

Rate of Tax on Goods Transportation Agency

Compilation as on 10.01.2024

Rate of Tax as per Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017 as amended from time to time

Sl. No.	Chapter, Section or Heading	Description of Service	Rate (per cent)	Condition
9	Heading 9965 (Goods transport services)	(i) Transport of goods by rail (other than services specified at item No. (iv)).	2.5	Provided that credit of input tax charged in respect of goods in supplying the service is not utilised for paying central tax or integrated tax on the supply of the service
		(ii) Transport of goods in a vessel.	2.5	Provided that credit of input tax charged on goods (other than on ships, vessels including bulk carriers and tankers) used in supplying the service has not been taken [Please refer to <i>Explanation No. (iv)</i>]
		³⁴ [(iii) <i>Services of Goods Transport Agency (GTA) in relation to transportation of goods (including used house hold goods for personal use) supplied by a GTA where,-</i>		
		(a) <i>GTA does not exercise the option to itself pay GST on the services supplied by it;</i>	2.5	<i>The credit of input tax charged on goods and services used in supplying the service has not been taken. [Please refer to Explanation no. (iv)]</i>
		(b) <i>GTA exercises the option to itself pay GST on services supplied by it.</i>	2.5 or 6	<i>(1) In respect of supplies on which GTA pays tax at the rate of 2.5%, GTA shall not take credit of input tax charged on goods and services used in supplying the service. [Please refer to Explanation no. (iv)] (2) The option by GTA to itself pay GST on the services supplied by it during a Financial Year shall be exercised</i>

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			<p>by making a declaration in Annexure V ^{34a}[on or after the 1st January of the preceding Financial Year but not later than 31st March of the preceding Financial Year]:</p> <p>Provided that the option for the Financial Year 2022-2023 shall be exercised on or before the 16th August, 2022:</p> <p>Provided further that invoice for supply of the service charging Central tax at the rates as applicable to clause (b) may be issued during the period from the 18th July, 2022 to 16th August, 2022 before exercising the option for the financial year 2022-2023 but in such a case the supplier shall exercise the option to pay GST on its supplies on or before the 16th August, 2022:]</p> <p>^{34b}[Provided also that the option for the Financial Year 2023-2024 shall be exercised on or before the 31st May, 2023:</p> <p>Provided also that a GTA who commences new business or crosses threshold for registration during any Financial Year, may exercise the option to itself pay GST on the services supplied by it during that Financial Year by making a declaration in Annexure V before the expiry of forty-five days from the date of applying for GST registration or one month from the date of obtaining registration whichever is later:]</p> <p>^{34c}[Provided also that the option exercised by GTA to itself pay GST on the services supplied by it during a Financial Year shall be deemed to have been exercised for the next and future financial years unless the GTA files a</p>
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				<i>declaration in Annexure VI to revert under reverse charge mechanism on or after the 1st January of the preceding Financial Year but not later than 31st March of the preceding Financial Year.]</i>
		(iv) Transport of goods in containers by rail by any person other than Indian Railways.	6	-

34. Substituted by Notification No. 3/2022- Central Tax (Rate), dated 13-7-2022, w.e.f. **18-7-2022**. Prior to its substitution, item (iii) as amended by Notification No. 20/2017 - Central Tax (Rate), dated 22-8-2017, read as under:

"(iii) Services of goods transport agency (GTA) in relation to transportation of goods (including used household goods for personal use). 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)]

Explanation. – "Goods transport agency" means any person or who provides service in relation to transport of goods by road and issues consignment note, by whatever name called. 6 **Provided** that the goods transport agency opting to pay central tax @ 6% under this entry shall, thenceforth, be liable to pay central tax @ 6% on all the services of GTA supplied by it."

34a. Substituted for "on or before the 15th March of the preceding Financial Year" by Notification No. 6/2023-Central Tax (Rate), dated 26-7-2023, w.e.f. **27-7-2023**.

34b. Inserted by Notification No. 5/2023-Central Tax (Rate), dated 9-5-2023, w.e.f. **9-5-2023**.

34c. Inserted by Notification No. 6/2023-Central Tax (Rate), dated 26-7-2023, w.e.f. **27-7-2023**.

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Exemption to GTA as per Notification No. 11/2017 Central Tax (Rate) dated 28.06.2017 as amended from time to time

Sl. No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent)	Condition
18	Heading 9965	Services by way of transportation of goods – (a) by road except the services – (i) a goods transportation agency; (ii) a courier agency; (b) by inland waterways.	Nil	Nil
21	Heading 9965 or Heading 9967	Services provided by a goods transport agency, by way of transport in a goods carriage of – <ul style="list-style-type: none"> • agricultural produce; • ^{19c} [***] • milk, salt and food grain including flour, pulses and rice; • organic manure; • newspaper or magazines registered with the Registrar of Newspapers; • relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap; or • defence or military equipment. 	Nil	Nil
20[21A]	Heading 9965 or Heading 9967	Services provided by a goods transport agency to an unregistered person, including an unregistered casual taxable person, other than the following recipients, namely: – <ul style="list-style-type: none"> • any factory registered under or governed by the Factories Act, 1948 (63 of 1948); or • any Society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or 	Nil	Nil]

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		<ul style="list-style-type: none"> • any Co-operative Society established by or under any law for the time being in force; or • any body corporate established, by or under any law for the time being in force; or • any partnership firm whether registered or not under any law including association of persons; • any casual taxable person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act. 		
21[21B	Heading 9965 or Heading 9967	<p>Services provided by a goods transport agency, by way of transport of goods in a goods carriage, to,—</p> <p>(a) a Department or Establishment of the Central Government or State Government</p> <p>(b) local authority; or</p> <p>(c) Governmental agencies,</p> <p>which has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017) only for the purpose of deducting tax under section 51 and not for making a taxable supply of goods or services.</p>	Nil	Nil]

(ze) "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;

19c. Omitted by Notification No. 4/2022 -Central Tax (Rate), dated 13-7-2022, w.e.f. 18-7-2022. Prior to their omission clauses (b) & (c) read as under:

- "(b) goods, where consideration charged for the transportation of goods on a consignment transported in a single carriage does not exceed one thousand five hundred rupees;
- (c) goods, where consideration charged for transportation of all such goods for a single consignee does not exceed rupees seven hundred and fifty;"

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20. Inserted by Notification No. 32/2017-Central Tax (Rate), dated 13-10-2017, w.e.f. 13-10-2017.

21. Inserted by Notification No. 28/2018-Central Tax (Rate), dated 31-12-2018, w.e.f. 1-1-2019.

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Reverse charge on GTA services as per Notification No. 13/2017 Central Tax (Rate) dated 28.06.2017 as amended from time to time

Sl. No. (1)	Category of Supply of Services (2)	Supplier of service (3)	Recipient of Service (4)
1	Supply of Services by a goods transport agency (GTA), ¹ [***] in respect of transportation of goods by road to— (a) any factory registered under or governed by the Factories Act, 1948 (63 of 1948); or (b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or (c) any co-operative society established by or under any law; or (d) any person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the	Goods Transport Agency (GTA)	(a) Any factory registered under or governed by the Factories Act, 1948 (63 of 1948); or (b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or (c) any co-operative society established by or under any law; or (d) any person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act; or

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Union Territory Goods
and Services Tax Act;
or

- (e) any body corporate established, by or under any law; or
- (f) any partnership firm whether registered or not under any law including association of persons; or
- (g) any casual taxable person:

2[**Provided** that nothing contained in this entry shall apply to services provided by a goods transport agency, by way of transport of goods in a goods carriage by road, to,—

- (a) a Department or Establishment of the Central Government or State Government or Union territory; or
- (b) local authority; or
- (c) Governmental agencies,

which has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017) only for the purpose of deducting tax under

- (e) any body corporate established, by or under any law; or
- (f) any partnership firm whether registered or not under any law including association of persons; or
- (g) any casual taxable person; located in the taxable territory.

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section 51 and not for making a taxable supply of goods or services:]

^{2a} **[Provided further** *that nothing contained in this entry shall apply where, -*

- i. *the supplier has taken registration under the CGST Act, 2017 and exercised the option to pay tax on the services of GTA in relation to transport of goods supplied by him under forward charge; and*
- ii. *the supplier has issued a tax invoice to the recipient charging Central Tax at the applicable rates and has made a declaration as prescribed in Annexure III on such invoice issued by him.]*

1. Words "who has not paid central tax at the rate of 6%," omitted by Notification No. 5/2022-Central Tax (Rate), dated 13-7-2022, w.e.f. **18-7-2022**. Prior to its omission said words as inserted by Notification No. 22/2017-Central Tax (Rate), dated 22-8-2017.

2. Inserted by Notification No. 29/2018-Central Tax (Rate), dated 31-12-2018, w.e.f. 1-1-2019.

2a. Inserted by Notification No. 5/2022-Central Tax (Rate), dated 13-7-2022, w.e.f. **18-7-2022**.