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SERVICE
TAX
OVERVIEW

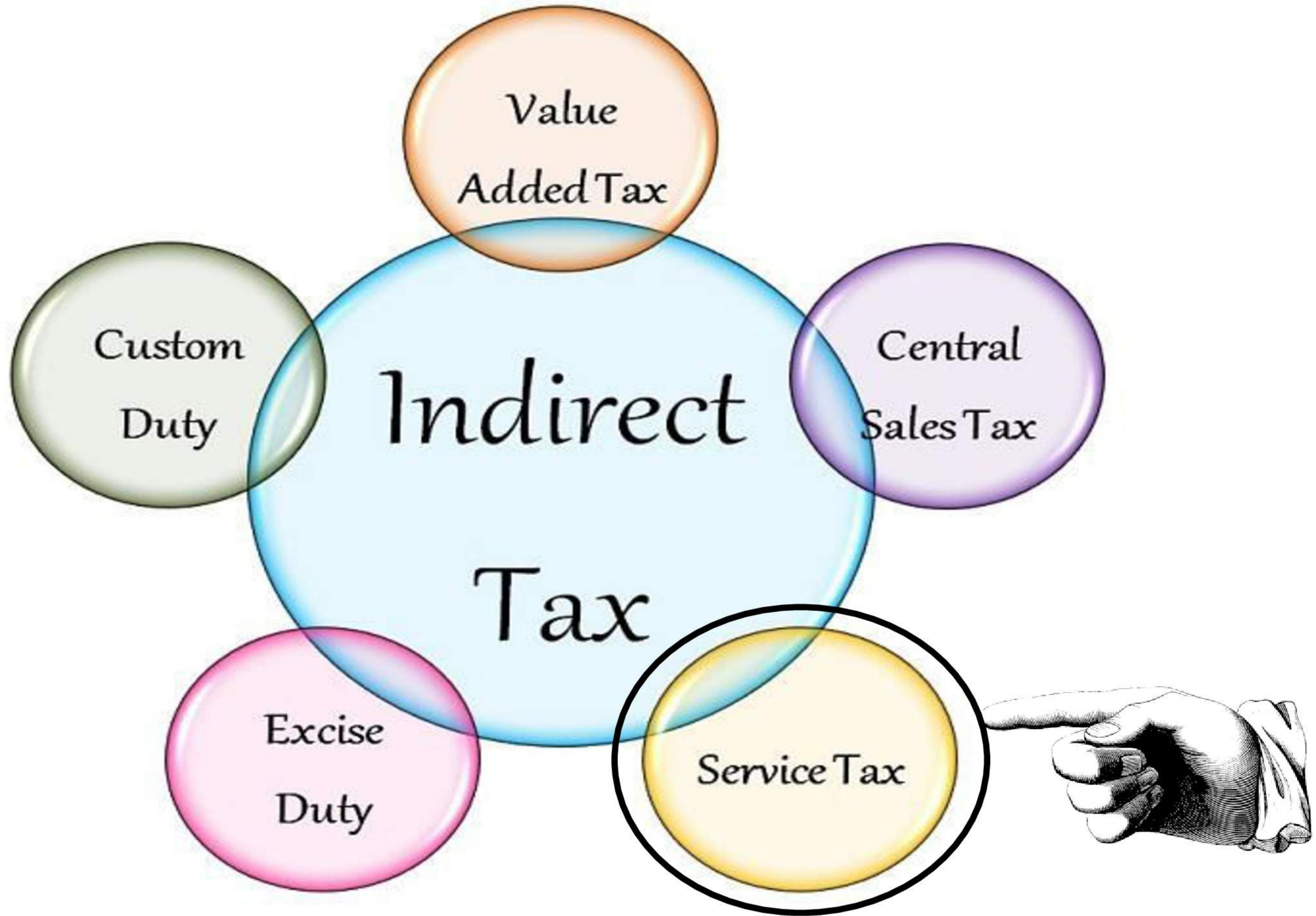
Rajput Jain & Associates is a Chartered Accountants firm, with its headquarter situated at New Delhi (the capital of India). The firm has been set up by a group of young, enthusiastic, highly skilled and motivated professionals who have taken experience from top consulting firms and are extensively experienced in their chosen fields has providing a wide array of Accounting, Auditing, Taxation, Assurance and Business advisory services to various clients and their stakeholders.

Focus at providing tailor made solutions to challenging problems of our clients, and perform with high quality and timely service. Rajput Jain & Associates, a professional firm, offers its clients a full range of services, to serve better and to bring bucket of services under one roof, the firm has merged with it various Chartered Accountancy firms pioneer in diversified fields Our main office is located at Delhi. Incidentally, Delhi is the Capital of India. Our other offices are in Mankapur & Moradabad (U.P.). We have associates all over India in big cities. All our offices are well equipped with latest technological support with updated reference materials.

We have a large team of professionals other than our Core Team members to meet the requirements of our prospective clients including the existing ones. However, considering our commitment towards high quality services to our clients, our team keeps on growing with more and more associates having strong professional background with good exposure in the related areas of responsibility. Further to meet the growing demands of the fiercely competitive market we are constantly looking forward for team of associates comprising of highly skilled professionals to cater the needs ever increasing clientele.

- ✚ *Service Tax Basics*
- ✚ *Limits for Registration under Service Tax*
- ✚ *Half Yearly Service Tax Return*
- ✚ *Service Tax Payment Schedule*
- ✚ *Service Tax Payment Due Dates*
- ✚ *Service Tax Rate Structures in India*
- ✚ *Interest on Delayed Payment*
- ✚ *Monetary Limit for filing Appeal in CESTAT/HC/SC*

- ✚ *Point of Taxation Rules, 2011*
- ✚ *Continuous Services*
- ✚ *POT in case of change in Rate of Tax*
- ✚ *Taxability of Newly Introduced Services*
- ✚ *Compounding of Offences*
- ✚ *Penalties in Service Tax*
- ✚ *Negative List of services*
- ✚ *Service tax Mega Exemptions List*



➤ **What is service tax?**

Service tax is an indirect tax levied by Central Government of India on services provided or to be provided excluding services covered under negative list and considering the Place of Provision of Services Rules, 2012 and collected as per Point of Taxation Rules, 2011 from the person liable to pay service tax. Person liable to pay service tax is governed by Service Tax Rules, 1994 he may be service provider or service receiver or any other person made so liable.

➤ **What is the rate of service tax?**

The service tax rate now is consolidated rate as education cess & secondary higher education cess are subsumed with 2% of "Swachh Bharat Cess(0.50%)" has been notified by the Government. From 15 November, 2015, the effective rate of service tax plus Swachh Bharat Cess, post introduction of Swachh Bharat Cess, will be 14.5%.

➤ **What are the services on which service tax is leviable?**

The service tax is leviable on notified service tax providers in respect of the value of taxable service. In other words, service tax is levied only in respect of notified service providers and not on all service providers. Further a taxable service cannot be subjected to service tax twice under different classification and is liable to tax only once.

The provisions related to service tax are applicable to the whole of India except the state of Jammu & Kashmir. As a result, the services provided within the territorial limits of the state of Jammu & Kashmir are excluded from the ambit of the levy of service tax.

➤ **What are the limits for registration under service tax?**

Particulars	Exemption limit		
	From 01.04.2005 To 31.03.2007	From 01.04.2007 To 31.03.2008	From 01.04.2008
Basic Exemption Notification No. 33/2012 ST dated 20.06.2012	Rs. 4,00,000/-	Rs. 8,00,000/-	Rs. 10,00,000/- in terms of invoices issued for services rendered
Registration required Sec. 69 Notification No. 10/2008 ST dated 01.03.2008	Rs. 3,00,000/-	Rs. 7,00,000/-	Rs. 9,00,000/-
Section 77: Failure to take Registration attract Penalty upto Rs. 10,000/-			

➤ **Half Yearly Service Tax Return**

Assessee	Form No.	Last date
All assesses	ST-3	By the 25 th of the following month of the particular half year i.e. 25 th October and 25 th April except input service distributor - can file up to last day of the following month
Note: every assesses is required to e-file the ½ yearly ST return mandatorily (w.e.f. 1.10.11) Notification No. 43/2011		

Note: When due date is public holiday, return may be filed on the succeeding working day.

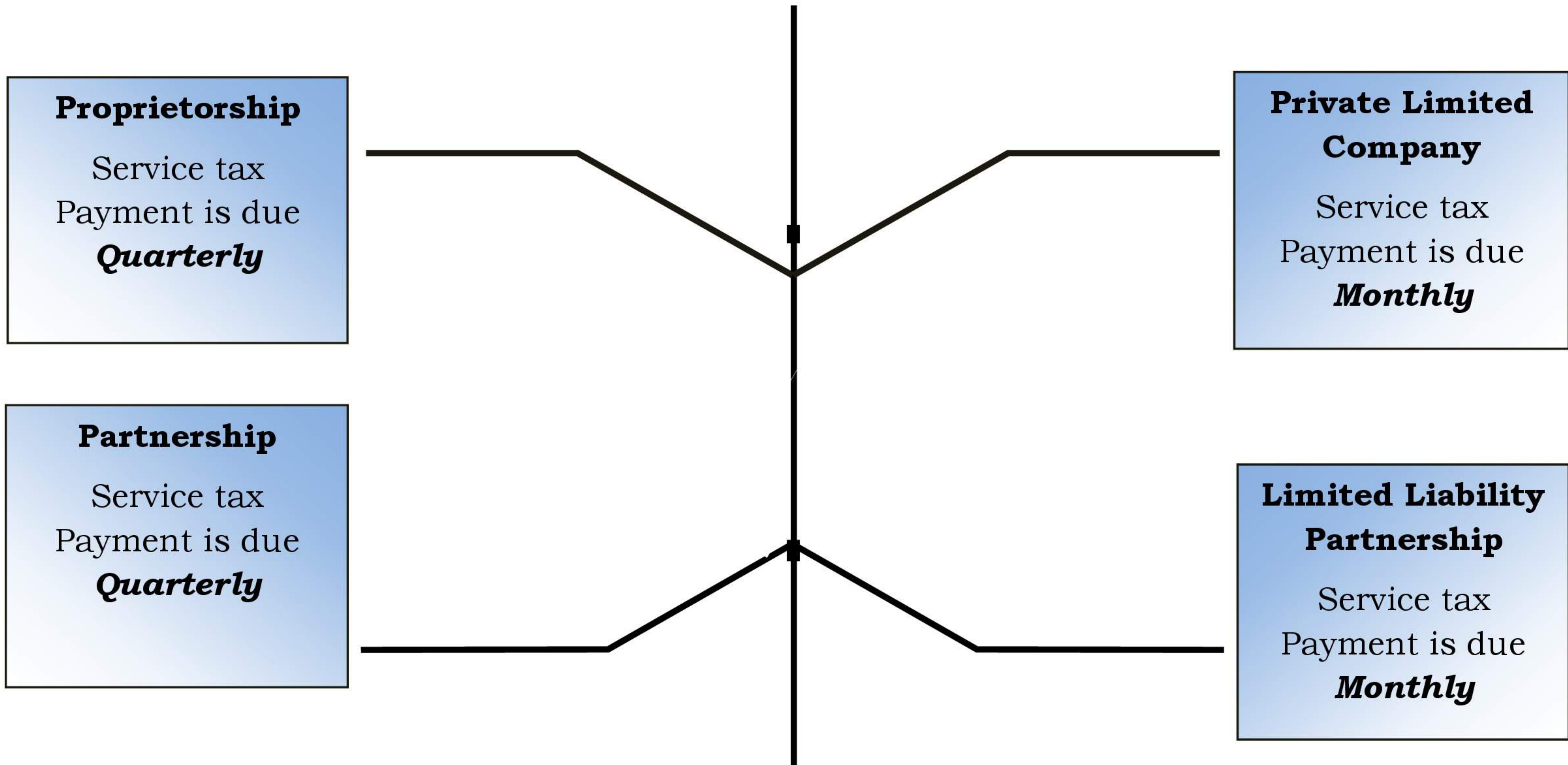
➤ **Service Tax Payment Schedule**

Assessee	Period	Challan No.	Pay by date
Company and HUF	Monthly	GAR-7	By 6 th of the next month electronically by internet banking except for the month/quarter ending March by 31 st march itself
Other than HUF and Company	Quarterly	GAR-7	By 6 th of the each quarter electronically by internet banking except for the month/quarter ending March by 31 st march itself

Note: W.e.f 1.10.2014, it is mandatory to pay service tax electronically irrespective of amount paid in previous Financial year. Please see the table below:

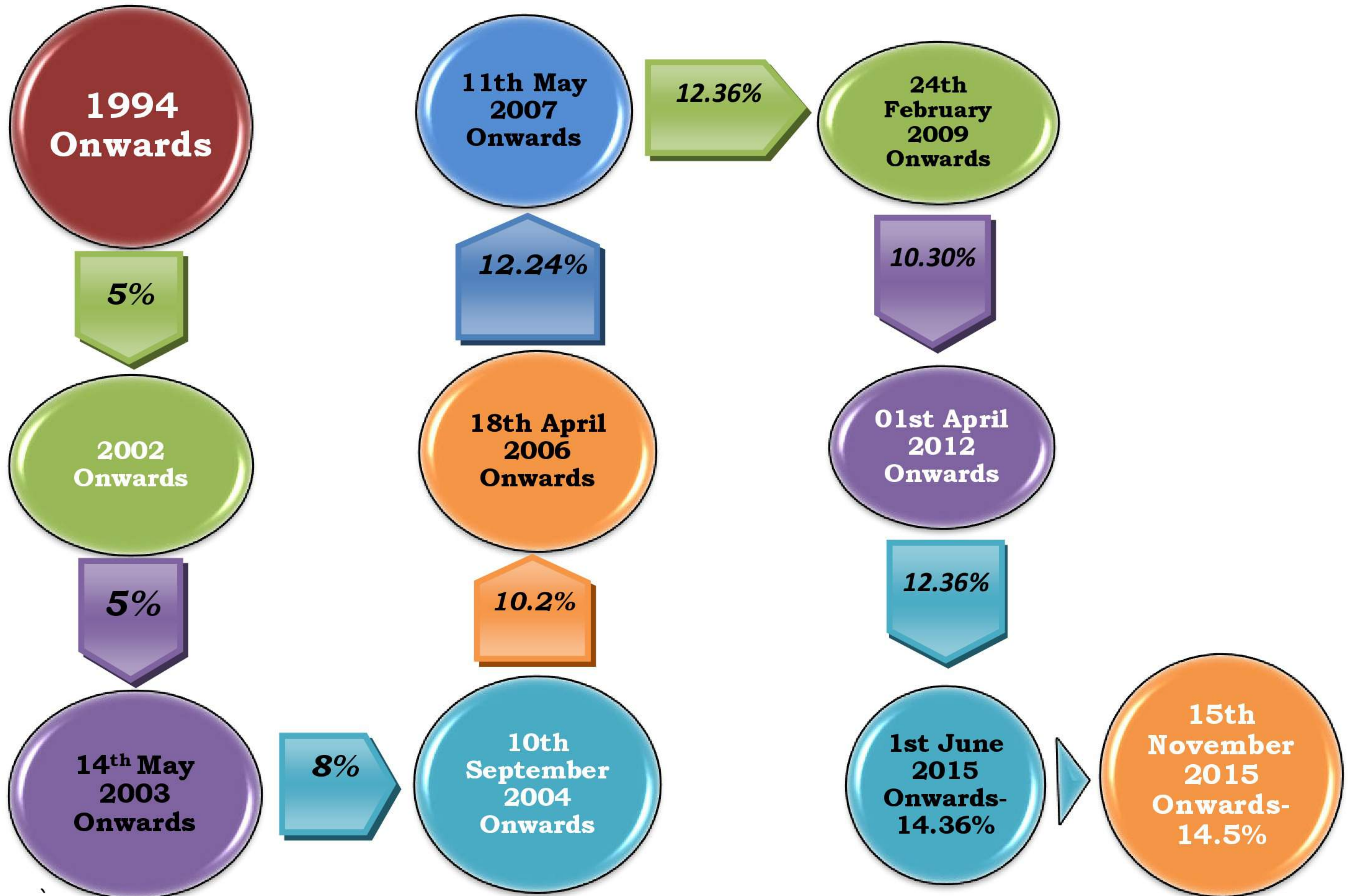
From	To	Monetary limits
1 st October 2006	31 st March 2010	Above 50 lakh
1 st April 2010	31 st December 2013	Above 10 lakh
1 st January 2014	30 th September 2014	Above 1 lakh
<i>From 1st October 2014</i>	<i>Onwards</i>	<i>Mandatory, irrespective of amount paid in previous Financial year.</i>

Service Tax Payment Due Dates



For Individuals and Partnership Firms having turnover of taxable services in the PY not exceeding Rs. 50 lakh (they can pay service tax on receipt basis till the turnover of Rs. 50 lakh in the current FY).

SERVICE TAX RATE STRUCTURE IN INDIA



➤ **Interest on delayed Tax payment u/s 75 on or after 1st October 2014**

Extent of Delay	Rate of Interest
Upto six months	18%
From six months and upto one year	24%
More than one year	30%

➤ **Important Notes**

- Filing of returns **under section 70 & rule 7** is **mandatory** under service tax even in case of a **NIL Return**.
- Resident welfare association and cooperative housing societies are exempt from payment of service tax, where the monthly contribution of a member **does not exceed Rs. 5000/-** per month.
- Revision of returns **under section 70 & rule 7B** may be submitted in form ST-3 in triplicate to correct a mistake or omission, within a period of 90 days from the submission of return under rule 7.
- Penalty for **Failure to pay** service tax u/s 76- *Minimum Penalty 1% of tax amount per month or Rs. 100/- per day of default whichever is higher, maximum penalty 50% of tax amount w.e.f. 1.4.2011.*

➤ **Monetary limit for Filing revenue Appeal before CESTAT/HC/SC**

APPELLATE FORUM	MONETARY LIMIT
CESTAT	5,00,000/-
High Courts	10,00,000/-
Supreme Court	25,00,000/-

➤ **Point of Taxation Rules, 2011 (POTR) (Notification No. 18/2011-ST, dated 1.3.2011, w.e.f. 1.4.2011)**

Determination of point of taxation Rules:

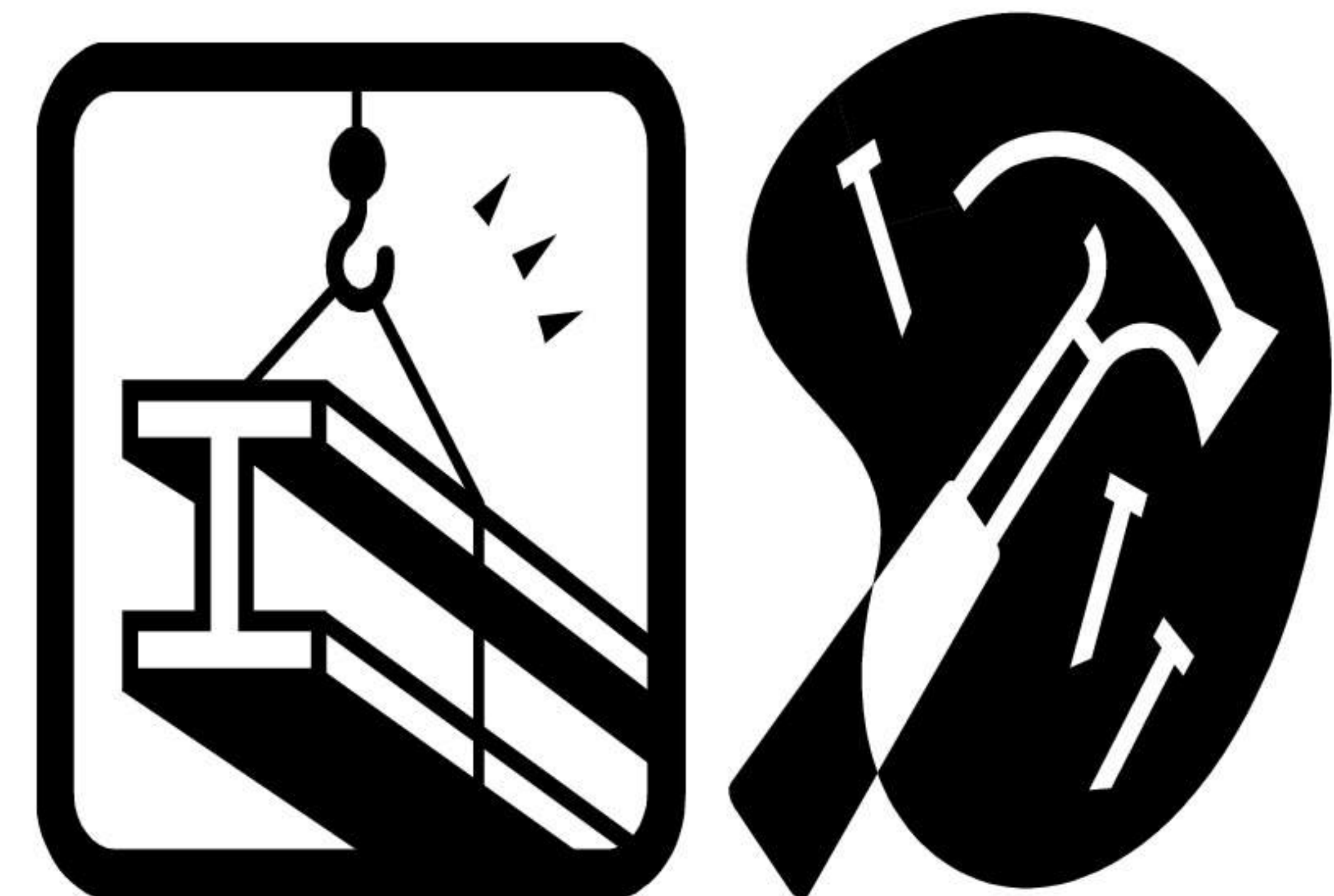
- ❖ **Date of invoice or payment**, whichever is **earlier**, if the invoice is issued within 30 days from the date of completion of services.
- ❖ In case of **reverse charge services**, point of taxation will be the payment date or first day after three months from the date of invoice, whichever is **earlier**.
- ❖ **Date of completion of provision of service or payment**, whichever is earlier, if the invoice is not issued within 30 days.

- **In case of continuous supply of services, the above provision of point of taxation shall be applicable. However,**
 - ❖ Where the provision of whole or part of the service is determined periodically on the completion of an event in terms of contract
 - ❖ Which requires the service receiver to make any payment to service provider

The date of completion of each such event as specified in the contract shall be deemed to be the date of completion of provision of service

- **Services notified as continuous supply of services are as follows:**

- ❖ Telecommunication service &
- ❖ Work contract



➤ **Determination of Point of Taxation in case of change in Effective rate of tax**

Provision of Service	Issue Of Invoice	Receipt of Payment	Applicable Rate
Before	After	After	Date of Invoice or Receipt of Payment, whichever is earlier- New Rate
Before	Before	After	Date of Issue of Invoice- Old Rate
Before	After	Before	Date of Receipt of Payment- Old Rate
After	Before	Before	Date of Issue of Invoice or Receipt of Payment, whichever is earlier- Old Rate
After	Before	After	Date of Receipt of Payment- New Rate
After	After	Before	Date of Issue of Invoice- New Rate

➤ **Taxability of Newly Introduced Services**

Sr. No.	Date of invoice issued	Date of payment received	Taxability
1.	Before the services become taxable (to the extent the invoice has been issued)	Before the service become taxable	No Tax
2.	Issued within 14 days of the date when the service is taxed for the first time.	Before the service become taxable	No Tax

➤ **COMPOUNDING OF OFFENCES [THE SERVICE TAX (COMPOUNDING OF OFFENCES) RULES, 2012 W.E.F. 29th MAY, 2012]**

Sr. No.	Nature of Offence	Compounding Amount
1.	Knowingly evasion of payment of service tax [Section 89(1)(a)]	From 10% to 50% of service tax evaded
2.	Availment & utilization of CENVAT credit without full or partial actual receipt of taxable service or excisable goods [Section 89(1)(b)]	From 10% to 50% OF CENVAT Credit wrongly availed & utilized
3.	Maintenance of false books of account or failure to supply required information or supplying false information [Section 89(1)(c)]	Rs. 50,000/- for 1 st offence to be increase or by 100% for each subsequent offence
4.	Failure to pay an amount collected as service tax within 6 months from the date on which such payment becomes due [section 89(1)(d)]	Upto 25% of the amount of service tax not deposited subject to minimum of 2% for each month of failure

➤ **PENALTIES IN SERVICE TAX**

Section	Nature of default	Amount of penalty
70(1)	Fees for late filing of return <ul style="list-style-type: none"> ➤ Delay upto 15 days from the due date ➤ Delay of more than 15 and upto 30 days from the due date ➤ Delay of more than 30 days from the due date 	Rs. 500/- Rs. 1,000/- Rs. 1,000 + Rs. 100 per day from 31st day [maximum Rs. 20000 w.e.f. 01.04.2011 prior to that Rs. 2,000/-]
76	Failure to pay service tax	1% of Tax amount p.m. or Rs. 100 per day limited to 50% of tax*
77	<ul style="list-style-type: none"> ➤ Penalty for default in obtaining service tax registration certificate and payment of service tax. ➤ Failure to keep, maintain or retain books of account and other documents required. ➤ Assessee fails to pay service tax electronically. ➤ Assessee issues invoice in accordance with provisions of the act or rules, made there under, with incorrect or incomplete details or fails to account for an invoice in his books of account. ➤ Penalty for contravention of any provision for which no penalty is provided. 	Upto Rs. 10,000/-

77	Assessee who fails to: (a) Furnish information called by an central excise officer; or failure, whichever is higher (b) Produce documents called for by a central excise officer; or (c) Appear before the central excise officer, when issued with a summon for appearance to give evidence or to produce a document in an enquiry	Upto Rs. 10,000/- or Rs. 200/- per day till the default continues
78	Penalty for suppressing value of taxable service	50% of tax amount (if records captured are true**) 100% of tax amount (if not recorded in books#)

*Totally mitigated if tax and interest paid before issue of notice- sec 73(3)

****Mitigation:** (a) 1% per month; maximum upto 25% is all dues paid before notice: sec 73(4A)

(b) 25% of tax if all dues paid within 30 days of issuance of notice (90 days for service provider whose taxable service does not exceed 60 lakh rupees during any of years covered by notice or during last preceding financial year)- Provision to Section 78

No Mitigation

Over and above the penalties, departmental has now the power of prosecution also.

If penalty is payable under section 78, the provision of section 76 shall not apply.

Note: if service tax is nil, penalty may be reduced/ waived- Rule 7C.

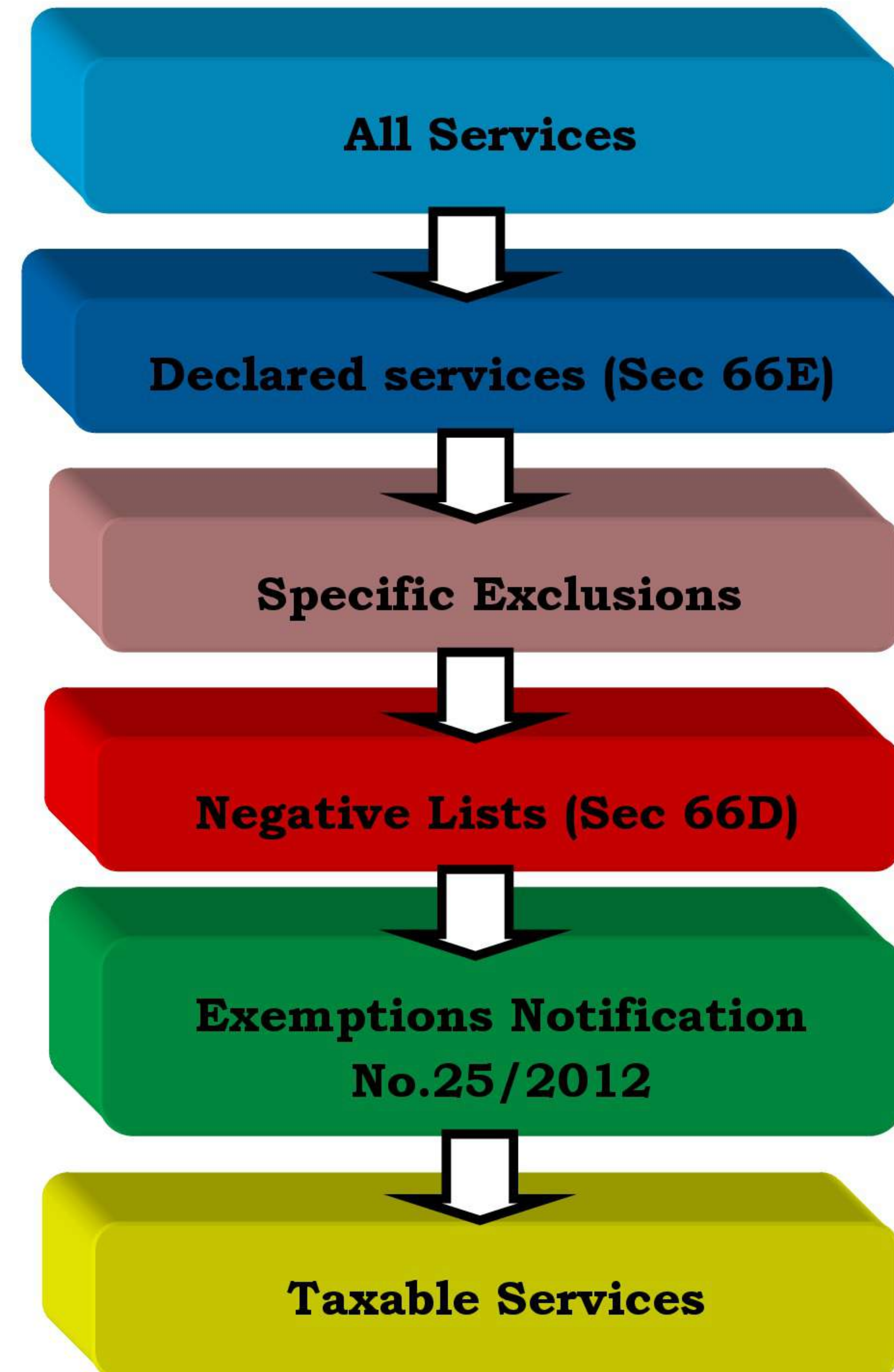
➤ What is Negative List?

A negative list of services implies two things:

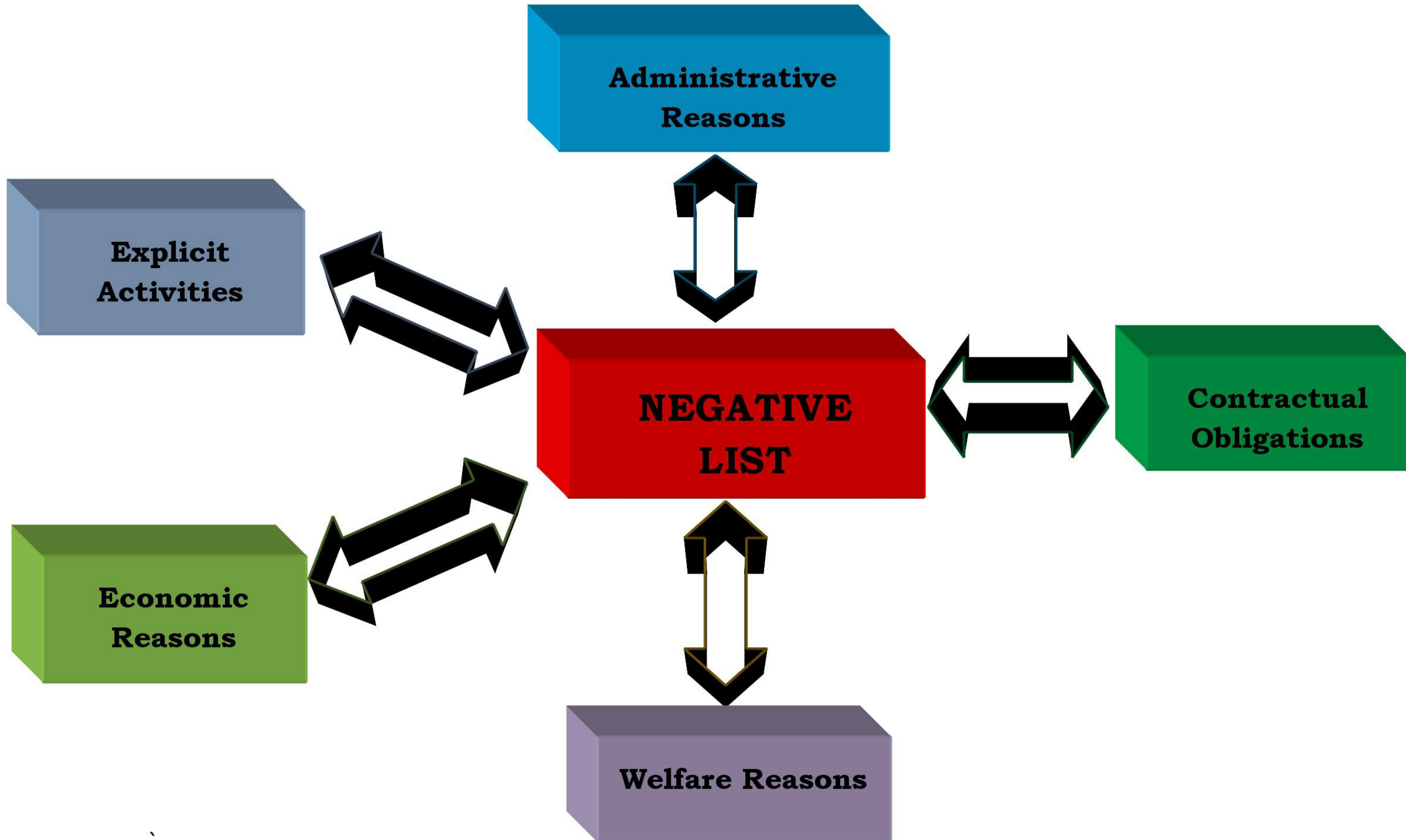
- (1) A list of services which will not be subject to service tax;
- (2) Other than the services mentioned in the negative list, all services will be taxable which fall within the definition of 'services'.

This is in contrast to earlier method of taxation which has list of taxable services (Selective Taxation or Positive list).

Central Government has notified 1.7.2012 as the effective date for 'Negative List Taxation'. Negative List comprises 17 heads and has been carefully drawn up, keeping in view the federal nature of India, the best international practices and socio-economic requirements.



BASIS FOR FRAMING THE NEGATIVE LIST



NEGATIVE LIST: ADMINISTRATIVE REASONS

- Services by Government or a local authority excluding the following services to the extent they are not covered elsewhere:
 - Service by Department of Post by way of speed post, express parcel post life insurance and agency services provided to a person other than Government
 - Service in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport,
 - Transport of goods or passengers, or
 - Support services, other than covered under clauses (i) and (iii) above, provided to an business entity.

- Services by Reserve Bank of India

NEGATIVE LIST: CONTRACTUAL OBLIGATIONS

- Services by a foreign diplomatic mission located in India,
- Service by way of:
 - Pre-school education and education upto higher secondary education or equivalent,
 - Education as a part of a curriculum for obtaining a qualification recognized by any law for the time being in force,
 - Education as a part of approved vocational education course.

- Service of transportation of passengers, with or without accompanied belongings, by-
 - A stage carriage;
 - Railways in a class other than-
 - (a) First class; or
 - (b) An air-conditioned coach;
 - (c) Metro, monorail or tramway;
 - (d) Inland waterways;
 - (e) Public transport, other than predominantly for tourism purpose, in a vessel between places located in India; and
 - (f) Metered cabs, or auto rickshaws.
- Services of transportation of goods:
 - By road except the service of -
 - A goods transportation agency, or
 - A courier agency.
 - By an aircraft or a vessel from a place outside India up to the custom station of clearance in India, or
 - By an inland waterways
- Funeral, burial, crematorium or mortuary services including transportation of deceased,
- Services by way of renting of residential dwellings for use as residence.



NEGATIVE LIST: ECONOMIC REASONS

- Transmission or distribution of electricity by an electricity transmission or distribution utility,
- Services relating to agricultural or agricultural produce by way of-
 - Agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing plant protection or testing;
 - Supply of farm labour;
 - Process carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;
 - Renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;
 - Loading, unloading, packing, storage or warehousing of agricultural produce;
 - Agricultural extension services;
 - Services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce;

NEGATIVE LIST: ECONOMIC REASONS

- Trading of goods,
- Service by way of access to a road or a bridge on payment of toll charges,
- Betting, gambling or lottery,
- Admission to entertainment event or access to amusement facilities,
- Selling of space for advertisements in print media.



NEGATIVE LIST: AMENDMENT BY FINANCE (NO 2) ACT, 2014

- Selling of space or time slots for advertisements other than advertisements broadcast by radio or television was amended as:
 - Selling of space for advertisements in print media i.e. Section 66D specifically excludes advertisements broadcast by radio or television from Negative list.
- Word 'Radio Taxis' is omitted by Finance Act, 2014 from Negative list from service of transportation of passengers i.e. from 1-10-2014 the transportation of passengers by radio taxi will be a taxable service. However, transportation of passengers by metered cab or auto rickshaws will continue to remain non-taxable. As the definition of metered cab as given in Sec 65B (32) has been amended to exclude from its radio taxis.



NEGATIVE LIST: OTHER ITEMS

- Service by way of:
 - Extending deposit, loans or advances in so far as the consideration is represented by way of interest or discount;
 - Inter-se sale or purchase of foreign currency amongst banks or authorized dealer of foreign exchange or amongst banks and such dealers.

SERVICE TAX MEGA EXEMPTION (NOTIFICATION NO. 6/2015)

1. Services provided to the United Nations or a specified international organization;
2. Services by a person by way of-
 - (a) Health care services by a clinical establishment, an authorized medical practitioner or para-medics;
 - (b) Services provided by way of transportation of a patient in an ambulance, other than those specified in (i) above;
3. Services provided by cord blood banks by way of preservation of stem cells or any other service in relation to such preservation;
4. Services provided by operators of the Common Bio-medical Waste Treatment Facility to a clinical establishment by way of treatment or disposal of bio-medical waste or the processes incidental thereto;
5. Services by a veterinary clinic in relation to health care of animals or birds;
6. Services by an entity registered under section 12AA of the Income tax Act, 1961 (43 of 1961) by way of charitable activities;
7. Services by a person by way of-
 - (a) Renting of precincts of a religious place meant for general public; or
 - (b) Conduct of any religious ceremony;

8. Services by a specified organization in respect of a religious pilgrimage facilitated by the Ministry of External Affairs of the Government of India, under bilateral arrangement;
9. Services provided by-
 - (a) An arbitral tribunal to -
 - i) Any person other than a business entity; or
 - ii) A business entity with a turnover up to rupees **Ten lakh** in the preceding financial year;
 - (b) An individual as an advocate or a partnership firm of advocates by way of legal services to-
 - i) an advocate or partnership firm of advocates providing legal services ;
 - ii) any person other than a business entity; or
 - iii) a business entity with a turnover up to rupees ten lakh in the preceding financial year; or
 - (c) Person represented on an arbitral tribunal to an arbitral tribunal;
10. Services by way of training or coaching in recreational activities relating to arts, culture or sports;
11. Services provided,-
 - By an educational institution to its students, faculty and staff;
 - To an educational institution, by way of,-
 - (a) Transportation of students, faculty and staff;
 - (b) Catering, including any mid-day meals scheme sponsored by the Government;
 - (c) Security or cleaning or house-keeping services performed in such educational institution;
 - (d) Services relating to admission to, or conduct of examination by, such institution

12. Any services provided by,-

- The National Skill Development Corporation set up by the Government of India;
- A Sector Skill Council approved by the National Skill Development Corporation;
- An assessment agency approved by the Sector Skill Council or the National Skill Development Corporation;
- A training partner approved by the National Skill Development Corporation or the Sector Skill Council

In relation to (a) the National Skill Development Programme implemented by the National Skill Development Corporation; or (b) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or (c) any other Scheme implemented by the National Skill Development Corporation.

13. Services provided to a recognized sports body by-

- An individual as a player, referee, umpire, coach or team manager for participation in a sporting event organized by a recognized sports body;
- Another recognized sports body;

14. Services by way of sponsorship of sporting events organized,-

- By a national sports federation, or its affiliated federations, where the participating teams or individuals represent any district, State, Zone or Country
- By Association of Indian Universities, Inter-University Sports Board, School Games Federation of India, All India Sports Council for the Deaf, Paralympic Committee of India or Special Olympics Bharat;

- By Central Civil Services Cultural and Sports Board;
- As part of national games, by Indian Olympic Association; or
- Under Panchayat Yuva Kreedha Aur Khel Abhiyaan (PYKKA) Scheme;

15. Services provided to the Government, a local authority or a governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of –

- A historical monument, archaeological site or remains of national importance, archaeological excavation, or antiquity specified under the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (24 of 1958);
- Canal, dam or other irrigation works;
- Pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal;

16. Services provided by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of,-

- a road, bridge, tunnel, or terminal for road transportation for use by general public;
- a civil structure or any other original works pertaining to a scheme under Jawaharlal Nehru National Urban Renewal Mission or Rajiv Awaas Yojana;
- a building owned by an entity registered under section 12 AA of the Income tax Act, 1961(43 of 1961) and meant predominantly for religious use by general public;
- a pollution control or effluent treatment plant, except located as a part of a factory; or
- a structure meant for funeral, burial or cremation of deceased;

17. Services by way of construction, erection, commissioning, or installation of original works pertaining to,-

- Railways, including monorail or metro;
- A single residential unit otherwise than as a part of a residential complex;
- Low- cost houses up to a carpet area of 60 square meters per house in a housing project approved by competent authority empowered under the 'Scheme of Affordable Housing in Partnership' framed by the Ministry of Housing and Urban Poverty Alleviation, Government of India;
- Post- harvest storage infrastructure for agricultural produce including a cold storages for such purposes; or
- Mechanized food grain handling system, machinery or equipment for units processing agricultural produce as food stuff excluding alcoholic beverages;

18. Services provided by way of temporary transfer or permitting the use or enjoyment of a copyright,-

- Covered under clause (a) of sub-section (1) of section 13 of the Copyright Act, 1957 (14 of 1957), relating to original literary, dramatic, musical or artistic works; or
- Of cinematograph films for exhibition in a cinema hall or cinema theatre.

19. Services by an artist by way of a performance in folk or classical art forms of (i) music, or (ii) dance, or (iii) theatre, if the consideration charged for such performance is not more than one lakh rupees:

Provided that the exemption shall not apply to service provided by such artist as a brand ambassador.

- 20.** Services by way of collecting or providing news by an independent journalist, Press Trust of India or United News of India;
- 21.** Services by a hotel, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes, having declared tariff of a unit of accommodation *below one thousand rupees per day or equivalent*;
- 22.** Services provided in relation to serving of food or beverages by a restaurant, eating joint or a mess, other than those having the facility of air-conditioning or central air-heating in any part of the establishment, at any time during the year;
- 23.** Services provided in relation to serving of food or beverages by a canteen maintained in a factory covered under the Factories Act, 1948 (63 of 1948), having the facility of air-conditioning or central air-heating at any time during the year;
- 24.** Services by way of transportation by rail or a vessel from one place in India to another of the following goods -
- Relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap;
 - Defence or military equipments;
 - Newspaper or magazines registered with the Registrar of Newspapers;
 - Railway equipments or materials;
 - Agricultural produce;
 - Milk, salt and food grain including flours, pulses and rice;
 - Chemical fertilizer, organic manure and oil cakes;
 - Cotton ginned or baled.

25. Services provided by a goods transport agency, by way of transport in a goods carriage of,-

- Agricultural produce;
- Goods, where gross amount charged for the transportation of goods on a consignment transported in a single carriage does not exceed one thousand five hundred rupees;
- Goods, where gross amount charged for transportation of all such goods for a single Consignee does not exceed rupees seven hundred fifty;
- Milk, salt and food grain including flours, pulses and rice
- Chemical fertilizer, organic manure and oil cakes;]
- Newspaper or magazines registered with the Registrar of Newspapers;
- Relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap; or
- Defence or military equipments
- Cotton ginned or baled.

26. Services by way of giving on hire -

- To a state transport undertaking, a motor vehicle meant to carry more than twelve passengers; or
- To a goods transport agency, a means of transportation of goods;

27. Transport of passengers, with or without accompanied belongings, by -

- Air, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal;

- Non-air-conditioned contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire; or
- Ropeway, cable car or aerial tramway;

28. Services provided to Government, a local authority or a governmental authority by way of -

- Water supply, public health, sanitation conservancy, solid waste management or slum improvement and up-gradation; or
- Repair or maintenance of a vessel;

29. Services of general insurance business provided under following schemes -

- Hut Insurance Scheme;
- Cattle Insurance under Swarnajaynti Gram Swarozgar Yojna (earlier known as Integrated Rural Development Programme
- Scheme for Insurance of Tribals
- Janata Personal Accident Policy and Gramin Accident Policy;
- Group Personal Accident Policy for Self-Employed Women;
- Agricultural Pump set and Failed Well Insurance;
- Premia collected on export credit insurance;
- Weather Based Crop Insurance Scheme or the Modified National Agricultural Insurance Scheme, approved by the Government of India and implemented by the Ministry of Agriculture;
- Jan Arogya Bima Policy;
- National Agricultural Insurance Scheme (Rashtriya Krishi Bima Yojana);
- Pilot Scheme on Seed Crop Insurance;
- Central Sector Scheme on Cattle Insurance;

- Universal Health Insurance Scheme;
- Rashtriya Swasthya Bima Yojana; or
- Coconut Palm Insurance Scheme;

30. services of life insurance business provided under following schemes -

- Janashree Bima Yojana (JBY); or
- Aam Aadmi Bima Yojana (AABY);
- Life micro-insurance product as approved by the Insurance Regulatory and Development Authority, having *maximum amount of cover of fifty thousand rupees*
- Varishtha Pension Bima Yojana;

31. Services provided by an incubatee up to a *total turnover of fifty lakh rupees* in a financial year subject to the following conditions, namely:-

- The total turnover had not exceeded *fifty lakh rupees* during the preceding financial year; and
- A period of three years has not been elapsed from the date of entering into an agreement as an incubatee;

32. Service by an unincorporated body or a non- profit entity registered under any law for the time being in force, to its own members by way of reimbursement of charges or share of contribution :-

- As a trade union;
- For the provision of carrying out any activity which is exempt from the levy of service tax; or
- Up to an amount of five thousand rupees per month per member for sourcing of goods or services from a third person for the common use of its members in a housing society or a residential complex;

33. Services by the following persons in respective capacities -

- Sub-broker or an authorized person to a stock broker;
- Authorized person to a member of a commodity exchange;
- Selling agent or a distributor of SIM cards or recharge coupon vouchers;
- Business facilitator or a business correspondent to a banking company or an insurance company, in a rural area; or
- Sub-contractor providing services by way of works contract to another contractor providing works contract services which are exempt;

34. Carrying out an intermediate production process as job work in relation to -

- Agriculture, printing or textile processing;
- Cut and polished diamonds and gemstones; or plain and studded jewellery of gold and other precious metals, falling under Chapter 71 of the Central Excise Tariff Act ,1985 (5 of 1986);
- Any goods excluding alcoholic liquors for human consumption,] on which appropriate duty is payable by the principal manufacturer; or
- Processes of electroplating, zinc plating, anodizing, heat treatment, powder coating, painting including spray painting or auto black, during the course of manufacture of parts of cycles or sewing machines up to an aggregate value of taxable service of the specified processes of one hundred and fifty lakh rupees in a financial year subject to the condition that such aggregate value had not exceeded one hundred and fifty lakh rupees during the preceding financial year;

35. Services by an organizer to any person in respect of a business exhibition held outside India;

36. Services by way of slaughtering of animals;

- 37.** Services received from a provider of service located in a non- taxable territory by -
- Government, a local authority, a governmental authority or an individual in relation to any purpose other than commerce, industry or any other business or profession;
 - An entity registered under section 12AA of the Income tax Act, 1961 (43 of 1961) for the purposes of providing charitable activities; or
 - A person located in a non-taxable territory;
- 38.** Services of public libraries by way of lending of books, publications or any other knowledge-enhancing content or material;
- 39.** Services by Employees' State Insurance Corporation to persons governed under the Employees' Insurance Act, 1948 (34 of 1948);
- 40.** Services by way of transfer of a going concern, as a whole or an independent part thereof;
- 41.** Services by way of public conveniences such as provision of facilities of bathroom, washrooms, lavatories, urinal or toilets;
- 42.** Services by a governmental authority by way of any activity in relation to any function entrusted to a municipality under article 243 W of the Constitution.
- 43.** Services by way of loading, unloading, packing, storage or warehousing of rice, cotton, ginned or baled;
- 44.** Services received by the Reserve Bank of India, from outside India in relation to management of foreign exchange reserves;

45. Services provided by a tour operator to a foreign tourist in relation to a tour conducted wholly outside India
46. Services by operator of Common Effluent Treatment Plant by way of treatment of effluent;
47. Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labeling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables;
48. Services by way of admission to a museum, national park, wildlife sanctuary, tiger reserve or zoo;
49. Service provided by way of exhibition of movie by an exhibitor to the distributor or an association of persons consisting of the exhibitor as one of its members;
50. Services by way of right to admission to,
 - Exhibition of cinematographic film, circus, dance, or theatrical performance including drama or ballet;
 - Recognized sporting event;
 - Award function, concert, pageant, musical performance or any sporting event other than a recognized sporting event, where the consideration for admission is not more than 500 per person.



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