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Exempt Supplies → **Nil rate of tax**
Wholly exempt from tax under Sec 11 (CGST Act) or Sec 6 (IGST Act)
Non-Taxable Supply (1+5)

Sec 2(47) “EXEMPT SUPPLY” means supply of any goods or services or both which attracts nil rate of tax or which may be wholly exempt from tax under section 11, or under section 6 of the Integrated Goods and Services Tax Act, and includes non-taxable supply;

Non-Taxable Supply = Non-Leviable Supply → **1 + 5**

Non-GST Supply → **1 + 5**

Sec 2(108) “taxable supply” means a supply of goods or services or both which is leviable to tax under this Act;

Sec 2(78) “non-taxable supply” means a supply of goods or services or both which is not leviable to tax under this Act or under the Integrated Goods and Services Tax Act;

Nil Rated → **Supplies that have a declared rate of 0% GST**

Exemption from payment of tax: The Government is empowered to grant exemption from tax, if it is necessary in public interest so to do, on recommendation of the GST council, by way of issuance of –

1) Notification

Sec 11(1) *Where the Government is satisfied that it is necessary in the public interest so to do, it may, on the recommendations of the Council, by **notification**, **exempt generally**, either absolutely or subject to such conditions as may be specified therein, goods or services or both of any specified description from the whole or any part of the tax leviable thereon with effect from such date as may be specified in such notification.*

2) Special Order

Sec 11(2) *Where the Government is satisfied that it is necessary in the public interest so to do, it may, on the recommendations of the Council, by **special order in each case**, under circumstances of an exceptional nature to be stated in such order, exempt from payment of tax any goods or services or both on which tax is leviable.*

Power to grant exemption from tax - Sec 11 of CGST Act, 2017

Sec 11(3) *The Government may, if it considers necessary or expedient so to do for the purpose of clarifying the scope or applicability of any notification issued under sub-section (1) or order issued under sub-section (2), insert an **explanation** in such notification or order, as the case may be, by notification at any time **within 1 year of issue of the notification** under sub-section (1) or order under sub-section (2), and every such explanation shall have effect as if it had always been the part of the first such notification or order, as the case may be.*

Explanation.—*For the purposes of this section, where an **exemption** in respect of any goods or services or both from the whole or part of the tax leviable thereon has been **granted absolutely**, the registered person supplying such goods or services or both **shall NOT collect the tax**, in excess of the effective rate, on such supply of goods or services or both.*

Power to grant exemption from tax - Sec 11 of CGST Act, 2017

Note –

1. Section 11(3) of CGST Act provides that the Government may insert an explanation in any notification issued under section 11, for the purpose of clarifying its scope or applicability, at any time within one year of issue of the notification and every such explanation shall have effect as if it had always been the part of the first such notification.
2. Eg. An explanation was inserted vide notification No. 17/2018-CTR dated 26.07.2018 in exercise of powers under section 11(3) within one year of the insertion of the original entry prescribing concessional rate, so that it would have effect from the date of inception of the entry i.e. 21.09.2017.
3. It is hereby clarified that the explanation having been inserted under section 11(3) of the CGST Act, is effective from the inception of the entry at Sl. No. 3(vi) of the notification No. 11/2017- CTR dated 28.06.2017, that is 21.09. 2017. The line in notification No. 17/2018-CTR dated 26.07.2018 which states that the notification shall come into effect from 27.07.2017 does not alter the operation of the notification in terms of Section 11(3) as explained in para 3 above. **(Circular No. 120/39/2019-GST dt 11-10-2019).**
4. **Goods Exempt From Tax** - A list of items have been notified under section 11(1) of the CGST Act, 2017/section 6(1) of the IGST Act, 2017. These items have been exempted from whole of the tax. Since GST is a tax for common man, everyday items used by the common man have been included in the list of exempted items. Items such as unpacked food grains, milk, eggs, curd, lassi and fresh vegetables are among the items exempted from GST.
5. **Goods imported by unit/developer in SEZ exempt from IGST** : All goods imported by a unit/developer in the Special Economic Zone (SEZ) for authorised operations are exempt from the whole of the integrated tax leviable thereon under section 3(7) of the Customs Tariff Act, 1975 read with section 5 of the IGST Act, 2017 [**Notification No. 64/2017 Cus dated 05.07.2017**].

Notifications issued under CGST Act

Section 11

- ✓ For Goods
- ✓ NN 2/2017-CTR dt 28-6-2017

Notifications issued under CGST Act

- Section 11

- ✓ Services
- ✓ NN 12/2017-CTR dt 28-6-2017

Services related to charitable and religious activities

Entry No.	Description of Services
1	Services by an entity registered under section 12AA or 12AB of the Income-tax Act, 1961 (Charitable Trust) by way of CHARITABLE ACTIVITIES . [Words “or 12AB” inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021]
60	Services by a SPECIFIED ORGANISATION in respect of a religious pilgrimage facilitated by the Government of India, under bilateral arrangement.
80	Services by way of training or coaching in recreational activities relating to- (a) <i>recreational activities relating to arts or culture, by an individual</i> or (b) sports by charitable entities registered under section 12AA or 12AB of the Income-tax Act. [Words “or 12AB” inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021; further words by an individual added by NN 4/2022-CTR, w.e.f. 18-7-22]
9D	Services by an old age home run by CG, SG or by an entity registered under section 12AA or 12AB of the Income-tax Act, 1961 to its residents (aged 60 years or more) against consideration upto ₹ 25,000 per month per member , provided that the consideration charged is inclusive of charges for boarding, lodging and maintenance. [Words “or 12AB” inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021]

Note –

1. Important Definitions

- a) **“CHARITABLE ACTIVITIES”** means activities relating to –
 - i. **public health** by way of , -
 - A. care or counseling of
 - I. terminally ill persons or persons with severe physical or mental disability;
 - II. persons afflicted with HIV or AIDS;
 - III. persons addicted to a dependence-forming substance such as narcotics drugs or alcohol; or
 - B. public awareness of preventive health, family planning or prevention of HIV infection;
 - ii. **advancement of religion** , spirituality or yoga;
 - iii. **advancement of educational programmes or skill development** relating to,-
 - A. abandoned, orphaned or homeless children;
 - B. physically or mentally abused and traumatized persons;
 - C. prisoners; or
 - D. persons over the age of 65 years residing in a rural area;
 - iv. **preservation of environment** including watershed, forests and wildlife;

2. Determine whether taxable or exempt after reading Entry No. 1 –

- a) **Activities of school, colleges or any other educational institutions run by charitable trusts** by way of education or skill development of abandoned, orphans, homeless children, physically or mentally abused persons, prisoners or persons over age of 65 years residing in rural areas, will be considered as charitable activities and income from such supplies will be wholly exempt from GST.
 - a) Activities of a school, college or an institution run by a trust which do not come within the ambit of charitable activities will not be exempt under Entry No. 1. However, such activities may be exempt under Entry No. 66 of the Notification [i.e. 66(a) by an educational institution to its students, faculty and staff; discussed later], provided the school, college or institution qualifies as an 'educational institution'.
 - b) Hostel accommodation services provided by trusts to students do not fall within the ambit of charitable activities as defined above. However, accommodation service in hostels including such services provided by trusts having value of supply below ₹ 1,000 per day is exempt under Entry No. 14 of the Notification. **(Circular No. 32/06/2018 GST dated 12-2-2018)**
- b) **Hospitals managed by charitable trusts will be exempt as per Entry No. 74**

Services related to charitable and religious activities

c) **Services of advancement of religion, spirituality or yoga by Charitable Organisation are exempt.**

- i. **Residential programmes** or camps where the fee charged includes cost of lodging and boarding shall also be exempt as long as the primary and predominant activity, objective and purpose of such residential programmes or camps is advancement of religion, spirituality or yoga.
- ii. However, if charitable or religious trusts merely or primarily provide accommodation or serve food and drinks against consideration in any form including donation, such activities will be taxable.
- iii. Similarly, activities such as holding of fitness camps or classes such as those in aerobics, dance, music etc will be taxable. **(Circular No. 66/40/2018 GST dated 26-9-2018)**

3. **Services by a specified organisation in respect of a religious pilgrimage facilitated by the the Government of India, under bilateral arrangement.**

- a) **SPECIFIED ORGANISATIONS** – Kumaon Mandal Vikas Nigam Ltd, a Govt of Uttarakhand Undertaking **AND** Haj Committee of India or State Haj Committee including Joint State Committee.

4. **Training or coaching in recreational activities**

- a) The line written “by charitable entities registered under Sec 12AA of the IT Act” is for Sports only and shall not be applicable for art or culture.
- b) Also training or coaching in recreational activities only in relation to arts or culture is exempt. Term recreational activities include other than arts or culture also but only recreational activities by way of arts or culture is exempt.
- c) All forms of arts, culture mean dance, music, painting, sculpture making, literary activities, theatre, etc. of any school, tradition or language.

Agriculture Related Services

Entry No.	Description of Services
54	<p>Services relating to</p> <ul style="list-style-type: none">• cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or• AGRICULTURAL PRODUCE by way of—<ol style="list-style-type: none">(a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing;(b) supply of farm labour;(c) processes 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 such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;(d) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;(e) loading, unloading, packing, storage or warehousing of agricultural produce;(f) AGRICULTURAL EXTENSION SERVICES;(g) services by any Agricultural Produce Marketing Committee (APMC) or Board or services provided by a commission agent for sale or purchase of agricultural produce.(h) services by way of fumigation in a warehouse of agricultural produce.

1. Important Definitions –

- a) **“AGRICULTURAL PRODUCE”** means any produce out of cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products, on which either no further processing is done or such processing is done as is usually done by a cultivator or producer which does not alter its essential characteristics but makes it marketable for primary market; **(Definition in Clause (d) under NN 12/2017-CTR, dt 28-6-2017)**
- b) **“AGRICULTURAL EXTENSION”** means application of scientific research and knowledge to agricultural practices through farmer education or training; **(Definition in Clause (c) under NN 12/2017-CTR, dt 28-6-2017)**

2. **First Part of Entry 54** “Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products” include activities like breeding of fish (pisciculture), rearing of silk worms (sericulture), cultivations of ornamental flowers (floriculture) and horticulture, forestry, etc.

3. **Second Part of Entry 54** exempts the agricultural operations directly related to production of any agricultural produce such as cultivation, harvesting, threshing, plant protection or testing.

- a) Analysis of the term ‘testing’ used in clause (a) of this entry – All testing and ancillary activities relating to testing in relation to agriculture or agricultural produce such as seed certification, technical inspection, technical testing, analysis, tagging of seeds, rendered during testing of seeds, are covered within the meaning of testing as mentioned in clause (a) of this entry. Therefore, such services are not liable to GST.

Agriculture Related Services

- b) Rice is not agricultural produce. Paddy is agricultural produce.
- c) Further, **process carried out at an agricultural farm** including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigation, curing, sorting, grading, cooling or bulk packaging and such like operations **which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market** are also exempt.
 - ✓ **Eg.** Charges for process of plucking of flowers (say, Rose) from their plant and making it marketable, for sale in primary market, at agricultural farm will be exempt from GST.
 - ✓ **But**, charges for such type of processes like removing thorns from roses carried out at some other place, other than agricultural farm, shall be taxable, although such process does not change essential characteristics of agricultural produce.
- d) **Process which alters the essential characteristics of the agricultural produce are outside the purview of this entry and thus, are liable to GST** : For instance, potato chips or tomato ketchup are manufactured through processes which alter the essential characteristic of farm produce (potatoes and tomatoes in this case).
- e) **Process which makes agricultural produce marketable in the retail market**: The processes of grinding, sterilizing, packaging in retail packs of agricultural products, which make the agricultural products marketable in retail market, **would NOT be covered in this entry**. Only such processes are covered in this entry which makes agricultural produce marketable in the primary market.

- f) Renting of land for “stud farming” is taxable. Because, rearing of horses is not covered under the scope of this entry.
 - ✓ But, renting of land for poultry farming or for rearing of sheep, shall be exempt from GST, as it is covered under the scope of this entry.

4. Services relating to agricultural produce by way of services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce.

- a) **“Agricultural Produce Marketing Committee or Board”** means any committee or board constituted under a State law for the time being in force for the purpose of regulating the marketing of agricultural produce. Such marketing committees or boards have been set up in most of the States and provide a variety of support services for facilitating the marketing of agricultural produce by provision of facilities and amenities like sheds, water, light, electricity, grading facilities etc. They also take measures for prevention of sale or purchase of agricultural produce below the minimum support price. APMCs collect market fees, licence fees, rents etc.
- b) Services provided by such Agricultural Produce Marketing Committee or Board are covered in item (g) of entry 54. However, any service provided by such bodies which is **not** directly related to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce, will be liable to tax e.g. renting of shops or property.

5. Warehousing of agricultural produce such as tea (i.e. black tea, white tea etc.), processed coffee beans or powder, pulses (de-husked or split), jaggery, processed spices, processed dry fruits, processed cashew nuts etc. (Circular No. 16/16/2017-GST dt 15-11-2017)

Item	Clarification
Tea/ Coffee	Tea used for making the beverage, such as black tea, green tea, white tea is a processed product made in tea factories after carrying out several processes, such as drying, rolling, shaping, refining, oxidation, packing etc. on green leaf and is the processed output of the same. Thus, green tea leaves and not tea is the “agricultural produce” eligible for exemption available for loading, unloading, packing, storage or warehousing of agricultural produce. Same is the case with coffee obtained after processing of coffee beans.
Pulses	Pulses commonly known as dal are obtained after dehusking or splitting or both. The process of de-husking or splitting is usually not carried out by farmers or at farm level but by the pulse millers. Therefore pulses (dehusked or split) are also not agricultural produce. However whole pulse grains such as whole gram, rajma etc. are covered in the definition of agricultural produce.
Jaggery	Similarly, processing of sugarcane into jaggery changes its essential characteristics. Thus, jaggery is also not an agricultural produce.

In view of the above, it is hereby clarified that processed products such as tea (i.e. black tea, white tea etc.), processed coffee beans or powder, pulses (de-husked or split), jaggery, processed spices, processed dry fruits, processed cashew nuts etc. fall outside the definition of agricultural produce given in notification No. 11/2017-CT(Rate) and 12/2017-CT(Rate) and corresponding notifications issued under IGST and UGST Acts and therefore the exemption from GST is not available to their loading, packing, warehousing etc.

Agriculture Related Services

Entry No.	Description of Services
55	Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses , for food, fibre, fuel, raw material or other similar products or agricultural produce.

Taxability of custom milling of paddy into rice – Will it be covered in Entry no. 55? (Circular No. 19/19/2017-GST dt 20-11-2017)

- a) **Entry No. 55 states** - Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce.
- b) Milling of paddy is not an intermediate production process in relation to cultivation of plants. It is a process carried out after the process of cultivation is over and paddy has been harvested. Further, processing of paddy into rice is not usually carried out by cultivators but by rice millers. Milling of paddy into rice also changes its essential characteristics. Therefore, milling of paddy into rice cannot be considered as an intermediate production process in relation to cultivation of plants for food, fibre or other similar products or agricultural produce.
- c) In view of the above, it is clarified that milling of paddy into rice is **not eligible for exemption under S. No 55** of Notification 12/2017 - Central Tax (Rate) dated 28th June 2017 and corresponding notifications issued under IGST and UTGST Acts.

Agriculture Related Services

Entry No.	Description of Services
24	Services by way of loading, unloading, packing, storage or warehousing of rice.
24A	Services by way of warehousing of minor forest produce. Eg of minor forest produce – Trees and leaves, flowers and fruits, and all other parts or produce of trees, etc. brought from the forest.
24B	Services by way of storage or warehousing of cereals, pulses, fruits, nuts and vegetables, spices, copra, sugarcane, jaggery, raw vegetable fibres such as cotton, flax, jute etc., indigo, unmanufactured tobacco, betel leaves, tendu leaves, coffee and tea. NOTE – Insertion of this entry has over-ruled Circular No. 16/16/2017-GST dt 15-11-2017. [Omitted vide NN 4/2022-CTR, w.e.f. 18-7-2022]
53A	Services by way of fumigation in a warehouse of agricultural produce. [Omitted vide NN 4/2022-CTR, w.e.f. 18-7-2022]
55A	Services by way of artificial insemination of livestock (other than horses).
56	Services by way of slaughtering of animals. [Omitted vide NN 4/2022-CTR, w.e.f. 18-7-2022]
57	Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.

Agriculture Related Services

Entry No.	Description of Services
21	Services provided by a goods transport agency , by way of transport in a goods carriage of - a) agricultural produce; d) milk, salt and food grain including flour, pulses and rice; e) organic manure;
20	Services by way of transportation by rail or a vessel from one place in India to another of the following goods – e) agricultural produce; f) milk, salt and food grain including flours, pulses and rice; and g) organic manure.
58	Services provided by the National Centre for Cold Chain Development (NCCCD) under the Ministry of Agriculture, Cooperation and Farmer's Welfare by way of cold chain knowledge dissemination .
63	Services provided by the CG, SG, UT or LA by way of assignment of right to use natural resources to an individual farmer for cultivation of plants and rearing of all life forms of animals, except the rearing of horses , for food, fibre, fuel, raw material or other similar products.
10A	Services supplied by electricity distribution utilities by way of construction, erection, commissioning, or installation of infrastructure for extending electricity distribution network upto the tube well of the farmer or agriculturalist for agricultural use.

Clarification through circular no. 177/09/2022-GST dated 3rd August, 2022

Whether storage or warehousing of cotton in baled or ginned form is covered under entry 24B of Notification No. 12/2017-Central Tax (Rate) which exempted services by way of storage and warehousing of raw vegetable fibres such as cotton before 18.07.2022.

Representations have been received regarding applicability of GST exemption on the service of storage or warehousing of cotton in baled or ginned form.

Prior to 18.07.2022, entry 24 B of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 exempted services by way of storage and warehousing of, inter alia, raw vegetable fibers such as cotton, flax, jute etc. Cotton Fiber glossary by barnhardtcotton.net defines 'cotton staple, virgin cotton or raw cotton' as cotton fibers that are removed from the cotton seed by the gin. Further, CESTAT Chandigarh in the case of R.K.& Sons vs CCE, Rohtak dated 14th July 2016 has observed as under:

“Cotton (with seeds) as plucked from cotton plants can hardly be called cotton fibre in which case cotton fibre would come into existence only after the seeds are ginned away from cotton plucked from cotton plants. Cotton fibre obtained by ginning cotton plucked cotton plants is nothing but raw cotton fibre because there cannot be rawer form of cotton fibre obtained from cotton-with-seeds plucked from cotton plants.”

Accordingly, it is clarified that service by way of storage or warehousing of cotton in ginned and or baled form was covered under entry 24B of notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 in the category of raw vegetable fibres such as cotton. It may however be noted that this exemption has been withdrawn w.e.f 18.07.2022

Agriculture Related Services

Illustration - Mark Agro Products Ltd., a registered person, furnishes the following details of various services provided by it in the month of December, 2017:

Sr. No.	Particulars	Amount (₹)
1.	Rearing of Silkworm and Horticulture	250,000
2.	Plantation of Tea and Coffee	200,000
3.	Renting of Vacant Land for Performing Marriage Ceremony	450,000
4.	Sale of Wheat on Commission basis	50,000
5.	Sale of Rice on Commission basis	200,000

Compute the value of taxable services and the GST liability of Mark Agro Products Ltd. for the month of December, 2018. Assume that time of supply in respect of all activities mentioned above falls in the month of December, 2017 itself. GST has been charged separately wherever applicable. Give reasons by way of short notes to your answer.

Agriculture Related Services

Ans - Computation of Value of Taxable Service and GST Liability of Mark Agro Products Ltd. for the month of December, 2017

Sr. No.	Particulars	Amount (₹)
1.	Rearing of Silkworm and Horticulture [Not taxable, as it is covered under entry no. 54 of NN 12/2017 CT (R)]	NIL
2.	Plantation of Tea and Coffee [Not taxable, as it is covered under entry no. 54]	NIL
3.	Renting of Vacant Land for performing Marriage Ceremony [Taxable, as it is not covered under any exemption]	450,000
4.	Sale of Wheat on Commission basis [Not Taxable, as it is covered under entry no. 54 of NN 12/2017 CT (R)]	NIL
5.	Sale of Rice on Commission basis [Taxable, as rice is not agricultural produce. Therefore, not covered under any exemption.]	200,000
	TOTAL	650,000
	CGST @ 9%	58,500
	SGST @ 9%	58,500

Agriculture Related Services

Illustration - ABC Agro Ltd. registered under GST furnishes the following details with respect to the activities undertaken by them in the month of March, 2018 :

Sr. No.	Particulars	Amount (₹)
1.	Charges for soil testing of farm land	65,000
2.	Charges for training of farmers on use of new pesticides and fertilizers developed through scientific research	75,000
3.	Receipts from Supply of farm labour	83,000
4.	Charges for warehousing of potato chips	60,000
5.	Charges for warehousing of rice	45,000
6.	Charges for seed testing	15,000
7.	Renting of vacant land to a stud farm	1,15,000
8.	Retail packing and labelling of fruits and vegetables	77,000
9.	Commission received on sale of wheat	5,50,000
10.	Charges for warehousing of cotton fabrics	1,00,000
11.	Leasing of vacant land to a cattle farm	1,50,000

Compute the value of taxable supply of ABC Agro Ltd. for the month of March, 2018 if all the above amounts are exclusive of GST.

Agriculture Related Services

Ans - Computation of Value of taxable supply

Sr. No.	Particulars	Amount (₹)
1.	Charges for soil testing of farm land [Exempt as per Entry No. 54 of NN. 12/2017-CT (R)]	NIL
2.	Charges for training of farmers on use of new pesticides and fertilizers developed through scientific research [Exempt as per Entry No. 54 of NN. 12/2017-CT (R)]	NIL
3.	Receipts from Supply of farm labour [Exempt as per Entry No. 54 of NN. 12/2017-CT (R)]	NIL
4.	Charges for warehousing of potato chips [Potato chips is not an agricultural produce, warehousing of the same shall be taxable]	60,000
5.	Charges for warehousing of rice [Exempt as per Entry No. 24 of NN. 12/2017-CT (R)]	NIL
6.	Charges for seed testing [Exempt as per Entry No. 54 of NN. 12/2017-CT (R)]	NIL
7.	Renting of vacant land to a stud farm [The same will be liable for GST, as rearing of horses has been specifically excluded from Exemption]	1,15,000
8.	Retail packing and labelling of fruits and vegetables [Exempt as per Entry No. 57 of NN. 12/2017-CT (R)]	NIL
9.	Commission received on sale of wheat [Exempt as per Entry No. 54 of NN. 12/2017-CT (R)]	NIL
10.	Charges for warehousing of cotton fabrics	1,00,000
11.	Leasing of vacant land to a cattle farm [Exempt as per Entry No. 54 of NN. 12/2017-CT (R)]	NIL
	Value of Taxable Supply	2,75,000

Education Services

Entry No.	Description of Services
66	<p>Services provided -</p> <p>(a) BY an EDUCATIONAL INSTITUTION to its students, faculty and staff;</p> <p>(aa) BY an EDUCATIONAL INSTITUTION by way of conduct of entrance examination against consideration in the form of entrance fee</p> <p>(b) TO an EDUCATIONAL INSTITUTION, by way of,-</p> <ul style="list-style-type: none">(i) transportation of students, faculty and staff;(ii) catering, including any mid-day meals scheme sponsored by the CG, SG or UT;(iii) security or cleaning or house-keeping services performed in such educational institution;(iv) services relating to admission to, or conduct of examination by, such institution;(v) supply of online educational journals or periodicals <p>Provided that nothing contained in entry sub-items (i), (ii) and (iii) of item (b) shall apply to an educational institution other than an institution providing services by way of pre-school education and education up to higher secondary school or equivalent.</p> <p>Provided further that nothing contained in sub-item (v) of item (b) shall apply to an institution providing services by way of,-</p> <ul style="list-style-type: none">(i) pre-school education and education up to higher secondary school or equivalent; or(ii) education as a part of an approved vocational education course.”

1. Important Definitions

- a) **“EDUCATIONAL INSTITUTION”** means an institution providing services by way of,-
- (i) pre-school education and education up to higher secondary school or equivalent;
 - (ii) education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;
 - (iii) education as a part of an **APPROVED VOCATIONAL EDUCATION COURSE**;
 - (iv) For the removal of doubts, it is clarified that the Central and State Educational Boards shall be treated as ‘Educational Institution’ for the limited purpose of providing services by way of conduct of examination to the students. **[Inserted vide NN 14/2018-CTR, w.e.f. 27-7-2018]**
 - (v) For removal of doubts, it is clarified that any authority, board or body set up by the Central Government or State Government including National Testing Agency for conduct of entrance examination for admission to educational institutions shall be treated as educational institution for the limited purpose of providing services by way of conduct of entrance examination for admission to educational institutions. **[Inserted vide NN 1/2023-CTR, w.e.f. 01-3-2023]**
- b) **“APPROVED VOCATIONAL EDUCATION COURSE”** means, -
- i. a course run by an industrial training institute (ITI) or an industrial training centre (ITC) affiliated to the National Council for Vocational Training (NCVT) or State Council for Vocational Training (SCVT) offering **courses in designated trades notified under the Apprentices Act, 1961**; or
 - ii. a Modular Employable Skill Course (MESK), approved by the National Council of Vocational Training (NCVT), run by a person registered with the Directorate General of Training, Ministry of Skill Development and Entrepreneurship;

2. Education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;

Education Services provided	Covered in sub-clause (ii)
Conduct of degree courses by colleges, universities or institutions	Yes
Training given by private coaching institutions	No, their training doesn't have a backing of law
Education as a part of a prescribed curriculum for obtaining a qualification recognised by a law of foreign country	No, only course recognised by an Indian law is covered
The services provided by international schools giving international certifications like International Baccalaureate (IB) Schools	Exempt, as they are providing services by way of education upto higher secondary schools or equivalent.

3. ITI

- a) **Private ITI** – Private ITIs qualify as an educational institute if the education provided by these ITIs is approved as vocational educational course as defined above. It implies that services provided by a private ITI only in respect of designated trades notified under Apprenticeship Act, 1961 are exempt from GST under Entry No. 66. Services in other than designated trades are liable to GST.
- b) **Government ITIs** – As far as Government ITIs are concerned, services provided by a Government ITI to individual trainees/students, are exempt under Entry No. 6 as these are in the nature of services provided by the Central or State Government to individuals. Such exemption in relation to services provided by Government ITI would cover both – vocational training and examinations conducted by these Government it is.

4. Educational Institutions upto Higher Secondary Schools –

a) As per Entry no. 66, most important input services like

- transportation of students, faculty and staff;
- catering, including any mid-day meals scheme sponsored by the CG, SG or UT;
- security or cleaning or house-keeping services performed in such educational institution;

are exempt from tax.

But input services like canteen, repairs and maintenance etc provided by private players to educational institutions are subject to GST.

b) Boarding schools services of education and boarding and lodging.

- Boarding schools provide service of education coupled with other services like providing dwelling units for residence and food. It is also exempt because any service by an education institution to its students, faculty and staff are exempt from GST (not necessarily relating to education only).

5. GST is liable on services provided by educational institutes such as ICAI, IITs, IIMs, etc. charging fees from prospective employers like corporate house/MNCs, who come to the institutes for recruiting candidates through Campus interviews, as such services are not covered in the exemption (because these services are provided by educational institutions to person other than students, faculty and staff)

6. Educational institutions providing qualification recognised by law

- a) Services provided by educational institutions providing qualification recognised by law are exempt from tax.
- b) What about a course in college leading to dual qualification only one of which is recognised by law?

Services	Tax Treatment
Provision of dual qualifications is in the nature of two separate services as the curriculum and fees for each of such qualifications are prescribed separately.	Service in respect of each qualification would, therefore, be assessed separately.
If an artificial bundle of service is created by clubbing two courses together, when only single fee is charged for both, only one of which leads to a qualification recognised by law.	By application of the rule of determination of taxability of a supply which is not bundled in the ordinary course of business, it shall be treated as a mixed supply as per provisions contained in sec 2(74) read with sec 8 of the CGST Act, 2017. The taxability will be determined by the supply which attracts highest rate of GST.
Incidental Auxiliary courses provided by way of hobby classes or extra-curricular activities in furtherance of overall well-being.	It will be an example of naturally bundled course and therefore treated as composite supply.

- c) Maritime Training Institutes and their training courses are approved by the Director General of Shipping which are duly recognised under the provisions of the Merchant Shipping Act, 1958 read with the Merchant Shipping (standards of training, certification and watch-keeping for Seafarers) Rules, 2014. Therefore, the Maritime Institutes are educational institutions under GST Law and the courses conducted by them are exempt from levy of GST. The exemption is subject to meeting the conditions specified at Sl. No. 66 of the notification No. 12/ 2017-Central Tax (Rate) dated 28.06.2017. **(Circular No. 117/36/2019-GST dt 11-10-2019)**

7. IIMs

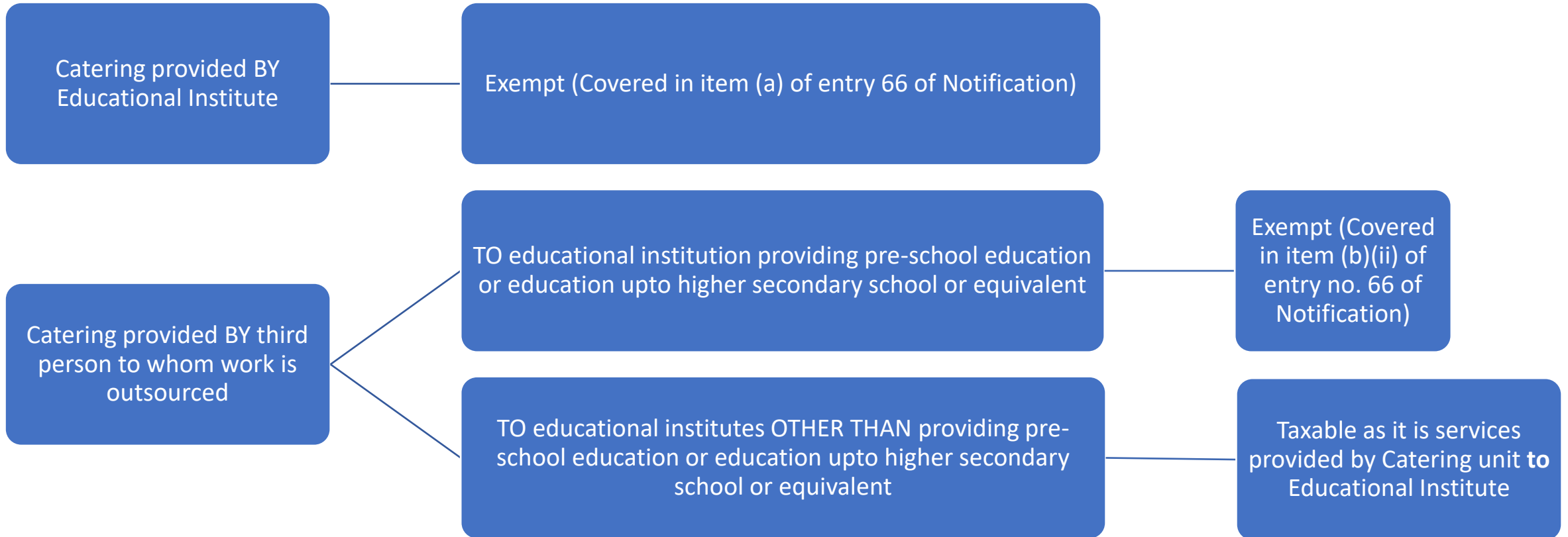
- a) W.e.f. from 31-1-2018, Indian Institutes of Management Act, 2018 came into force. This Act has empowered IIMs to
- i. Grant degrees, diplomas, and other academic distinctions or titles,
 - ii. Specify the criteria and process for admission to courses or programmes of study and
 - iii. Specify the academic content of programmes.

Therefore, with effect from 31st January, 2018, all the IIMs are “educational institutions” as defined under notification No. 12/ 2017- Central Tax (Rate) dated 28.06.2017 as they provide education as a part of a curriculum for obtaining a qualification recognised by law for the time being in force.

Programmes offered by IIMs	Taxability
All long duration programs (one year or more) conferring degree/ diploma as recommended by Board of Governors as per the power vested in them under the IIM Act, 2017 including one- year Post Graduate Programs for Executives.	Exempt from Tax
All short duration executive development programs or need based specially designed programs (less than one year) for which they award participation certificate to the executives/ professionals as they are considered as “participants” of the said programmes. These participation certificates are not any qualification recognized by law. Such participants are also not considered as students of Indian Institutes of Management. (Circular No. 82/01/2019-GST dated 1-1-2019)	Not exempt from GST

8. Supply of food in a mess or canteen

a) Educational institutions generally have mess facilities for providing food to their students and staff.



9. Exempt Input Services

pre-school education and education up to higher secondary school or equivalent;	education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;	education as a part of an approved vocational education course;
transportation of students, faculty and staff;		
catering, including any mid-day meals scheme sponsored by the CG, SG or UT;		
security or cleaning or house-keeping services performed in such educational institution;		
services relating to admission to, or conduct of examination by, such institution;	services relating to admission to, or conduct of examination by, such institution;	services relating to admission to, or conduct of examination by, such institution;
	supply of online educational journals or periodicals	

10. Clarification regarding applicability of GST on supply of food in Anganwadis and Schools –

Representations have been received seeking clarification regarding applicability of GST on the issues as to whether serving of food in schools under Mid-Day Meals Scheme would be exempt if such supplies are funded by government grants and/or corporate donations.

Entry 66 clause (b)(ii) of notification No. 12/2017-Central Tax (Rate) dated 28th June, 2017, exempts Services provided to an educational institution, **by way of catering**, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory. This entry applies to pre-school and schools.

As per recommendation of the GST Council, it is clarified that services provided to an educational institution by way of serving of food (catering including mid- day meals) **is exempt from levy of GST irrespective of its funding from government grants or corporate donations [under said entry 66 (b)(ii)].**

Educational institutions as defined in the notification include anganwadi. Hence, serving of food to anganwadi shall also be covered by said exemption, whether sponsored by government or through donation from corporates. [Clarified through circular No. 149/05/2021-GST dated 17th June, 2021]

11. Clarification through circular no. 151/07/2021-GST dated 17th June, 2021

- i. GST is exempt on services provided by Central or State Boards (including the boards such as NBE) by way of conduct of examination for the students, including conduct of entrance examination for admission to educational institution [under S. No. 66 (aa) of notif No. 12/2017-CT(R)]. Therefore, GST shall not apply to any fee or any amount charged by such Boards for conduct of such examinations including entrance examinations.
- ii. GST is also exempt on input services relating to admission to, or conduct of examination, such as online testing service, result publication, printing of notification for examination, admit card and questions papers etc, when provided to such Boards [under S. No. 66 (b) (iv) of notif No. 12/2017-CT(R)].
- iii. GST at the rate of 18% applies to other services provided by such Boards, namely of providing accreditation to an institution or to a professional (accreditation fee or registration fee such as fee for FMGE screening test) so as to authorise them to provide their respective services

12. Clarification through circular no. 177/09/2022-GST dated 3rd August, 2022

- i. **Applicability of GST on application fee charged for entrance or the fee charged for issuance of eligibility certificate for admission or for issuance of migration certificate by educational institutions**
- ii. In this regard, it is stated that educational services supplied by educational institutions to its students are exempt from GST vide entry 66 of the notification No. 12/2017 Central Tax (Rate) dated 28.06.2017 relevant portion of which reads as under, -
 - “Services provided –
 - a. by an educational institution to its students, faculty and staff;
[(aa) by an educational institution by way of conduct of entrance examination against consideration in the form of entrance fee;].”
- iii. Therefore, it can be seen that all services supplied by an ‘educational institution’ to its students are exempt from GST. Consideration charged by the educational institutes by way of entrance fee for conduct of entrance examination is also exempt. The exemption is wide enough to cover the amount or fee charged for admission or entrance, or amount charged for application fee for entrance, or the fee charged from prospective students for issuance of eligibility certificate to them in the process of their entrance/admission to the educational institution. Services supplied by an educational institution by way of issuance of migration certificate to the leaving or ex-students are also covered by the exemption. Accordingly, such activities of educational institution are also exempt.

Education Services

Entry No.	Description of Services
69	<p>Any services provided by,</p> <ul style="list-style-type: none"> a) the National Skill Development Corporation set up by the Government of India; b) a Sector Skill Council approved by the National Skill Development Corporation; c) an assessment agency approved by the Sector Skill Council or the National Skill Development Corporation; d) a training partner approved by the National Skill Development Corporation or the Sector Skill Council, <p>in relation to-</p> <ul style="list-style-type: none"> i. the National Skill Development Programme implemented by the National Skill Development Corporation; or ii. a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or iii. any other Scheme implemented by the National Skill Development Corporation.
70	<p>Services of assessing bodies empanelled centrally by the Directorate General of Training, Ministry of Skill Development and Entrepreneurship by way of assessments under the Skill Development Initiative Scheme.</p>
71	<p>Services provided by training providers (Project implementation agencies) under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDUGKY) implemented by the Ministry of Rural Development, Government of India by way of offering skill or vocational training courses certified by the National Council for Vocational Training.</p>
72	<p>Services provided to the Central Government, State Government, Union territory administration under any training programme for which total expenditure is borne by the Central Government, State Government, Union territory administration.</p>

Education Services

Entry No.	Description of Services
22	Services by way of giving on hire – (c) motor vehicle for transport of students, faculty and staff, to a person providing services of transportation of students, faculty and staff to an educational institution providing services by way of pre-school education and education upto higher secondary school or equivalent.
80	Services by way of training or coaching in recreational activities relating to- (a) <i>recreational activities relating to arts or culture, by an individual or</i> (b) sports by charitable entities registered under section 12AA or 12AB of the Income-tax Act. [Words “or 12AB” inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021; further words by an individual added by NN 4/2022-CTR, w.e.f. 18-7-22]

Note –

1. **Circular No. 164/20/2021-GST dated 6-10-2021** has clarified that scope of entry no. 72 is wide enough to cover coaching services provided by coaching institutions and NGOs under the central scheme of „Scholarships for students with Disabilities” where total expenditure is borne by the Government by way of funding to institute providing such coaching.

Health Care Services

Entry No.	Description of Services
46	Services by a veterinary clinic in relation to health care of animals or birds.
55A	Services by way of artificial insemination of livestock (other than horses).
74	<p>Services by way of-</p> <p>(a) HEALTH CARE SERVICES by a CLINICAL ESTABLISHMENT, an authorised medical practitioner or PARA-MEDICS;</p> <ul style="list-style-type: none"> • Provided that nothing in this entry shall apply to the services provided by a clinical establishment by way of providing room [other than Intensive Care Unit (ICU)/Critical Care Unit(CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)]having room charges exceeding Rs. 5000 per day to a person receiving health care services [Proviso inserted vide NN 4/2022-CTR, w.e.f. 18-7-2022] <p>(b) services provided by way of transportation of a patient in an ambulance, other than those specified in (a) above.</p>
74A	Services provided by rehabilitation professionals recognised under the Rehabilitation Council of India Act, 1992 by way of rehabilitation, therapy or counselling and such other activity as covered by the said Act at medical establishments, educational institutions, rehabilitation centers established by CG, SG or UT or an entity registered under section 12AA or 12AB of the Income Tax Act, 1961. [Words “or 12AB” inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021]
73	Services provided by the cord blood banks by way of preservation of stem cells or any other service in relation to such preservation. [Omitted vide NN 4/2022-CTR, w.e.f. 18-7-2022]
75	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. [Omitted vide NN 4/2022-CTR, w.e.f. 18-7-2022]
76	Services by way of public conveniences such as provision of facilities of bathroom, washrooms, lavatories, urinal or toilets.

Health Care Services

Entry No.	Description of Services
1	<p>Services by an entity registered under section 12AA of the Income-tax Act, 1961 (Charitable Trust) by way of CHARITABLE ACTIVITIES. (“CHARITABLE ACTIVITIES” means activities relating to – public health by way of ,-</p> <ul style="list-style-type: none">A. care or counseling of (i) terminally ill persons or persons with severe physical or mental disability; (ii) persons afflicted with HIV or AIDS; (iii) persons addicted to a dependence-forming substance such as narcotics drugs or alcohol; orB. public awareness of preventive health, family planning or prevention of HIV infection...)

1. Important Definitions

a) **“CLINICAL ESTABLISHMENT”** means

- a hospital, nursing home, clinic, sanatorium or any other institution by, whatever name called, that offers services or facilities **requiring diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy** in any **RECOGNISED SYSTEM OF MEDICINES IN INDIA**, or
- a place established as an independent entity or a part of an establishment to carry out diagnostic or investigative services of diseases; **(Definition in Clause (s) under NN 12/2017-CTR, dt 28-6-2017)**

b) **“HEALTH CARE SERVICES”** means any service by way of diagnosis or treatment or care **for illness, injury, deformity, abnormality or pregnancy**

in any recognised system of medicines in India and

includes services by way of transportation of the patient to and from a clinical establishment, but

does not include hair transplant or cosmetic or plastic surgery, **except** when undertaken to restore or to reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma; **(Definition in Clause (zg) under NN 12/2017-CTR, dt 28-6-2017)**

2. As it is apparent from the definition of health care services, only services in recognized systems of medicines in India are exempt under this entry. Following systems of medicines are the recognized systems of medicines in India –
 1. Allopathy
 2. Yoga
 3. Naturopathy
 4. Ayurveda
 5. Homeopathy
 6. Siddha
 7. Unani
 8. Any other system of medicine that may be recognized by Central Government.

3. **Paramedics** are trained healthcare professionals, for example, **nursing staff, physiotherapists**, technicians, lab assistants, etc/

Note –

3. Clarifications through circulars

Issue	Clarification
Rents of rooms provided to in-patients (Circular No. 27/01/2018-GST dt 4-1-2018)	Exempt from Tax
<p>Services provided by senior doctors/ consultants/ technicians Hospitals hire senior doctors/consultants/ technicians independently. Such persons do not have any contract with the patients. Hospitals pay them consultancy charges and there is no employer-employee relationship between them. (Circular No. 32/06/2018-GST dt 12-2-2018) In this case, suppose hospitals charge the patients, say ₹ 10,000/- and pay ₹ 7,500 to the consultants/technicians and keep the balance with them which include nursing care, infrastructure facilities, paramedic care, emergency services, checking of temperature, weight, blood pressure etc</p>	<p>Services provided by such senior doctors/consultants/technicians, whether employees or not, are healthcare services which are exempt from GST. In the eg, entire amount of ₹ 10,000 is exempt from tax. As going through the definition of health care services, it can be inferred that hospitals also provide Healthcare Services</p>

Issue	Clarification
<p>Food supplied to the patients: Health care services provided by the clinical establishments will include food supplied to the patients; but such food may be prepared by the canteens run by the hospitals or may be outsourced by the Hospitals from outdoor caterers. When outsourced, there should be no ambiguity that the suppliers shall charge tax as applicable and hospital will get no ITC. If hospitals have their own canteens and prepare their own food; then no ITC will be available on inputs including capital goods and in turn if they supply food to the doctors and their staff; such supplies, even when not charged, may be subjected to GST. (Circular No. 32/06/2018-GST dt 12-2-2018)</p>	<p>Food supplied to the in-patients as advised by the doctor/nutritionists is a part of composite supply of healthcare and not separately taxable. Other supplies of food by a hospital to patients (not admitted) or their attendants or visitors are taxable.</p>
<p>Ambulance services provided by National Health Mission (NHM) National Health Mission is a flagship programme of the Govt of India wherein the CG provides technical and financial support to States to strengthen healthcare systems including free ambulance services. Some SG themselves provide the free ambulance services to the patients while many states are operating the ambulance service on an outsourced model i.e. Services are provided by a private service provider(PSP) on behalf of SG and it charges a fee from the SG for said ambulance services. However, in both the cases, ambulance services are provided free of cost to the patients.</p>	<p>Services provided by SG and PSP by way of transportation of patients in ambulance are exempt under Entry No. 74.</p>

Issue	Clarification
<p>Ambulance services provided by National Health Mission (NHM) As regards ambulance services provided by PSPs (under NHM) on behalf of SG against consideration in the form of fee or otherwise charged from SG, since ambulance services are an activity in relation to 'health and sanitation' and 'public health' functions entrusted to Panchayats and Municipalities under Article 243G and 243W of the constitution of India, same would be exempt as under –</p> <ul style="list-style-type: none"> a) Entry No. 3 if it is a pure service and not a composite supply involving supply of any goods b) Entry No. 3A if it is a composite supply of goods and services in which the value of supply of goods constitutes not more than 25% of the value of the said composite supply. <p>(Circular No. 51/25/2018-GST dt 31-7-2018)</p>	<p>Exempt if falling under Entry No. 3 or 3A</p>
<p>Applicability of GST on services in form of Assisted Reproductive Technology (ART)/ In vitro fertilization (IVF) Health care services provided by a clinical establishment, an authorized medical practitioner or para-medics are exempt. [Sl. No. 74 of notification No. 12/2017- Central Tax (Rate) dated 28.06.2017]. The abnormality/disease/ailment of infertility is treated using ART procedure such as IVF. (Circular No. 177/09/2022-GST, dated 3-8-2022)</p>	<p>It is clarified that services by way of IVF are also covered under the definition of health care services for the purpose of above exemption notification.</p>

- 4. Services other than health care services in clinical establishment's premises** – Supply of services other than healthcare services such as renting of shops, auditoriums in the premises of the clinical establishment, display of advertisements etc will be subject to GST.

Health Care Services

Illustration – ABC Healthcare Hospital provides the following details of amount received from the various services.

S.No.	Particulars	Amount (₹)
1.	Amount received towards medical examination and patients admission to critical care units	1,00,50,000
2.	Amount received towards doctor's visit at home of patients	5,00,000
3.	Amount received towards nursing care at home of patients	11,20,000
4.	Cosmetic surgery services	8,00,000
5.	Cosmetic surgery of patients traumatised by accidents to reconstruct anatomy of body	25,00,000
6.	Path-laboratory charges for diagnosis	30,00,000
7.	Receipt against cord blood bank services by child care unit	10,00,000
8.	Charges for providing common Bio-medical waste treatment facility to other clinical establishments	25,00,000
9.	Receipts from veterinary services section for animals	5,51,000
10.	Ambulance service charges	8,49,000
11.	Receipts of physiotherapy section covered under paramedics	2,80,000
12.	Receipts from Unani treatments, a recognised system of medicine in terms of Section 2(h) of Clinical Establishment Act, 2010	3,20,000
13.	Receipts from Mortuary services	5,00,000

Health Care Services

Ans – Calculation of GST Liability of ABC Healthcare Hospital

S.No.	Particulars	Amount (₹)
1.	Amount received towards medical examination and patients admission to critical care units	NIL
2.	Amount received towards doctor's visit at home of patients	NIL
3.	Amount received towards nursing care at home of patients	NIL
4.	Cosmetic surgery services	8,00,000
5.	Cosmetic surgery of patients traumatised by accidents to reconstruct anatomy of body	NIL
6.	Path-laboratory charges for diagnosis	NIL
7.	Receipt against cord blood bank services by child care unit	NIL
8.	Charges for providing common Bio-medical waste treatment facility to other clinical establishments	NIL
9.	Receipts from veterinary services section for animals	NIL
10.	Ambulance service charges	NIL
11.	Receipts of physiotherapy section covered under paramedics	NIL
12.	Receipts from Unani treatments, a recognised system of medicine in terms of Section 2(h) of Clinical Establishment Act, 2010	NIL
13.	Receipts from Mortuary services	NIL

Ans – Total Value of Taxable Services ₹ 8,00,000 ; CGST @ 9% ₹ 72,000 ; SGST @ 9% ₹ 72,000

Working Notes :-

- (i) Entry No. 74 of Exemption Notification no. 12/2017 CT (R), exempts healthcare services by clinical establishment, an authorised medical practitioner and paramedics. Clause (zg) of said notification covers diagnosis, treatment or care of illness, injury, abnormality, etc. in any recognised system of medicines in India, under health care services. So, the said service is exempt from tax.
- (ii) Entry No. 74 of Exemption Notification no. 12/2017 CT (R), exempts health care services provided by medical practitioners and paramedics irrespective of place of provision of these services, whether it is hospital or patient's home.
- (iii) Clause (zg) of Exemption Notification no. 12/2017 CT (R) has specifically excluded hair transplant, cosmetic or plastic surgery from the scope of the term "health care service". So, the same will be taxable. However, when such treatments are undertaken to restore anatomy of the body, then, the same will be covered under the definition of health care services and thus, it will be exempt in such case.
- (iv) Cord Blood Bank services are covered by Entry No. 73 of Exemption Notification no. 12/2017 CT (R). So, it is exempt.
- (v) Common Bio-medical waste treatment facility provided to clinical establishments is covered by Entry No. 75 of Exemption Notification no. 12/2017 CT (R). So, it is exempt.
- (vi) Services by veterinary clinic are covered by Entry No. 46 of Exemption Notification no. 12/2017 CT (R). So, it is exempt.
- (vii) Ambulance services by way of transportation of patients are specifically covered by Entry No. 74 of Exemption Notification no. 12/2017 CT (R).
- (viii) Mortuary or crematorium services are neither treated as supply of goods nor supply of services as per para 4 of Schedule III of the CGST Act, 2017. Hence, not liable to GST.

Construction Services

Entry No.	Description of Services
10	Services provided by way of pure labour contracts of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of a civil structure or any other ORIGINAL WORKS pertaining to the <ul style="list-style-type: none">• beneficiary-led individual house construction or• enhancement under the Housing for All (Urban) Mission or Pradhan Mantri Awas Yojana.
11	Services by way of pure labour contracts of construction, erection, commissioning, or installation of ORIGINAL WORKS pertaining to a SINGLE RESIDENTIAL UNIT otherwise than as a part of a RESIDENTIAL COMPLEX .

Note –

1. Housing for All (Urban) Mission or Pradhan Mantri Awas Yojana (hereinafter referred to as **PMAY**) is a programme launched by the Ministry of Housing and Urban Poverty Alleviation (**MoHUPA**) which envisions provision of Housing for All by 2022 when the nation completes 75 years of its independence.
2. **Important Definitions –**
 - a) **“ORIGINAL WORKS”** means- all new constructions; (i) all types of additions and alterations to abandoned or damaged structures on land that are required to make them workable; (ii) erection, commissioning or installation of plant, machinery or equipment or structures, whether pre-fabricated or otherwise; (**Definition in Clause (zs) under NN 12/2017-CTR, dt 28-6-2017**)
 - b) **“RESIDENTIAL COMPLEX”** means any complex comprising of a building or buildings, having more than one **SINGLE RESIDENTIAL UNIT**; (**Definition in Clause (zzb) under NN 12/2017-CTR, dt 28-6-2017**)
 - c) **“SINGLE RESIDENTIAL UNIT”** means a self-contained residential unit which is designed for use, wholly or principally, for residential purposes for one family; (**Definition in Clause (zze) under NN 12/2017-CTR, dt 28-6-2017**)

Passenger Transportation Services

Entry No.	Description of Services
15	<p>Transport of passengers, with or without accompanied belongings, by –</p> <p>(a) Air [in economy class], 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; [Words inserted by NN 4/2022-CTR, w.e.f. 18-7-2022]</p> <p>(b) non-airconditioned CONTRACT CARRIAGE other than RADIO TAXI, for transportation of passengers, excluding tourism, conducted tour, charter or hire; or</p> <p>(c) STAGE CARRIAGE other than air-conditioned stage carriage.</p> <p>Provided that nothing contained in items (b) and (c) above shall apply to services supplied through an electronic commerce operator, and notified under sub-section (5) of Section 9 of the CGST Act, 2017. [Proviso inserted vide NN 16/2021-CTR, dated 18-11-2021, w.e.f. 1-1-2022]</p>
16	<p>Services provided to the Central Government, by way of transport of passengers with or without accompanied belongings, by air, embarking from or terminating at a regional connectivity scheme airport, against consideration in the form of viability gap funding:</p> <p>Provided that nothing contained in this entry shall apply on or after the expiry of a period of 3 years from the date of commencement of operations of the regional connectivity scheme airport as notified by the Ministry of Civil Aviation.</p>

Passenger Transportation Services

Entry No.	Description of Services
17	<p>Service of transportation of passengers, with or without accompanied belongings, by—</p> <ul style="list-style-type: none">a) railways in a class other than—<ul style="list-style-type: none">i. first classii. an air-conditioned coachb) metro, monorail or tramway;c) inland waterways;d) public transport, other than predominantly for tourism purpose, in a vessel between places located in India; ande) METERED CABS or auto rickshaws (including E-RICKSHAWS). <p>Provided that nothing contained in item (e) above shall apply to services supplied through an electronic commerce operator, and notified under sub-section (5) of Section 9 of the CGST Act, 2017. [Proviso inserted vide NN 16/2021-CTR, dated 18-11-2021, w.e.f. 1-1-2022]</p>
22	<p>Services by way of giving on hire –</p> <ul style="list-style-type: none">(a) to a STATE TRANSPORT UNDERTAKING, a motor vehicle meant to carry more than twelve passengers; or(aa) to a local authority, an Electrically operated vehicle meant to carry more than 12 passengers; or <p>Explanation.- For the purposes of this entry, “Electrically operated vehicle” means vehicle falling under Chapter 87 in the First Schedule to the Customs Tariff Act, 1975 which is run solely on electrical energy derived from an external source or from one or more electrical batteries fitted to such road vehicle</p> <p>Analysis :</p> <ul style="list-style-type: none">(i) For e.g., if a bus is given on hire to a state transport undertaking, then, GST is exempted on the hire charges.

Note –

1. Important Definitions –

- a) **“CONTRACT CARRIAGE”** means a motor vehicle which carries a passenger or passengers for hire or reward and is engaged under a contract, whether expressed or implied, for the use of such vehicle as a whole for the carriage of passengers mentioned therein and entered into by a person with a holder of a permit in relation to such vehicle or any person authorized by him in this behalf on a fixed or an agreed rate or sum –
 - a) **On a time basis, whether or not with reference to any route or distance Or**
 - b) **From one point to another, and in either case, without stopping to pick up or set down passengers not included in the contract anywhere during the journey, and includes –**
 - a) **A maxicab and**
 - b) **A motor cab notwithstanding that separate fares are charged for its passengers. (Definition in clause (7) of section 2 of the Motor Vehicles Act, 1988)**
- b) **“RADIO TAXI”** means a taxi including a **RADIO CAB**, by whatever name called, which is in two-way radio communication with a central control office and is enabled for tracking using the Global Positioning System or General Packet Radio Service; **(Definition in Clause (zv) under NN 12/2017-CTR, dt 28-6-2017)**
- c) **“STAGE CARRIAGE”** means a motor vehicle constructed or adapted to carry more than 6 passengers excluding the driver for hire or reward at separate fares paid by or for individual passengers, either for the whole journey or for stages of the journey. **(Definition in Clause (zzh) under NN 12/2017-CTR, dt 28-6-2017)**

- d) **“METERED CAB”** means any contract carriage on which an automatic device, of the type and make approved under the relevant rules by the State Transport Authority, is fitted which indicates reading of the fare chargeable at any moment and that is charged accordingly under the conditions of its permit issued under the Motor Vehicles Act, 1988 and the rules made thereunder (but does not include **RADIO TAXI**); **(Definition in Clause (zp) under NN 12/2017-CTR, dt 28-6-2017)**
- e) **“E-RICKSHAW”** means a special purpose battery powered vehicle of power not exceeding 4000 watts, having three wheels for carrying goods or passengers, as the case may be, for hire or reward, manufactured, constructed or adapted, equipped and maintained in accordance with such specifications, as may be prescribed in this behalf; **(Definition in Clause (za) under NN 12/2017-CTR, dt 28-6-2017)**

Note -

1. **Entry No 15** – No GST is payable for the service rendered by a non A.C. bus with a contract carriage permit. However, transport of passengers in any contract carriage whether A.C. or non A.C. for the transportation for tourism, conducted tour, charter or hire is taxable.
 - ✓ Further, transport of passengers by a radio taxi is not exempted, whether A.C. or non A.C., hence, taxable.
 - ✓ Transport of passengers by ropeway, cable car or aerial tramway is not exempted under any exemption entry, hence, it is taxable.
2. **Entry No. 17(d)** – The words ‘other than predominantly for tourism purpose’ qualify the preceding words ‘public transport’. This implies that to qualify for exemption under this entry, the public transport by a vessel between places located in India should not be predominantly for tourism purpose.
 - ✓ Normal public ships or other vessels that sail between places located in India would be covered in this entry even if some of the passengers on board are using the service for tourism because predominantly, such service is not for tourism purpose. However, services provided by leisure/charter vessels/a cruise ship, predominant purpose of which is tourism, would not be covered in here even if some of the passengers in such vessels are not tourists.
3. If any separate amount is charged for transportation of accompanied belongings also, then, applicability of provisions of GST on such charges will be the same which are applicable for the charges for the transportation of passenger who is carrying accompanied belongings. [i.e. if GST is exempt on transportation of passenger, then, GST would be exempt on transportation of accompanied belongings also and vice versa.]
4. Transport of passengers by Air is not covered in the above entry of exemption list, hence, taxable.

Passenger Transportation Services

Note -

3. Effect of NN 16/2021-CTR dated 18-11-2021 and NN 17/2021-CTR dated 18-11-2021 –

S. No.	Type of vehicle and how booked	Taxability	Who is liable to pay?
1.	Non-airconditioned stage carriage - booked through Electronic Commerce Operators (travel apps)	Taxable	Electronic Commerce Operator
2.	Non-airconditioned stage carriage - booked directly by the Bus operator (Physical booking, own website booking, etc.)	Exempted	
3.	Non-airconditioned contract carriage - booked through Electronic Commerce Operators (travel apps)	Taxable	Electronic Commerce Operator
4.	Non-airconditioned contract carriage - booked directly by the Bus operator (Physical booking, own website booking, etc.)	Exempted	
5.	Metered cabs and autorickshaws booked through Electronic Commerce Operators (travel apps)	Taxable	Electronic Commerce Operator
6.	Metered cabs and autorickshaws booked directly	Exempted	

4. Clarified through Circular No. 177/09/2022-TRU dated 3-8-2022 - Whether hiring of vehicles by firms for transportation of their employees to and from work is exempt under Sr. No. 15(b) of Notification No. 12/2017-Central Tax (Rate) transport of passengers by non-air conditioned contract carriage

4. Clarified through Circular No. 177/09/2022-TRU dated 3-8-2022 - Whether hiring of vehicles by firms for transportation of their employees to and from work is exempt under Sr. No. 15(b) of Notification No. 12/2017-Central Tax (Rate) transport of passengers by non-air conditioned contract carriage

- ✓ It is clarified that 'charter or hire' excluded from the above exemption entry is charter or hire of a motor vehicle for a period of time, where the renter defines how and when the vehicles will be operated, determining schedules, routes and other operational considerations.
- ✓ In other words, the said exemption would apply to passenger transportation services by non-air conditioned contract carriages falling under Heading 9964 where according to explanatory notes, transportation takes place over pre-determined route on a pre-determined schedule. The exemption shall not be applicable where contract carriage is hired for a period of time, during which the contract carriage is at the disposal of the service recipient and the recipient is thus free to decide the manner of usage (route and schedule) subject to conditions of agreement entered into with the service provider.

5. Clarified through Circular No. 177/09/2022-TRU dated 3-8-2022 - Applicability of GST on tickets of private ferry used for passenger transportation.

- ✓ Representations have been received seeking clarification on applicability of GST on private ferry tickets. It has been stated that these private ferries are used as means of transport from one island to another in Andaman and Nicobar Islands.
- ✓ As per Sl. No 17 (d) of notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 "transportation of passengers by public transport, other than predominantly for tourism purpose, in a vessel between places located in India" is exempted.

Passenger Transportation Services

- ✓ It is clarified that this exemption would apply to tickets purchased for transportation from one point to another irrespective of whether the ferry is owned or operated by a private sector enterprise or by a PSU/government.
- ✓ It is further clarified that, the expression 'public transport' used in the exemption notification only means that the transport should be open to public. It can be privately or publicly owned. Only exclusion is on transportation which is predominantly for tourism, such as services which may combine with transportation, sightseeing, food and beverages, music, accommodation such as in shikara, cruise etc. As per Sl. No 17 (d) of notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 "transportation of passengers by public transport, other than predominantly for tourism purpose, in a vessel between places located in India" is exempted

Banking and financial Services

Entry No.	Description of Services
26	Services by the Reserve Bank of India. [Entry omitted by NN 4/2022-CTR, w.e.f. 18-7-2022]
27	Services by way of— (a) extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount (other than interest involved in credit card services); (b) inter se sale or purchase of foreign currency amongst banks or authorised dealers of foreign exchange or amongst banks and such dealers.
27A	Services provided by a banking company to Basic Saving Bank Deposit (BSBD) account holders under Pradhan Mantri Jan Dhan Yojana (PMJDY).
34	Services by an acquiring bank, to any person in relation to settlement of an amount upto ₹ 2,000 in a single transaction transacted through credit card, debit card, charge card or other payment card service. Explanation. — For the purposes of this entry, “acquiring bank” means any banking company, financial institution including non-banking financial company or any other person, who makes the payment to any person who accepts such card.
42 of NN 9/2017-IT(R)	Services received by the Reserve Bank of India, from outside India in relation to management of foreign exchange reserves. Note— Any service, other than covered in this entry, provided to RBI is not exempt from GST. Hence, chargeable to GST. [Entry omitted by NN 4/2022-ITR, w.e.f. 18-7-2022]

Banking and financial Services

Entry No.	Description of Services
39A	<p>Services by an intermediary of financial services located in a multi services SEZ with International Financial Services Centre (IFSC) status to a customer located outside India for international financial services in currencies other than Indian rupees (INR).</p> <p>Explanation.- For the purposes of this entry, the intermediary of financial services in IFSC is a person,-</p> <ul style="list-style-type: none">(i) who is permitted or recognised as such by the Government of India or any Regulator appointed for regulation of IFSC; or(ii) who is treated as a person resident outside India under the Foreign Exchange Management (International Financial Services Centre) Regulations, 2015; or(iii) who is registered under the Insurance Regulatory and Development Authority of India (International Financial Service Centre) Guidelines, 2015 as IFSC Insurance Office; or(iv) who is permitted as such by Securities and Exchange Board of India (SEBI) under the Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015.

Note –

1. Services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount (other than interest involved in credit card services);
 - a) Any amount received as interest or discount (other than interest involved in credit card services) on extending deposits, loans or advances are exempt from tax **eg**
 - i. Interest received on Fixed Deposit or saving deposit or other deposit in bank or financial institution
 - ii. Interest on secured loan
 - iii. Interest on Unsecured Loan
 - iv. Interest on Debt Instrument like debenture
 - v. Invoice discounting/cheque discounting or any similar form of discounting
 - vi. Any interest/ delayed payment charges charged to clients for delay in payment of brokerage amount / settlement obligations/margin trading facility is exempt from GST since settlement obligations/margin trading facilities are transactions which are in the nature of extending loans or advances and are covered under Entry No. 27.**
 - vii. Collateralized Borrowing and Lending Obligations (CBLO) transactions** - In CBLO transactions, the borrowing bank pays an amount as consideration to the lending bank for funds provided by it for a short term. Such amount would qualify as 'consideration represented by way of interest or discount' and hence, would exempt from GST under Entry No. 27. However, if any charges or fees are levied for such transactions, the same would be a consideration and would be liable to GST.

- viii. **Instruments like repos and reverse repos** - Repos and reverse repos are financial instruments of short term call money market that are normally used by banks to borrow from or lend money to RBI. The margins, called the repo rate or reverse repo rate, in such transactions are nothing but interest charged for lending or borrowing of money. Thus, they have the characteristics of loans and deposits for interest and are accordingly exempt from GST under Entry No. 27.
- ix. **Income from Commercial Paper (CP) or Certificates of Deposit (CD)** – CP and CD are in the nature of promissory notes. Consequently, they are included in the term ‘money’ and hence, are not chargeable to GST. With regard to income from CPs or CDs, since these are the instruments for lending or borrowing money wherein consideration is represented by way of a discount or subscription to CPs or CDs, the same would be covered by entry no. 27 and is not liable to GST. However, if some service charges or service fees or documentation fees or broking charges or such like fees or charges are charged, the same would be a consideration for supply of services and liable to GST.
- x. The terms ‘Goods’ and ‘Service’ exclude ‘securities’ and the definition of ‘securities’ include ‘derivatives’. Therefore, transactions in instruments like interest **rate swaps and foreign exchange swaps** would be excluded from the definition of ‘goods’ and ‘service’ as such instruments are derivatives, hence, not chargeable to GST

- xi. Assignment or sale of secured or unsecured debts** - Secured and Unsecured debts are actionable claims. Only actionable claims in respect of lottery, betting and gambling would be taxable under GST. Where sale, transfer or assignment of debts falls within the purview of actionable claims, the same would not be subject to GST. Further, any charges collected in the course of transfer or assignment of a debt would be chargeable to GST, being in the nature of consideration for supply of services.
- xii. Interest on a finance lease transaction** - A finance lease is a method of borrowing against the asset. The interest represents the time value of money expended by the bank in financing the asset. However, in a financial lease the ownership of the asset is with the bank. In essence, it is a 'purchase the asset and lend it further' transaction for bank. Therefore, neither the services are purely in the nature of extending loans nor the consideration for a financial lease is purely in the nature of interest. Thus, interest on finance lease transactions will be taxable under GST.
- xiii. Transactions where loan of one bank is taken over by another bank** - GST will be liable on any transaction processing fees levied for such takeover of loans, but not on the interest component (as interest is exempt).
- xiv. Interchange fees on card settlement fees paid/shared by banks** - Fees charged for card settlement is a consideration which is part of a separate transaction between the banks which are parties to this transaction and shall be liable to GST.

xi. Securitization transactions undertaken by banks - Securitized assets are in the nature of securities and hence not subject to GST. However, if some service charges or service fees or documentation fees or broking charges or such like fees or charges are charged, the same would be a consideration for provision of services related to securitization and chargeable to GST.

b) Amounts not included in this exemption

i. Service charges/fees, documentation fees, broking charges, administrative charges, entry charges or such like fees or charges collected over and above interest on loan, advances or a deposit are not exempt and liable to GST.

ii. **Charges for late payment of outstanding dues on credit card** - Interest charged on outstanding credit card balances has been specifically excluded from Entry No. 27. Hence, same is liable to GST

2. Services provided by way of inter se sale or purchase of foreign currency amongst banks or authorised dealers of foreign exchange or amongst banks and such dealers. (Entry No. 27(b))

a) The term authorised dealer of foreign exchange means an authorised dealer, money changer, off-shore banking unit or any other person for the time being authorized under section 10(1) of FEMA, 1999 to deal in foreign exchange or foreign securities.

b) It is important to note that such services provided to general public will not be covered in this entry as this entry only covers sale and purchase of foreign exchange between banks and authorized dealers of foreign exchange or between banks and such dealers.

Services provided by specified government bodies

Entry No.	Description of Services
30	Services by the Employees' State Insurance Corporation (ESIC) to persons governed under the Employees' State Insurance Act, 1948 (34 of 1948).
31	Services provided by the Employees Provident Fund Organisation (PF) to the persons governed under the Employees Provident Funds and the Miscellaneous Provisions Act, 1952 (19 of 1952).
31A	Services by Coal Mines Provident Fund Organisation to persons governed by the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948).
31B	Services by National Pension System (NPS) Trust to its members against consideration in the form of administrative fee.
32	Services provided by the Insurance Regulatory and Development Authority (IRDA) of India to insurers under the Insurance Regulatory and Development Authority of India Act, 1999 (41 of 1999). [Entry omitted by NN 4/2022-CTR, w.e.f. 18-7-2022]
33	Services provided by the Securities and Exchange Board of India (SEBI) set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992) by way of protecting the interests of investors in securities and to promote the development of, and to regulate, the securities market. [Entry omitted by NN 4/2022-CTR, w.e.f. 18-7-2022]
47A	Services by way of licensing, registration and analysis or testing of food samples supplied by the Food Safety and Standards Authority of India (FSSAI) to Food Business Operators. [Entry omitted by NN 4/2022-CTR, w.e.f. 18-7-2022]
58	Services provided by the National Centre for Cold Chain Development under the Ministry of Agriculture, Cooperation and Farmer's Welfare by way of cold chain knowledge dissemination.
65A	Services by way of providing information under the Right to Information Act (RTI), 2005 (22 of 2005).

Insurance Related Services

Life Insurance Business Services

Entry No.	Description of Services
28	Services of life insurance business provided by way of annuity under the National Pension System regulated by the Pension Fund Regulatory and Development Authority of India under the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013).
29	Services of life insurance business provided or agreed to be provided by the Army, Naval and Air Force Group Insurance Funds to members of the Army, Navy and Air Force, respectively, under the Group Insurance Schemes of the Central Government.
29A	Services of life insurance provided or agreed to be provided by the Naval Group Insurance Fund to the personnel of Coast Guard under the Group Insurance Schemes of the Central Government.
29B	Services of life insurance provided or agreed to be provided by the Central Armed Police Forces (under Ministry of Home Affairs) Group Insurance Funds to their members under the Group Insurance Schemes of the concerned Central Armed Police Force.
36	Services of life insurance business provided under following schemes- (a) Janashree Bima Yojana; (b) Aam Aadmi Bima Yojana; (c) Life micro-insurance product as approved by the Insurance Regulatory and Development Authority, having maximum amount of cover of ₹ 200,000; (d) Varishtha Pension BimaYojana; (e) Pradhan Mantri Jeevan JyotiBimaYojana; (f) Pradhan Mantri Jan Dhan Yojana; (g) Pradhan Mantri Vaya Vandan Yojana.

Insurance Related Services

General Insurance business services

Entry No.	Description of Services
35	Services of general insurance business provided under following schemes – (a) Hut Insurance Scheme; (b) Cattle Insurance under Swarnajaynti Gram Swarozgar Yojna (earlier known as Integrated Rural Development Programme); (c) Scheme for Insurance of Tribals; (d) Janata Personal Accident Policy and Gramin Accident Policy; (e) Group Personal Accident Policy for Self-Employed Women; (f) Agricultural Pumpset and Failed Well Insurance; (g) premia collected on export credit insurance; (h) Restructured Weather Based Crop Insurance Scheme (RWCIS), approved by the Government of India and implemented by the Ministry of Agriculture; (i) Jan Arogya Bima Policy; (j) Pradhan Mantri Fasal BimaYojana (PMFBY); (k) Pilot Scheme on Seed Crop Insurance; (l) Central Sector Scheme on Cattle Insurance; (m) Universal Health Insurance Scheme; (n) Rashtriya Swasthya Bima Yojana; (o) Coconut Palm Insurance Scheme; (p) Pradhan Mantri Suraksha BimaYojna; (q) Niramaya Health Insurance Scheme implemented by the Trust constituted under the provisions of the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 (44 of 1999) (r) Bangla Shasya Bima

Insurance Related Services

General Insurance business services

Entry No.	Description of Services
36A	Services by way of reinsurance of the insurance schemes specified in serial number 35 or 36 or 40
37	Services by way of collection of contribution under the Atal Pension Yojana .
38	Services by way of collection of contribution under any pension scheme of the State Governments .
40	Services provided to the Central Government, State Government, Union territory under any insurance scheme for which total premium is paid by the Central Government, State Government, Union territory .
32	Services provided by the Insurance Regulatory and Development Authority (IRDA) of India to insurers under the Insurance Regulatory and Development Authority of India Act, 1999 (41 of 1999). [Entry omitted by NN 4/2022-CTR, w.e.f. 18-7-2022]
39	Services by the following persons in respective capacities – (c) business facilitator or a business correspondent to an insurance company in a rural area.

Entertainment and Sports Related Services

Entry No.	Description of Services
79	<p>Services by way of admission to a museum, national park, wildlife sanctuary, tiger reserve or zoo.</p> <p>Note: Under this notification, ‘museum, national park, wildlife sanctuary, tiger reserve and zoo’ shall have the same meaning as assigned to it in the Wild Life (Protection) Act, 1972.</p>
79A	<p>Services by way of admission to a protected monument so declared under the Ancient Monuments and Archaeological Sites and Remains Act 1958 or any of the State Acts, for the time being in force.</p> <p>Analysis:</p> <p>i. An ancient monument which is declared to be of national importance by or under Ancient and Historical Monuments and Archaeological Sites and Remains (Declaration of National Importance) Act, 1951, or by section 126 of the States Re-organisation Act, 1956 is called a protected monument. More than 3,600 historical monuments and archaeological sites have been declared as protected monuments in India. [E.g. – Taj Mahal in Agra, Jantar Mantar in Delhi, etc.]</p> <p>ii. No GST will be levied on the price charged for Entry ticket of these protected monuments as per this entry no. 79A of NN 12/2017 CT (R).</p> <p>[Entry No. 79A omitted by NN 11/2022-CTR, w.e.f. 18-7-2022]</p>

Entertainment and Sports Related Services

Entry No.	Description of Services
81	<p>Services by way of right to admission to-</p> <ul style="list-style-type: none">a) circus, dance, or theatrical performance including drama or ballet;b) award function, concert, pageant, musical performance or any sporting event other than a RECOGNISED SPORTING EVENT;c) RECOGNISED SPORTING EVENT;d) planetarium, <p>where the consideration for right to admission to the events or places as referred to in items (a), (b), (c) or (d) above is NOT more than Rs 500 per person.</p> <p>Note – As per clause (zv) under this notification, ‘RECOGNISED SPORTING EVENT’ means any sporting event –</p> <ul style="list-style-type: none">(i) organised by a RECOGNISED SPORTS BODY where the participating team or individual represent any district, state, zone or country;(ii) organised –<ul style="list-style-type: none">A. by a national sports federation, or its affiliated federations, where the participating teams or individuals represent any district, state or zone;B. 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;C. by Central Civil Services Cultural and Sports Board;D. as part of national games, by Indian Olympic Association; orE. under Panchayat Yuva Kreedha Aur Khel Abhiyaan (PYKKA) Scheme;

Entertainment and Sports Related Services

Entry No.	Description of Services
78	<p>Services by an artist by way of a performance in folk or classical art forms of-</p> <ul style="list-style-type: none">(a) music, or(b) dance, or(c) theatre, <p>if the consideration charged for such performance is not more than ₹ 150,000:</p> <p>Provided that the exemption shall NOT apply to service provided by such artist as a BRAND AMBASSADOR.</p> <p>Note: As per clause (m) under this notification, 'BRAND AMBASSADOR' means a person engaged for promotion or marketing of a brand of goods, service, property or actionable claim, event or endorsement of name, including a trade name, logo or house mark of any person.</p> <p>Analysis:</p> <ul style="list-style-type: none">i. All other activities by an artist in other art forms e.g. western music or dance, modern theatres, performance of actors in films or television serials would be taxable.ii. Similarly, activities of artists in still art forms e.g. painting, sculpture making, etc. are taxable.iii. Services provided by such an artist as brand ambassador is also taxable.iv. Services by an artist by way of a performance in folk or classical art form of (a) music, or (b) dance, or (c) theatre, are exempt only if the consideration charged for such performance is upto Rs. 1,50,000/ - per performance.v. In case, where consideration charged for such service is Rs. 1,51,000/-, then, GST would be chargeable and it will be charged on entire Rs. 1,51,000/-.

Entertainment and Sports Related Services

Entry No.	Description of Services
68	<p>Services provided to a RECOGNISED SPORTS BODY by-</p> <ul style="list-style-type: none">(a) an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organised by a recognized sports body;(b) another RECOGNISED SPORTS BODY. <p>As per clause (zw) under this notification, ‘RECOGNISED SPORTS BODY’ means –</p> <ul style="list-style-type: none">(i) the Indian Olympic Association;(ii) Sports Authority of India;(iii) a national sports federation recognised by the Ministry of Sports and Youth Affairs of the Central Government, and its affiliate federations;(iv) national sports promotion organisations recognised by the Ministry of Sports and Youth Affairs of the Central Government;(v) the International Olympic Association or a federation recognised by the International Olympic Association; or(vi) a federation or a body which regulates a sport at international level and its affiliated federations or bodies regulating a sport in India;
54 of NN 9/2017-ITR	<p>Services provided by a TOUR OPERATOR to a foreign tourist in relation to a tour conducted wholly outside India.</p> <p>Note: As per clause (zzm) “TOUR OPERATOR” means any person engaged in the business of planning, scheduling, organizing, arranging tours (which may include arrangements for accommodation, sightseeing or other similar services) by any mode of transport, and includes any person engaged in the business of operating tours;</p>

Entertainment and Sports Related Services

Entry No.	Description of Services
82	Services by way of right to admission to the events organised under FIFA U-17 World Cup 2017.
82A	Services by way of right to admission to the events organised under FIFA U-17 Women's World Cup 2020 [<i>whenever rescheduled</i>]. [Words inserted vide NN 4/2022-CTR, w.e.f. 18-7-2022]
82B	Services by way of right to admission to the events organized under AFC Women's Asia Cup 2022. [Entry 82B inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021]
9A	<p>Services provided by and to Fédération Internationale de Football Association (FIFA) and its subsidiaries directly or indirectly related to any of the events under FIFA U-17 World Cup 2017 to be hosted in India.</p> <p>Provided that Director (Sports), Ministry of Youth Affairs and Sports certifies that the services are directly or indirectly related to any of the events under FIFA U-17 World Cup 2017.</p>
9AA	<p>Services provided by and to Fédération Internationale de Football Association (FIFA) and its subsidiaries directly or indirectly related to any of the events under FIFA U-17 Women's World Cup 2020 to be hosted in India whenever scheduled.</p> <p>Provided that Director (Sports), Ministry of Youth Affairs and Sports certifies that the services are directly or indirectly related to any of the events under FIFA U-17 World Cup 2017.</p> <p>[Words "whenever scheduled" inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021]</p>

Entertainment and Sports Related Services

Entry No.	Description of Services
9AB	<p>Services provided by and to Asian Football Confederation (AFC) and its subsidiaries directly or indirectly related to any of the events under AFC Women's Asia Cup 2022 to be hosted in India.</p> <p>Provided that Director (Sports), Ministry of Youth Affairs and Sports certifies that the services are directly or indirectly related to any of the events under AFC Women's Asia Cup 2022.</p> <p>[Entry 9AB inserted vide NN 7/2021-CTR dt. 30-9-2021 w.e.f. 1-10-2021]</p>
53	<p>Services by way of SPONSORSHIP of SPORTING EVENTS organised -</p> <ul style="list-style-type: none">a) by a national sports federation, or its affiliated federations, where the participating teams or individuals represent any district, State, zone or Country;b) 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;c) by the Central Civil Services Cultural and Sports Board;d) as part of national games, by the Indian Olympic Association; ore) under the Panchayat Yuva Kreedha Aur Khel Abhiyaan Scheme.

Services by an Unincorporated body or a non-profit Entity

Entry No.	Description of Services
77	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 – (a) as a trade union; (b) for the provision of carrying out any activity which is exempt from the levy of Goods and service Tax; or (c) up to an amount of ₹ 7,500 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.
77A	Services provided by an unincorporated body or a non-profit entity registered under any law for the time being in force, engaged in,- (i) activities relating to the welfare of industrial or agricultural labour or farmers; or (ii) promotion of trade, commerce, industry, agriculture, art, science, literature, culture, sports, education, social welfare, charitable activities and protection of environment, to its own members against consideration in the form of membership fee upto an amount of ₹ 1,000/- per member per year.

Note –

Co-operative Housing Societies are entities registered under the co-operative laws of the respective States. These are a collective body of persons, who stay in a residential society and as a collective body, they supply certain services to its members, like collecting statutory dues from its members and remitting to statutory authorities, maintenance of the building, security etc.

A Co-operative Housing Society is like a club, which is composed of its members. Service provided by a Housing Society

Services by an Unincorporated body or a non-profit Entity

to its members is treated as service provided by one person to another. The activities of the housing society would attract the levy of GST and the housing society would be required to register and comply with the GST Law –

1. Registration by Co-operative Housing Society –

1. Turnover exceeds threshold limit -

- a) Only one type of Income - The total contribution of all the individual members towards maintenance is less than ₹ 7,500 – Not Required u/s 23
- b) More than one type of Income – The total contribution of all the individual members towards maintenance is less than ₹ 7,500 – Take registration and pay tax only on taxable income
- c) The total contribution of all the individual members towards maintenance is more than ₹ 7,500 – Required u/s 22. For eg, if the maintenance charges are ₹9,000 per month per member, GST @ 18% shall be payable on the entire amount of ₹ 9,000 and not on [₹ 9,000 - ₹ 7,500] = ₹ 1,500

2. Turnover does not exceed threshold limit – Registration not required even if the amount charged is more than ₹7,500 per member.

2. Monthly limit of ₹ 7,500 referred in Entry 77 – Statutory dues such as property tax, electricity charges etc. forming part of the monthly maintenance bill raised by the society on its members would be excluded while computing the aforesaid monthly limit of ₹ 7,500.

3. Taxability of various charges collected by societies

- a) Property Tax – actual as per Municipal Corporation of Greater Mumbai (MCGM)
- b) Water Tax – Municipal Corporation of Greater Mumbai (MCGM)
- c) Non-Agricultural Tax – Maharashtra State Government

Note –

- d) Electricity charges
- e) Sinking Fund – mandatory under the Bye-laws of the Co-operative Societies
- f) Repairs and Maintenance fund
- g) Car Parking Charges
- h) Non-Occupancy Charges
- i) Simple interest for late payment

CBIC has clarified –

- 1. Property Tax, Water Tax** – Services provided by CG, SG, UT or LA to a person other than business entity is exempted from GST. So, Property Tax, Water Tax, if collected by the RWA/Co-operative Society on behalf of the MCGM from individual flat owners, then GST is not leviable.
- 2. Non-Agricultural Tax, Electricity Charges** – GST is not leviable on these charges which are collected under other Statutes from individual flat owners. However, if these charges are collected by the society for generation of electricity by Society's generator or to provide drinking water facility or any other service, then such charges are liable to GST.
- 3. Sinking Fund** – mandatory under the Bye-laws of the Co-operative Societies, Repairs and Maintenance fund, Car Parking Charges, Non-Occupancy Charges and Simple interest for late payment – Leviable to GST as these charges are collected by the RWA/Co-operative Society for supply of services meant for its members.

Services by an Unincorporated body or a non-profit Entity

Circular No. 109/28/2019-GST dt 22-7-2019

S.No.	Issue	Clarification
1.	Are the maintenance charges paid by residents to the Resident Welfare Association (RWA) in a housing society exempt from GST and if yes, is there an upper limit on the amount of such charges for the exemption to be available?	Supply of service by RWA (unincorporated body or a non-profit entity registered under any law) to its own members by way of reimbursement of charges or share of contribution up to an amount of Rs. 7,500 per month per member for providing services and goods for the common use of its members in a housing society or a residential complex are exempt from GST.
2.	A RWA has aggregate turnover of Rs.20 lakh or less in a financial year. Is it required to take registration and pay GST on maintenance charges if the amount of such charges is more than Rs. 7,500/- per month per member?	No. If aggregate turnover of an RWA does not exceed Rs.20 Lakh in a financial year, it shall not be required to take registration and pay GST even if the amount of maintenance charges exceeds Rs. 7,500/- per month per member. RWA shall be required to pay GST on monthly subscription/contribution charged from its members, only if such subscription is more than Rs. 7,500/- per month per member and the annual aggregate turnover of RWA by way of supplying of services and goods is also Rs. 20 lakhs or more.
3.	Is the RWA entitled to take input tax credit of GST paid on input and services used by it for making supplies to its members and use such ITC for discharge of GST liability on such supplies where the amount charged for such supplies is more than Rs. 7,500/- per month per member?	RWAs are entitled to take ITC of GST paid by them on capital goods (generators, water pumps, lawn furniture etc.), goods (taps, pipes, other sanitary/hardware fillings etc.) and input services such as repair and maintenance services.

Services by an Unincorporated body or a non-profit Entity

Circular No. 109/28/2019-GST dt 22-7-2019

S.No.	Issue	Clarification
4.	Where a person owns two or more flats in the housing society or residential complex, whether the ceiling of Rs. 7,500/- per month per member on the maintenance for the exemption to be available shall be applied per residential apartment or per person?	<p>As per general business sense, a person who owns two or more residential apartments in a housing society or a residential complex shall normally be a member of the RWA for each residential apartment owned by him separately. The ceiling of Rs. 7,500/- per month per member shall be applied separately for each residential apartment owned by him.</p> <p>For example, if a person owns two residential apartments in a residential complex and pays Rs. 15,000/- per month as maintenance charges towards maintenance of each apartment to the RWA (Rs. 7,500/- per month in respect of each residential apartment), the exemption from GST shall be available to each apartment.</p>

Other Exempt Services

Entry No.	Description of Services
2	Services by way of transfer of a going concern, as a whole or an independent part thereof.

Note –

- 1. Entry No. 2 – Transfer of a Going Concern** – Transfer of a going concern means transfer of a running business which is capable of being carried on by the purchaser as an independent business. Such sale of business as a whole is not only a transfer of goods or immovable property, comprise a comprehensive sale of immovable property, goods and transfer of unexecuted orders, employees, goodwill etc.
2. Since, transfer of a going concern is not merely a transfer of title in either the immovable property or goods, therefore, it may amount to service. Hence, to provide exemption to such transactions, this exemption is provided for.

Entry No.	Description of Services
49	Services by way of collecting or providing news by an independent journalist, Press Trust of India or United News of India.
50	Services of public libraries by way of lending of books, publications or any other knowledge-enhancing content or material.

Other Exempt Services

Entry No.	Description of Services
52	Services by an organiser to any person in respect of a business exhibition held outside India.
52A	<p>Tour operator service, which is performed partly in India and partly outside India, supplied by a tour operator to a foreign tourist, to the extent of the value of the tour operator service which is performed outside India:</p> <p>Provided that value of the tour operator service performed outside India shall be such proportion of the total consideration charged for the entire tour which is equal to the proportion which the number of days for which the tour is performed outside India has to the total number of days comprising the tour, or 50% of the total consideration charged for the entire tour, whichever is less:</p> <p>Provided further that in making the above calculations, any duration of time equal to or exceeding 12 hours shall be considered as one full day and any duration of time less than 12 hours shall be taken as half a day.</p> <p>Explanation. -“foreign tourist” means a person not normally resident in India, who enters India for a stay of not more than six months for legitimate non-immigrant purposes.</p> <p>Illustrations: A tour operator provides a tour operator service to a foreign tourist as follows:-(a) 3 days in India, 2 days in Nepal; Consideration Charged for the entire tour: Rs.1,00,000/-Exemption: Rs.40,000/- (=Rs.1,00,000/-x 2/5) or, Rs.50,000/- (= 50% of Rs.1,00,000/-) whichever is less, i.e., Rs.40,000/- (i.e., Taxable value: Rs.60,000/-);</p> <p>(b) 2 days in India, 3 nights in Nepal; Consideration Charged for the entire tour: Rs.1,00,000/-Exemption: Rs.60,000 (=Rs.1,00,000/-x 3/5) or, Rs.50,000/- (=50% of Rs.1,00,000/-) whichever is less, i.e., Rs.50,000/- (i.e., Taxable value: Rs.50,000/-);</p> <p>(c) 2.5 days in India, 3 days in Nepal; Consideration charged for the entire tour: Rs.1,00,000/-Exemption: Rs.54,545 (=Rs.1,00,000/-x 3/5.5) or, Rs.50,000/- (= 50% of Rs.1,00,000/-) whichever is less, i.e., Rs.50,000/- (i.e., Taxable value: Rs.50,000/-) [Entry inserted vide NN 4/2022-CTR, w.e.f. 18-7-2022]</p>

Note -

- (i) The organiser is a person who arranges for holding of the exhibition and carries out various activities like booking of area of land for holding exhibition, approaching various prospective participants for selling the stall to be established at exhibition, advertising for holding of exhibition, etc.
- (ii) The amount received will be the amount charged by the organiser for allotting the stall or space in the exhibition centre to the participants (i.e. business exhibitors), which is a taxable service.
- (iii) But, if such amount is received for holding business exhibition outside India, then, it will be exempt from GST under this entry.
- (iv) The exemption is available to the organiser even if the amount is received in Indian currency, as this clause does not provide that amount must be received by organiser in foreign currency.
- (v) The participants of business exhibition may be from India or outside India.

Other Exempt Services

Entry No.	Description of Services
25	Transmission or distribution of electricity by an electricity transmission or distribution utility.
10A	Services supplied by electricity distribution utilities by way of construction, erection, commissioning, or installation of infrastructure for extending electricity distribution network upto the tube well of the farmer or agriculturalist for agricultural use.

Note –

1. Entry No. 25 – Transmission or distribution of electricity by an electricity transmission or distribution utility – CBIC has clarified that the other services provided by DISCOMS (distribution companies) to consumer against charges are liable to GST such as –

- i. Application fee for releasing connection of electricity
- ii. Rental Charges against metering equipment
- iii. Testing fee for meters/ transformers, capacitors
- iv. Labour charges from customers for shifting of meters or shifting of service lines
- v. Charges for duplicate bill (**Circular No. 34/8/2018 GST Dt 1/3/2018**)

Other Exempt Services

Entry No.	Description of Services
44	Services provided by an INCUBATEE up to a total turnover of fifty lakh rupees in a financial year subject to the following conditions, namely:- (a) the total turnover had not exceeded fifty lakh rupees during the preceding financial year; and (b) a period of three years has not elapsed from the date of entering into an agreement as an incubatee.
48	Taxable services, provided or to be provided, by a Technology Business Incubator or a Science and Technology Entrepreneurship Park recognised by the National Science and Technology Entrepreneurship Development Board of the Department of Science and Technology, Government of India or bio-incubators recognised by the Biotechnology Industry Research Assistance Council, under the Department of Biotechnology, Government of India.

Note –

1. **“INCUBATEE”** means an entrepreneur located within the premises of a Technology Business Incubator (TBI) or Science and Technology Entrepreneurship Park (STEP) recognised by the National Science and Technology Entrepreneurship Development Board (NSTEDB) of the Department of Science and Technology, Government of India and who has entered into an agreement with the Technology Business Incubator or the Science and Technology Entrepreneurship Park to enable himself to develop and produce hi-tech and innovative products;

Exempt Services (IGST) as per NN 9/2017-ITR dt 28-6-2019 which are different from above Exemption and can be considered as Import of Services

Entry No.	Description of Services
10 of NN 9/2017-ITR	<p>Services received from a provider of service located in a non- taxable territory by –</p> <p>(a) the Central Government, State Government, Union territory, a local authority, a governmental authority or an individual in relation to any purpose other than commerce, industry or any other business or profession;</p> <p>(b) an entity registered under section 12AA of the Income-tax Act, 1961 (43 of 1961) for the purposes of providing charitable activities; or</p> <p>(ba) way of supply of online educational journals or periodicals to an educational institution other than an institution providing services by way of-</p> <ul style="list-style-type: none">(i) pre-school education and education up to higher secondary school or equivalent; or(ii) education as a part of an approved vocational education course <p>(c) a person located in a non-taxable territory:</p> <p>Provided that the exemption shall not apply to –</p> <ul style="list-style-type: none">(i) online information and database access or retrieval services received by persons specified in entry (a) or entry (b); or(ii) services by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India received by persons specified in the entry.

Exempt Services (IGST) as per NN 9/2017-ITR dt 28-6-2019 which are different from above Exemption and can be considered as Import of Services

Entry No.	Description of Services
10F of NN 9/2017-ITR	<p>Services supplied by an establishment of a person in India to any establishment of that person outside India, which are treated as establishments of distinct persons in accordance with Explanation 1 in section 8 of the Integrated Goods and Services Tax Act, 2017.</p> <p>Provided the place of supply of the service is outside India in accordance with section 13 of Integrated Goods and Service Tax Act, 2017</p>
10G of NN 9/2017-ITR	<p>Import of services by United Nations or a SPECIFIED INTERNATIONAL ORGANISATION for official use of the United Nations or the specified international organisation.</p> <p>Explanation. - For the purposes of this entry, unless the context otherwise requires, “SPECIFIED INTERNATIONAL ORGANISATION” means an international organisation declared by the Central Government in pursuance of section 3 of the United Nations (Privileges and Immunities Act) 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply</p>

Exempt Services (IGST) as per NN 9/2017-ITR dt 28-6-2019 which are different from above Exemption and can be considered as Import of Services

Entry No.	Description of Services
10H of NN 9/2017-ITR	<p>Import of services by Foreign diplomatic mission or consular post in India, or diplomatic agents or career consular officers posted therein.</p> <p>This exemption is subject to following conditions –</p> <ul style="list-style-type: none"><li data-bbox="315 482 2405 625">(i) that the foreign diplomatic mission or consular post in India, or diplomatic agents or career consular officers posted therein, are entitled to exemption from integrated tax, as stipulated in the certificate issued by the Protocol Division of the Ministry of External Affairs, based on the principle of reciprocity;<li data-bbox="315 686 2328 776">(ii) that the services imported are for official purpose of the said foreign diplomatic mission or consular post; or for personal use of the said diplomatic agent or career consular officer or members of his or her family.<li data-bbox="315 838 2372 981">(iii) that in case the Protocol Division of the Ministry of External Affairs, after having issued a certificate to any foreign diplomatic mission or consular post in India, decides to withdraw the same subsequently, it shall communicate the withdrawal of such certificate to the foreign diplomatic mission or consular post;<li data-bbox="315 1042 2440 1179">(iv) that the exemption from the whole of the integrated tax granted to the foreign diplomatic mission or consular post in India for official purpose or for the personal use or use of their family members shall not be available from the date of withdrawal of such certificate.

Exempt Services (IGST) as per NN 9/2017-ITR dt 28-6-2019 which are different from above Exemption and can be considered as Import of Services

Entry No.	Description of Services
12AA of NN 9/2017-ITR	<p>Services provided by an intermediary when location of both supplier and recipient of goods is outside the taxable territory.</p> <p>Following documents shall be maintained for a minimum duration of five years:</p> <ol style="list-style-type: none">1) Copy of Bill of Lading2) Copy of executed contract between Supplier/Seller and Receiver/Buyer of goods3) Copy of commission debit note raised by an intermediary service provider in taxable territory from service recipient located in non-taxable territory4) Copy of certificate of origin issued by service recipient located in non-taxable territory5) Declaration letter from an intermediary service provider in taxable territory on company letter head confirming that commission debit note raised relates to contract when both supplier and receiver of goods are outside the taxable territory”;

Other Exemptions

S.No.	Description of Services
1	<p><u>Intra-State Supplies received by a TDS deductor from any unregistered supplier exempt from CGST</u> Intra-State supplies of goods or services or both received by a deductor under section 51, from any unregistered supplier, is exempt from the whole of the central tax leviable thereon under section 9(4), Subject to the condition that the deductor is not liable to be registered otherwise than under section 24(vi) [Notification No. 9/2017-CT(R) dt 28-6-2017]</p>
2	<p><u>Services imported by unit/developer in SEZ exempt from IGST</u> All services imported by a unit/developer in the SEZ for authorized operations, Are exempt from the whole of the integrated tax leviable thereon under section 3(7) of the Customs Tariff Act, 1975 read with section 5 of the IGST Act. 2017 [Notification No. 18/2017-ITR dated 5-7-2017]</p>
3	<p><u>Central Government's share of profit petroleum exempted from CGST</u> Intra-State supply of services by way of grant of licence or lease to explore or mine petroleum crude or natural gas or both, has been exempted from so much of CGST as is leviable on the consideration paid to the Central Government in the form of Central Government's share of profit petroleum as defined in the contract entered into by the CG in this behalf. [Notification No. 5/2018-CTR dt 25-1-2018] Parallel exemption from IGST has been extended to inter-state supply of such services vide NN 5/2018-ITR dt 25-1-2018.</p>

Other Exemptions

S.No.	Description of Services
4	<p><u>IGST exempted to the extent it is paid on the consideration attributable to royalty and license fee included in transaction value under rule 10(1)(c) of Custom Valuation (Determination of value of imported goods) Rules, 2007</u></p> <p>IGST leviable on import of services in relation to temporary transfer or permitting the use or enjoyment of any intellectual property right has been exempted to the extent of the aggregate of the duties of customs leviable under sec 3(7) of the Customs Tariff Act, 1975, on consideration declared under sec 14(1) of the Customs Act, 1962 towards royalties and license fees included in the transaction value as specified under rule 10(1)(c) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 on which the appropriate duties of customs have been paid. [Notification No. 6/2018-ITR dt 25-1-2018]</p>