



**M/s PRANJAL JOSHI & CO**  
**CHARTERED ACCOUNTANTS**

Office No. 9, Suvan Apartments, Opp. Jog High School, HDFC Bank Building, Mayur Colony, Kothrud,  
Pune – 411 038. Tel – 020 – 25 43 02 76, Mob: 98500 35736, [contact@capranjaljoshi.com](mailto:contact@capranjaljoshi.com)

**Service Tax Rates**

**Basic Rate of Service Tax -**

Basic Service tax rates from time to time are as under -

Period of Service Tax Rate	Service Tax Basic Rate	Education Cess	Secondary and Higher Secondary Education Cess	Swaccha Bharat Cess (SBC)	Total Service Tax Rate
01.07.1994 to 13.05.2003	5%	-	-	-	5%
14.05.2003 to 09.09.2004	8%	-	-	-	8%
10.09.2004 to 17.04.2006	10%	2%	-	-	10.20%
18.04.2006 to 10.05.2007	12%	2%	-	-	12.24%
11.05.2007 to 23.02.2009	12%	2%	1%	-	12.36%
24.02.2009 to 31.03.2012	10%	2%	1%	-	10.30%
01.04.2012 to 31.05.2015	12%	2%	1%	-	12.36%
01.06.2015 to 14.11.2015	14%	Nil	Nil	-	14%
<b>15.11.2015 onwards</b>	<b>14%</b>	<b>Nil</b>	<b>Nil</b>	<b>0.50%</b>	<b>14.50%</b>

**Abatements and Composition under Service Tax -**

Service Tax is payable on value of taxable service. In few cases, simplified scheme (composition scheme) is available while in few cases abatement (partial exemption from service tax) has been provided. Abatement reduces the base to which service tax rate is to be applied.

Abatements are covered by Notification No. 26/2012 dt. 20.06.2012 as amended from time to time. Due to this, effective rate of service tax will be different.

Following are the few Important Services where owing to abatement and composition scheme, effective rate of service tax is different –

Sr. No.	Description of Taxable Service	Effective Service Tax Rate incl SBC w.e.f. 15.11.2015
01	Services of goods transport agency	4.35 %
02	Renting of any motor vehicle designed to carry passengers	5.80 %
03	Construction of residential unit having carpet area upto 2000 square feet or where the amount charged is less than rupees one crore;	3.63 %
	for area above 2000 s. ft. or amount over Rs. 1 crore	4.35 %
04	Commercial Construction	4.35 %
05	Outdoor Caterer	8.70 %
06	Works Contract – Original Work	5.80 %
	Others	10.20 %
07	Catering and Renting in Hotel, club, convention centre etc.	10.15 %
08	Restaurant Service	5.80 %
09	Renting of Hotels for residential or lodging purposes	8.70 %