

**Goods and Services Tax (Compensation to States) Act, 2017**

**THE SCHEDULE**

**[See section 8 (2)]**

1. In this Schedule, reference to a “tariff item”, “heading”, “sub-heading” and “Chapter”, wherever they occur, shall mean respectively a tariff item, heading, sub-heading and Chapter in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975).
2. The rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), the section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of this Schedule.

Sl. No.	Description of supply of goods or services	Tariff item, heading, sub-heading, Chapter, or supply of goods or services, as the case may be	The maximum rate at which goods and services tax compensation cess may be collected
(1)	(2)	(3)	(4)
1.	Pan Masala.	2106 90 20	<sup>1</sup> [fifty-one percent of retail sale price per unit]
2.	Tobacco and manufactured tobacco substitutes, including tobacco products.	24	<sup>2</sup> [Four thousand one hundred and seventy rupees per thousand sticks or two hundred and ninety per cent. <i>ad valorem</i> or a combination thereof, but not exceeding four thousand one hundred and seventy rupees per thousand sticks plus two hundred

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- 1 Substituted for “One hundred and thirty-five per cent. *ad valorem*.” by The Finance Act, 2023. It is made effective from 01-04-2023 by Noti. No. 1/2023-Compensation Cess, dt. 31-03-2023.
  - 2 Substituted for “Four thousand one hundred and seventy rupees per thousand sticks or two hundred and ninety per cent. *ad valorem* or a combination thereof, but not exceeding four thousand one hundred and seventy rupees per thousand sticks plus two hundred and ninety per cent. *ad valorem*.” by The Finance Act, 2023. It is made effective from 01-04-2023 by Noti. No. 1/2023-Compensation Cess, dt. 31-03-2023.

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			and ninety per cent. <i>ad valorem</i> or hundred percent of retail sale price per unit]
3.	Coal, briquettes, provides and similar solid fuels manufactured from coal, lignite, whether or not agglomerated, excluding jet, peat (including peat litter), whether or not agglomerated.	2701, 2702 or 2703	Four hundred rupees per tonne.
4.	Aerated waters.	2202 10 10	Fifteen per cent. <i>ad valorem</i> .
<sup>3</sup> [4A	Motor vehicles for the transport of not more than thirteen persons, including the driver.	8702 10, 8702 20, 8702 30 or 8702 90	Twenty-five per cent. <i>ad valorem</i> .]
5.	Motor cars and other motor vehicles principally designed for the transport of persons (other than motor vehicles for the transport of ten or more persons, including the driver), including station wagons and racing cars.	8703	<sup>4</sup> [Twenty-five per cent. <i>ad valorem</i> ]
6.	Any other supplies.		Fifteen per cent. <i>ad</i>

3 Point 4A inserted by Goods and Services Tax (Compensation to States) Amendment Act, 2017 (No. 9 of 2018) w.e.f. 02-09-2017.

4 Substituted for "Fifteen per cent. *ad valorem*." by Goods and Services Tax (Compensation to States) Amendment Act, 2017 (No. 9 of 2018) w.e.f. 02-09-2017.

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			<b>valorem.</b>
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<sup>5</sup>[**Explanation-** For the purposes of this Schedule,-

- (i) “retail sale price” means the maximum price at which the concerned goods in packaged form may be sold to the ultimate consumer and includes all taxes, local or otherwise, freight, transport charges, commission payable to dealers, and all charges towards advertisement, delivery, packing, forwarding and the like and the price is the sole consideration for such sale:  
  

**Provided** that where the provisions of the Legal Metrology Act, 2009 or the rules made thereunder or any other law for the time being in force require to declare on the package, the retail sale price excluding any taxes, local or otherwise, the retail sale price shall be construed accordingly;
- (ii) where on the package of any concerned goods more than one retail sale price is declared, the maximum of such retail sale prices shall be deemed to be the retail sale price;
- (iii) where the retail sale price, declared on the package of any concerned goods at the time of its clearance from the place of manufacture, is altered to increase the retail sale price, such altered retail sale price shall be deemed to be the retail sale price;
- (iv) where different retail sale prices are declared on different packages for the sale of any concerned goods in packaged form in different areas, each such retail sale price shall be the retail sale price for the purposes of determination of the rate of cess for the said good intended to be sold in the area to which the retail sale price relates.]

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<sup>5</sup> Explanation inserted by Finance Act, 2023 (No. 8 of 2023). It is made effective from 01-04-2023 by Noti. No. 1/2023-Compensation Cess, dt. 31-03-2023.