



Association of Multimodal Transport Operators of India

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Member Circular 01/2022-23

October 1, 2022

To
All AMTOI Members

Reference: **Sunset on the Exemption of Export Freight from GST!**

Dear Members,

Subject: Advisory of GST applicable on Ocean and Air Export Freight w.e.f. 01/10/2022 reg.

In reference to the Extension of the Sunset Clause on GST Applicable on the Air & Ocean Freight Exports notified under 08/2017 Integrated Tax, there has been considerable confusion on the extension of the sunset clause which expired on the 30th September 2022.

We wish to clarify that there has been no extension granted through notification till the time of drafting this member circular. Under this circumstance, it is apparent that unless the extension is duly notified, the Export Air Freight and Export Ocean Freight will attract GST at the prescribed rate of GST.

Export Air Freight - Services by way of transportation of goods by an aircraft from customs station of clearance in India to a place outside India – **Tax rate shall be 18%** - Residual clause (vii) of Serial No. 9 of Notification 8/2017 – Integrated Tax (Rate) – SAC Code 996531

Export Ocean Freight - Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India - **Tax rate shall be 5%** - Clause (ii) of Serial No. 9 of Notification 8/2017 – Integrated Tax (Rate) Provided that credit of input tax charged on goods (other than on ships, vessels including bulk carriers and tankers) used in supplying the service has not been taken (condition same as for Import freight services) – SAC Code 996521

Should there be any further update on the subject, we shall send the required advisory following the same! In the meanwhile, you are requested to confirm the applicability and the rate with your CA/Consultant.

Members Circular issued without prejudice!


Arun Kumar
Honorary Secretary