

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: -

| Sl. No | Category of registered persons | Rate of tax |
|--------|---|--|
| (1) | (2) | (3) |
| 1. | Manufacturers, other than manufacturers of such goods as may be ¹ notified by the Government | ² [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 | ³ [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 | ⁴ half per cent. of the turnover of taxable supplies of ⁵ [goods and services] in the State or Union territory |

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1. Notified vide Notification No. 8/2017 – State Tax dt 29/06/2017 ; wef 01/07/2017
 2. Substituted for the words “one per cent” vide Notification No. 3/2018- State Tax, dt. 24/01/2018; wef 01/01/2018
 3. Substituted for the words “two and half per cent” vide Notification No. 3/2018- State Tax, dt. 24/01/2018; wef 01/01/2018.
 4. Substituted for the words “half per cent” vide Notification No. 3/2018- State Tax, dt. 24/01/2018; wef 01/01/2018.
 5. Substituted for the words "goods" vide Notification No. 3/2019- State Tax, dt. 29/01/2019; wef 01/02/2019.