

PREVIOUSLY IN GST SERIES...

- ✓ Comic #01 – What is GST?
- ✓ Comic #02 – GST Council
- ✓ Comic #03 – GSTN
- ✓ Comic #04 – Types of GST
- ✓ Comic #05 – Why IGST?
- ✓ Comic #06 – Taxes Merged & Not Merged in GST

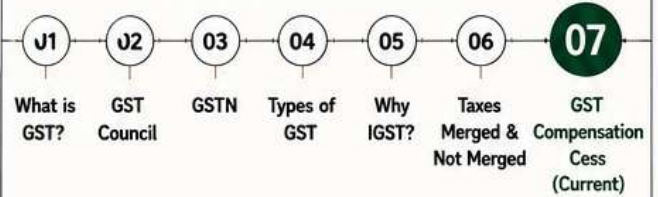
TODAY'S MISSION



Understand what GST Compensation Cess is, why it was introduced, on which goods it is levied and how it is used and for how long.

Let's Begin!

GST LEARNING JOURNEY



1

Prof. Ambika Mam, GST ke saath ek aur cheez suni thi – GST Compensation Cess. Ye kya hota hai?

Bahut accha question Kanvika! Chalo step by step samajhte hain.

Kanvika Prof. Ambika Mam

2 **WHAT IS GST COMPENSATION CESS?**

GST Compensation Cess ek Special Levy hai, jo kuch specific goods par lagayi jati hai.

- Ye levy Central Government lagati hai.
- Iska paisa poori tarah se States ko compensate karne ke liye use hota hai.
- States ko GST ke aane se jo revenue loss hua, uski bharpai ke liye ye Cess introduce kiya gaya.

GST Compensation Cess ek Special Levy hai, not a tax like CGST, SGST or IGST.

3 **ON WHICH GOODS IS IT LEVIED?**

Ye Cess sirf un goods par lagta hai jo luxury ya de-merit nature ke hote hain.

Tobacco and Tobacco Products 	Pan Masala 	Aerated Waters
Certain Motor Vehicles (Length > 4000 mm, Engine > 1500 cc)	Coal 	Luxury Items (as notified)

Rate of Cess: As notified by the Government from time to time.

4 **HOW IS IT USED & FOR HOW LONG?**

Is Cess ka paisa ek alag fund me jama kiya jata hai – Compensation Cess Fund.

GST Compensation Cess collected → Deposited in Compensation Cess Fund

Amount is used to pay States for revenue shortfall due to GST.

COMPENSATION PERIOD
1 July 2017 to 30 June 2022

Originally introduced for 5 years
1 July 2017 to 30 June 2022

In 2022, extended for another 5 years
1 July 2022 to 30 June 2027

2017 2022 2027

Toh kya Compensation Cess 2022 ke baad bhi continue hua?

Haan Kanvika! Cess ko 2022 me agale 5 years ke liye extend kiya gaya.

GOLDEN RULE

GST Compensation Cess = Special Levy



REMEMBER!

Ye Cess normal GST ka part nahi hai. Is par ITC available nahi hota.

KEY TAKEAWAY

- ✓ GST Compensation Cess ek Special Levy hai.
- ✓ Ye kuch notified luxury & de-merit goods par lagti hai.
- ✓ Iska paisa States ko compensate karne ke liye use hota hai.
- ✓ Originally 5 years ke liye lagayi gayi thi (1 July 2017 to 30 June 2022).
- ✓ 2022 me ise agle 5 saal ke liye extend kiya gaya.

MISSION ACCOMPLISHED!

Ab samajh aaya! GST Compensation Cess ek Special Levy hai jo States ko compensate karne ke liye lagti hai. Thank you so much, Prof. Ambika Mam!