Circular No. 244/01-HGST/2025/GST-II
(CBIC Circular No. 244/01/2025-GST, dated 28.01.2025)

Haryana Government
Excise and Taxation Department
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Dated the 25th February, 2025

Subject: Regularizing payment of GST on co-insurance premium apportioned by the lead insurer to the co-insurer and on ceding /re-insurance commission deducted from the reinsurance premium paid by the insurer to the reinsurer– reg.

Based on the recommendations of the GST Council in its 53rd meeting held on 22nd June, 2024, at New Delhi, and in exercise of the powers conferred under section 168 of the Haryana Goods and Services Tax Act, 2017, the following clarification is being issued through this Circular:

2. On the recommendations of the 53rd meeting of the GST Council held in New Delhi on 22nd June, 2024, the following activities or transactions were included in Schedule III of the HGST Act, 2017 as activities or transactions which shall be treated neither as a supply of goods nor as a supply of services:

a) Activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured in co-insurance agreements, subject to the condition that the lead insurer pays the Central tax, the State tax, the Union territory tax and the integrated tax on the entire amount of premium paid by the insured.

b) Services by insurer to the reinsurer for which ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer, subject to the condition that the Central tax, the State tax, the Union territory tax and the integrated tax is paid by the reinsurer on the gross reinsurance premium payable by the insurer to the reinsurer, inclusive of the said ceding commission or the reinsurance commission.

The above provisions were enacted vide Haryana Goods and Services Tax (Amendment) Act, 2024 (Haryana Act No. 20 of 2024) and have been brought into force on 01.11.2024 vide Notification No. 24/GST-2, dated 01.10.2024.

3. In its 53rd meeting, the GST Council further recommended that the payment of GST on the activities or transactions, as specified in paragraph 2 above, may be regularized for the past

period, i.e. from 01.07.2017 to the effective date of amendments in the HGST Act,, on *'as is where is'* basis.

4. Thus, as recommended by the 53rdGST Council, the payment of GST on the activities or transactions specified in paragraph 2 above is regularized for the period 01.07.2017 to 31.10.2024, on *'as is where is'* basis.

5. Difficulties, if any, in the implementation of this circular may be brought to the notice of the Department.

Dated: 21.02.2025
Place:- Panchkula

VINAY PRATAP SINGH
Excise and Taxation Commissioner-cum-
Commissioner of State Tax, Haryana

No. 220 /GST-II,
Panchkula, Dated the 25.02.25

Copy to:

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2. PS/Excise and Taxation Commissioner, Haryana.
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4. All JETCs (Range/Appeal) in the State of Haryana.
5. All DETCs (ST) in the State of Haryana.
6. JDLs and DAs in the Head Office

Dy. Excise and Taxation Commissioner (GST),
Haryana, Panchkula.