exemption Notification)

1.

As per this clause **any authority , board or body set up by the Central Govt. or State Govt. including National Testing Agency** for conduct of Entrance examination for admission to educational institutions shall be treated as educational institution for limited purpose of providing by way of conduct of entrance exam for admission to education institutions .

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Hence exemption earlier available to Central and State Edu. Boards has been extended to the abovementioned authority, board, body including NTA.

Services by Courts & Tribunals covered under RCM

In Explanation in clause (h) of NNo. 13/2017(RCM Service notification), for the words 'and State Legislature' the words '*State Legislatures, Courts and Tribunals*' shall be substituted.

02/2023-Central Tax (Rate)

– 28th Feb 2023

[02/2023-Integrated Tax (Rate)- 28th Feb 2023 &

Now the Explanation reads as follows :-

*provisions of this notification, in so far as they apply to the Central Government and State Governments, shall also apply to the Parliament, **State Legislatures, Courts and Tribunals.***

2.

02/2023- Union Territory Tax (rate)– 28th Feb 2023]

Now RCM provisions will apply to Service provided by Courts & Tribunal as they apply currently to Central Govt. & State Govt. (Entry no 5,5A of NNo. 13/2017)

Tax on Rab – Pre-packaged and Labelled.

3. **03/2023 – Central Tax (Rate) – 28th Feb 2023**
[03/2023-Integrated Tax (Rate)- 28th Feb 2023 &
03/2023- Union Territory Tax (rate)– 28th Feb 2023]
- Jaggery of All types including Cane Jaggery (Gur) , Palmyra Jaggery , Pre-packaged and Labelled ;
Khandsari Sugar – Pre-packaged and Labelled;
Rab-pre-packaged and labelled.
(Schedule-I [2.5%] – Entry No.91A has been substituted for additional including Rab. All other commodities were already there in erstwhile entry no. 91A)
4. **03/2023 – Central Tax (Rate) – 28th Feb 2023**
[03/2023-Integrated Tax (Rate)- 28th Feb 2023 &
03/2023- Union Territory Tax (rate) – 28th Feb 2023]
- Pencil Sharpeners**
New Entry No. 186A has been inserted in Schedule II[6%] for including Pencil Sharpeners and removed from the Entry No. 302A from Schedule III[9%] by making addition “**Other than Pencil Sharpener**”
5. **04/2023 – Central Tax (Rate) – 28th Feb 2023**
[04/2023-Integrated Tax (Rate)- 28th Feb 2023 &
04/2023- Union Territory Tax rate – 28th Feb 2023]
- Rab, other than pre-packaged and labelled.**
It is added as clause (iii) of the entry No. 94 of Goods Exemption NNo. 02/2017. The other commodities as mentioned in the S.No.3 above were already there as clause (i) and (ii) of Entry No.94 with same condition.

Compensation Cess Rate on coal Rejects:-

Coal Rejects supplied to a coal washery or by a coal washery, arising out of coal on which compensation cess has been paid and input tax credit of the same has not been availed by any person.

In entry No.41A earlier exemption was there for coal rejects **supplied by** the Coal washeries and now the exemption has been extended to coal rejects **supplied to** Coal washeries also. Hence now **“Sale and Purchases”** of Coal rejects both of coal washeries shall have Nil Compensation rate subject to the condition mentioned above with respect to coal rejects.

6. 01/2023- Compensation Cess (Rate)

This is done for resolving industry specific issue. Power generating units which were not getting exemption while supplying coal rejects **to the washery** and hence were using ITC of cess on such supply. This was further obstructing Coal Washerries to supply Coal rejects at Nil Rate as Power unit has taken ITC of Cess earlier. Now with amendment this issue has been resolved.

The burden of compensation cess would remain on Power Generating Units.

**An Explanation has been added to the
Notification No. 104/94 – Cus, Dated 16-03-1994:-**

A device such as tag, tracking device or data logger already affixed on the container at the time of import shall also be eligible for exemption from the duty of customs and the integrated tax as is available to the said container under notification.

7. Notification No.14/2023- Customs ,
dated 28th Feb. 2023

Background:-An exemption is available on the containers of durable nature from custom duty & IGST subject to certain conditions as mentioned in the Notification No. 104/94 – Customs, Dated 16-03-1994 . The exemption is related to the containers which were re-exported within specified time as mentioned in the Notification.

Now this exemption is extended to the “**device such as tag, tracking device or data logger already affixed on the container**” at the time of import .

Category

1. GST

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Author

sudhirhalakhandi