

Central Goods & Services Tax Rules, 2017

Rule 7 : Rate of tax of the composition levy

The category of registered persons, eligible for composition levy under section 10 and the provisions of this Chapter, specified in column (2) of the Table below shall pay tax under section 10 at the rate specified in column (3) of the said Table:

¹[Table

Sl. No.	Section under which composition levy is opted	Category of registered persons	Rate of tax
(1)	(1A)	(2)	(3)
1.	Sub-sections (1) and (2) of section 10	Manufacturers, other than manufacturers of such goods as may be notified by the Government	half per cent. of the turnover in the State or Union territory
2.	Sub-sections (1) and (2) of section 10	Suppliers making supplies referred to in clause (b) of paragraph 6 of Schedule II	two and a half per cent. of the turnover in the State or Union

- 1 Substituted by Noti. No. 50/2020–Central Tax, dt. 24-06-2020 w.e.f. 01-04-2020. Earlier to substitution table read as under:

"Sl. No.	Category of registered persons	Rate of tax
(1)	(2)	(3)
1.	Manufacturers, other than manufacturers of such goods as may be notified by the Government	^A [half per cent. of the turnover in the State or Union territory]
2.	Suppliers making supplies referred to in clause (b) of paragraph 6 of Schedule II	^B [two and a half per cent. of the turnover in the State or Union territory]
3.	Any other supplier eligible for composition levy under section 10 and the provisions of this Chapter	^C [half per cent. of the turnover of taxable supplies of ^D [goods and services] in the State or Union territory]"

- A** Earlier Substituted for "one per cent." by Noti. No. 3/2018-Central Tax, dt. 23-01-2018, w.e.f. 01-01-2018.
B Earlier Substituted for "two and a half per cent." by Noti. No. 3/2018-Central Tax, dt. 23-01-2018, w.e.f. 01-01-2018.
C Earlier Substituted for "half per cent" by Noti. No. 3/2018-Central Tax, dt. 23-01-2018, w.e.f. 01-01-2018.
D Earlier Substituted for "goods" by Noti. No. 03/2019-Central Tax, dt. 29-01-2019 w.e.f. 01-02-2019.

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			territory
3.	Sub-sections (1) and (2) of section 10	Any other supplier eligible for composition levy under sub-sections (1) and (2) of section 10	half per cent. of the turnover of taxable supplies of goods and services in the State or Union territory
4.	Sub-section (2A) of section 10	Registered persons not eligible under the composition levy under sub-sections (1) and (2), but eligible to opt to pay tax under sub-section (2A), of section 10	three per cent. of the ² [turnover of] taxable supplies of goods and services in the State or Union territory.]

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² Corrigendum, dt. 25-06-2020 for “turnover of taxable” by corrigendum to Noti. No. 50/2020-Central Tax, dt. 24-06-2020.