

# Info Capsule

## **LEASING OF VEHICLES PURCHASED AND LEASED PRIOR TO 1ST JULY, 2017 WOULD ATTRACT GST AT A RATE EQUAL TO 65% OF THE APPLICABLE GST RATE (INCLUDING COMPENSATION CESS)<sup>1</sup>**

In order to provide relief to old/existing leases of motor vehicles, GST Council in its 22nd Meeting held on the October 6, 2017 in the national capital took several decisions in respect of motor vehicles purchased and leased prior to July 1, 2017. These decisions are as given below:-

- a) Leasing of vehicles purchased and leased prior to July 1, 2017 would attract GST at a rate equal to 65% of the applicable GST rate (including Compensation Cess).
- b) Such vehicles when sold shall attract GST of 65% of the applicable GST rate (including Compensation Cess).
- c) Sale of vehicles by a registered person who had procured the vehicle prior to July 1, 2017 and has not availed any Input Tax Credits of Central Excise duty, VAT or any other taxes paid on such motor vehicles, would also be subject to 65% of applicable GST rate (including Compensation Cess).

These rates would apply for a period of three years with effect from July 1, 2017. Notifications to give effect to the above would be issued shortly.

## **CONSUMER PRICE INDEX NUMBERS ON BASE 2012=100 FOR RURAL, URBAN AND COMBINED FOR THE MONTH OF SEPTEMBER 2017<sup>2</sup>**

1. The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has revised the Base Year of the Consumer Price Index (CPI) from 2010=100 to 2012=100 with effect from the release of indices for the month of January 2015.
2. In this press note, the CPI (Rural, Urban, Combined) on **Base 2012=100** is being released for the month of September 2017. In addition to this, Consumer Food Price Index (CFPI) for all India Rural, Urban and Combined are also being released for September 2017. All India Inflation rates (*on point to point basis i.e. current month over same month of last year, i.e., September 2017 over September 2016*), based on General Indices and CFPIs are given as follows:

<sup>1</sup> Available at: <http://pib.gov.in/newsite/erelease.aspx>

<sup>2</sup> Available at: <http://pib.gov.in/newsite/erelease.aspx>

### All India Inflation rates (%) based on CPI (General) and CFPI

Indices	September 2017 (Prov.)			August 2017 (Final)			September 2016 (Final)		
	Rural	Urban	Combnd.	Rural	Urban	Combnd.	Rural	Urban	Combnd.
CPI (General)	3.15	3.44	3.28	3.22	3.35	3.28	5.04	3.64	4.39
CFPI	1.31	1.25	1.25	1.38	1.67	1.52	4.50	2.88	3.96

**Notes: Prov. - Provisional, Combnd. - Combined**

3. Monthly changes in the General Indices and CFPIs are given below:

#### Monthly changes (%) in All India CPI (General) and CFPI: Sep. 2017 over Aug. 2017

Indices	Rural			Urban			Combined		
	Index Value		% Change	Index Value		% Change	Index Value		% Change
	Sep.17	Aug.17		Sep.17	Aug.17		Sep.17	Aug.17	
CPI (General)	137.6	137.8	-0.15	132.4	132.7	-0.23	135.2	135.4	-0.15
CFPI	138.7	139.9	-0.86	137.3	140.4	-2.21	138.2	140.1	-1.36

**Note: Figures of September 2017 are provisional.**

- Provisional indices for the month of September 2017 and also the final indices for July 2017 are being released with this note for all-India and for State/UTs. All-India provisional General (all-groups), Group and Sub-group level CPI and CFPI numbers for September 2017 for Rural, Urban and Combined are given in Annexure I. The inflation rates of important categories of items are given in Annexure II. State/UT wise provisional General CPI numbers for Rural, Urban and Combined are given in Annexure III. Inflation rates of major States, having population more than 50 lakhs as per population Census 2011, are given in Annexure IV. State/UT-wise Group CPIs are available on the Ministry's website ([www.mospi.gov.in](http://www.mospi.gov.in)).
- Price data are collected from selected towns by the Field Operations Division of NSSO and from selected villages by the Department of Posts. Price data are received through web portals, maintained by the National Informatics Centre.

*Next date of release: 13<sup>th</sup> November 2017 (Monday) for October 2017.*

Detailed annexures are available at: <http://pib.gov.in/newsite/erelease.aspx>

**Team ICSI**

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