

GTA ST is on 30 %

(G. Natarajan, Advocate, Swamy Associates)

The various rates of abatements and various conditions applicable for transport of goods in various modes have been unified. As a result service tax is payable on 30 % of the amount charged by Goods Transport Agencies, as against 25 % in vogue now. This is effective from 01.04.2015.

Existing Provisions.

S.No.	Details	Transport of goods by road - GTA	Transport of passengers with or without belongings, by rail	Transport of goods by Rail	Transport of goods by vessel
1	Value of taxable service, after abatement	25 % (S.No. 7 of Notification 26/2012 ST Dt. 20.06.2012)	30 % (S.No. 3 of Notification 26/2012 ST Dt. 20.06.2012)	30 % (S.No. 2 of Notification 26/2012 ST Dt. 20.06.2012)	40 % (S.No.10 of Notification 26/2012 ST Dt. 20.06.2012)
2	Conditions	No cenvat credit on inputs, capital goods and input services can be availed.	No conditions	No conditions	No cenvat credit on inputs, capital goods and input services can be availed.

Also note that GTA service tax liability shall be discharged under reverse charge as before, while there is no reverse charge for transport by rail / vessel.

New Provisions applicable from 01.04.2015

S.No.	Details	Transport of goods by road - GTA	Transport of passengers with or without belongings , by rail	Transport of goods by Rail	Transport of goods by vessel
1	Value of taxable service, after abatement	30 %			
2	Conditions	No cenvat credit on inputs, capital goods and input services can be availed.			