



**GOVERNMENT OF ANDHRA PRADESH
COMMERCIAL TAXES DEPARTMENT**

From

To

AP Engineers Hub

Sri Babu A., I.A.S.,
Chief Commissioner of State Tax
Andhra Pradesh,
Kunchanapalli, Guntur District.

Engineer-in- Chief(AW/IW) & Chairman,
Board of Chief Engineers,
Vijayawada.

Sir,

CCST's Ref. REV03-12039/79/2025-POLICY-CCT,Dt:11-03-2026

Sub:- The A.P. Goods and Services Tax Act, 2017 - Letter received from Engineer-in-Chief (AW/IW) & Chairman, Board of Engineers, Vijayawada - Updated GST rates for Works Contracts - Requested - Reg.

Ref:- 1. Letter of Engineer-in- Chief(AW/IW) & Chairman, Board of Engineers, Vijayawada, vide Lr No. ENC/TW/SE(P&M)EE-I/DEE-2/AEE-III/GST/715,dt: 16.12.2025.

2. Central Notification No. 15/2025-Central Tax (Rate), dt. 17.09.2025, issued by the Government of India, Ministry of Finance (Department of Revenue).

3. G.O.Ms.No.350, Revenue (Commercial Taxes) Department, Andhra Pradesh, dt: 20.09.2025.

While inviting attention to the subject and references cited, it is to inform that your letter cited under reference 1st above has been examined, wherein revised GST rates applicable to certain categories of works contracts have been sought, consequent to the implementation of GST 2.0.

2. In this regard, it is to inform that the Government of Andhra Pradesh has issued G.O.Ms.No.350, Revenue (Commercial Taxes) Department, dated 20.09.2025, corresponding to Central Notification No.15/2025-Central Tax (Rate), dated 17.09.2025, and the said amendment has come into force with effect from 22.09.2025.

3. As per the said amendment, in the relevant Schedule, against Serial Number 3, Column (3), Item (vii), the entry "6%" has been substituted by "9%", thereby revising the applicable rate of tax as under:

Sl. No.	Description of Service	GST Rate (CGST+SGST)	Effective Date
3 (vii)	Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act, 2017, involving predominantly earth work (i.e., constituting more than 75% of the value of the works contract) provided to the Central Government / State Government / Union Territory / Local Authority	18% (CGST 9% + SGST 9%)	22.09.2025

4. Accordingly, the GST rate in respect of the above category of works contract stands revised to 18% (CGST 9% + SGST 9%) with effect from 22.09.2025.

5. All other categories of works contracts shall continue to attract GST at the rates prescribed under the existing notifications, as applicable.

Babu.A I.A.S
CHIEF COMMISSIONER