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CHAPTER 4 EXEMPTIONS OF GST

→ GLIMPSES

1. Introduction
2. Meaning of Exempt supply
3. Specific services exempt from CGST and IGST
4. Services exempted specifically from IGST

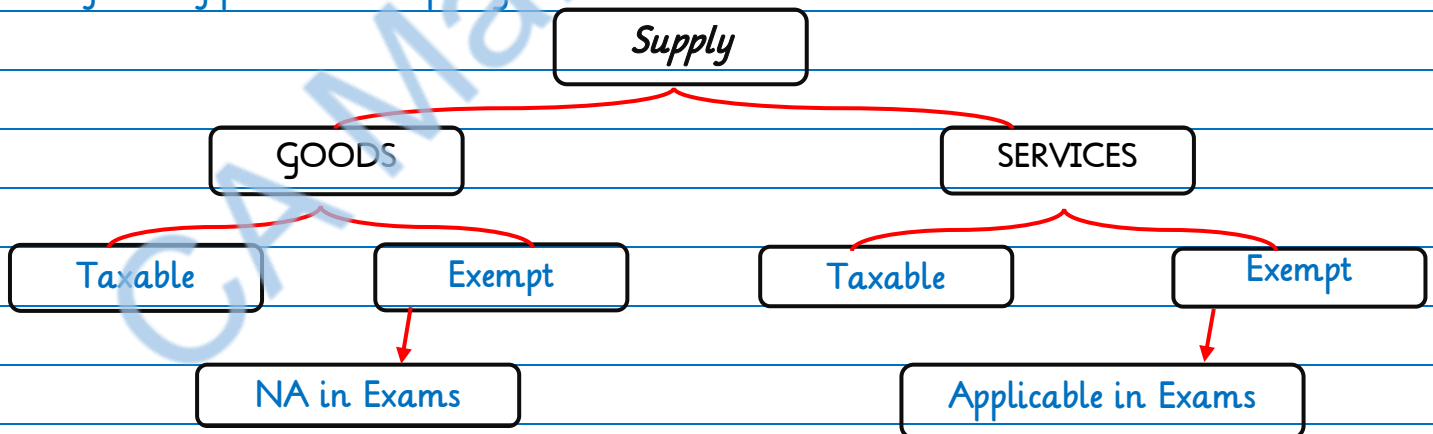
→ INTRODUCTION

When a supply of goods and/or services falls within the purview of charging section, such supply is chargeable to GST. However, for determining the liability to pay the tax, one needs to further check whether such supply of goods and/or services are exempt from tax.

→ EXEMPT SUPPLY

Exempt supply has been defined as supply of any goods or services or both which attracts nil rate of tax or which may be wholly exempt from tax and includes non taxable supply [Section 2(47) of the CGST Act, 2017]. Non-taxable supply means a supply of goods or services or both which is not leviable to tax under CGST Act or under the IGST Act, [Section 2(78) of the CGST Act, 2017].

Power to grant exemption from GST has been granted vide section 11 of the CGST Act and vide section 6 of the IGST Act. State GST laws also contain identical provisions granting power to exempt SGST.



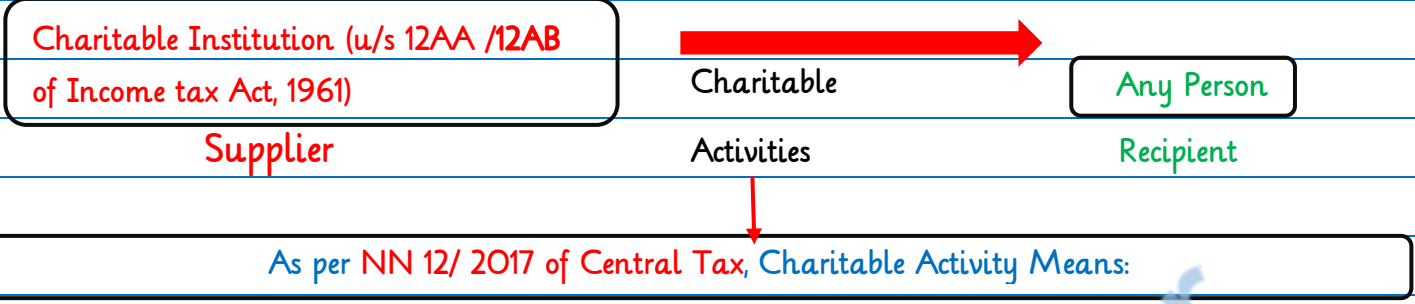
Students Note:

→ SPECIFIC SERVICES EXEMPT FROM CGST / IGST

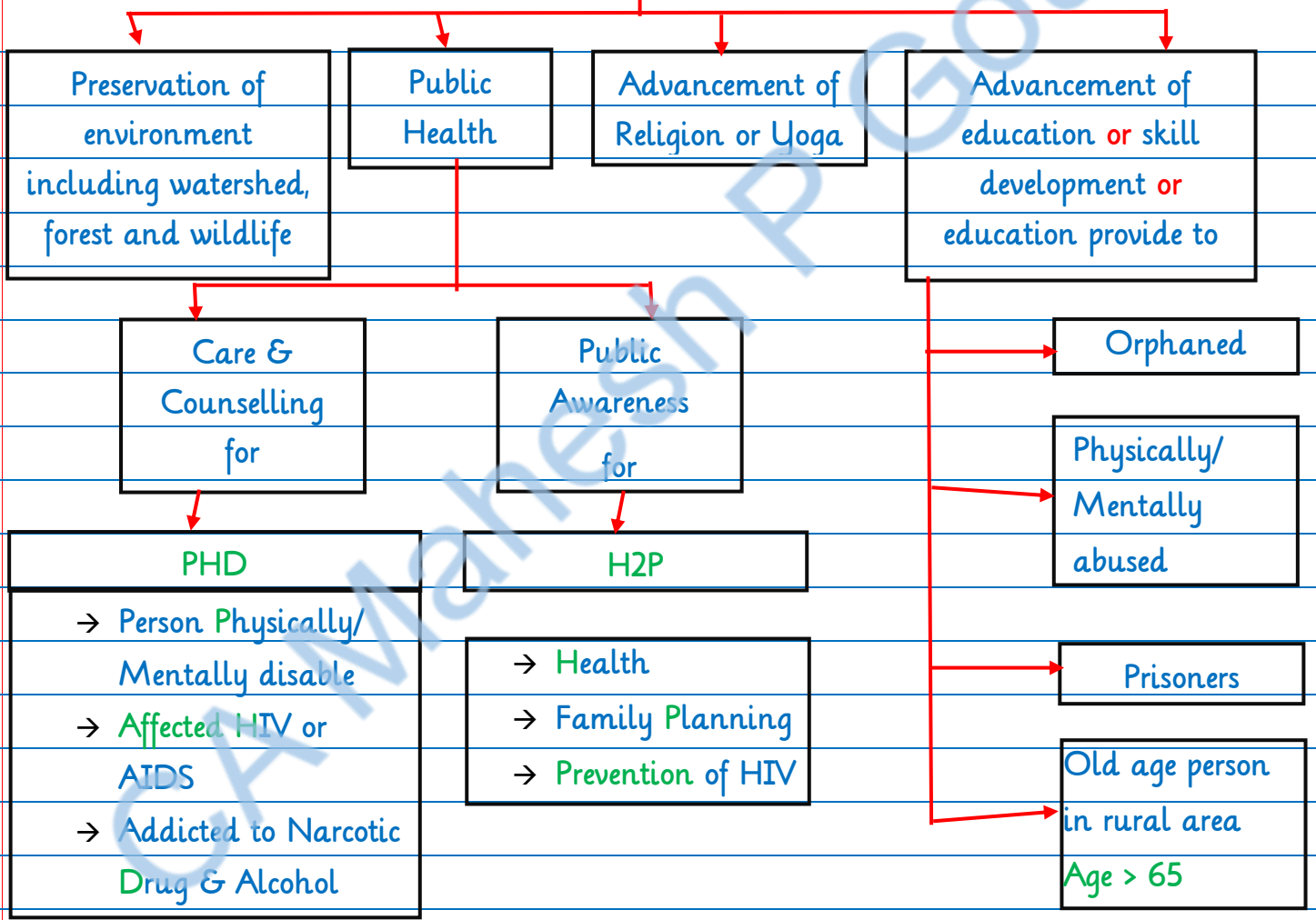
• EXEMPTED SERVICES AS PER NOTIFICATION OF CGST ACT, 2017

→ (A) SERVICE RELATED TO CHARITABLE & RELIGIOUS ACTIVITIES

→ Entry 1: Exemption from Charitable Activities

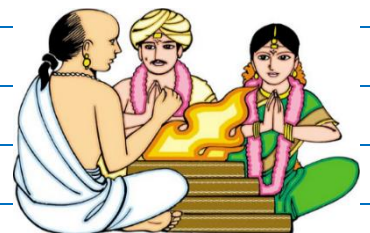
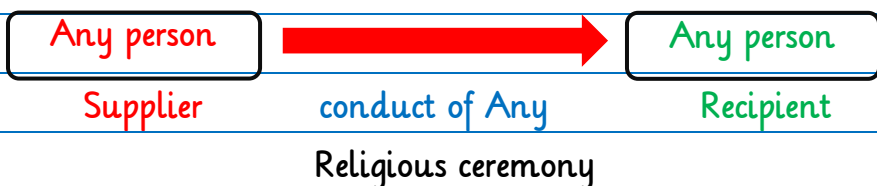


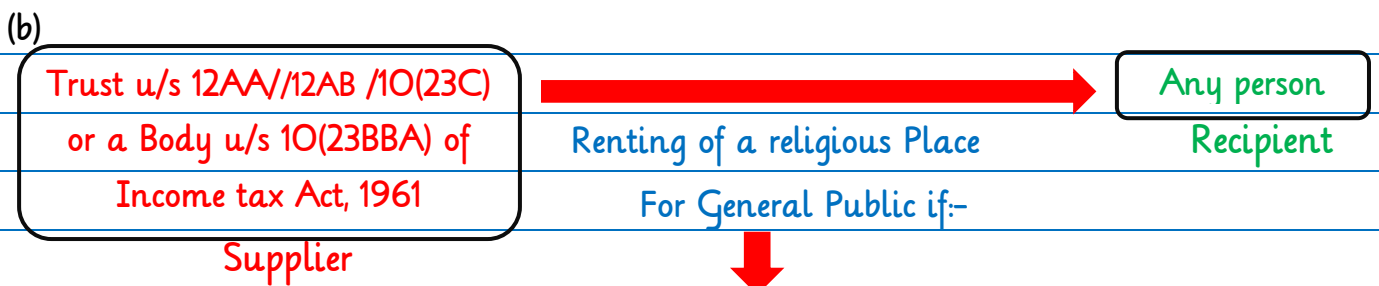
Supplier is Trust u/s 12AA of Income Tax Act, 1961 & Supply Following Charitable Activities



→ Entry 13: Religious Services Provided by a Person [May 18, MTP-Nov 18]

(a)



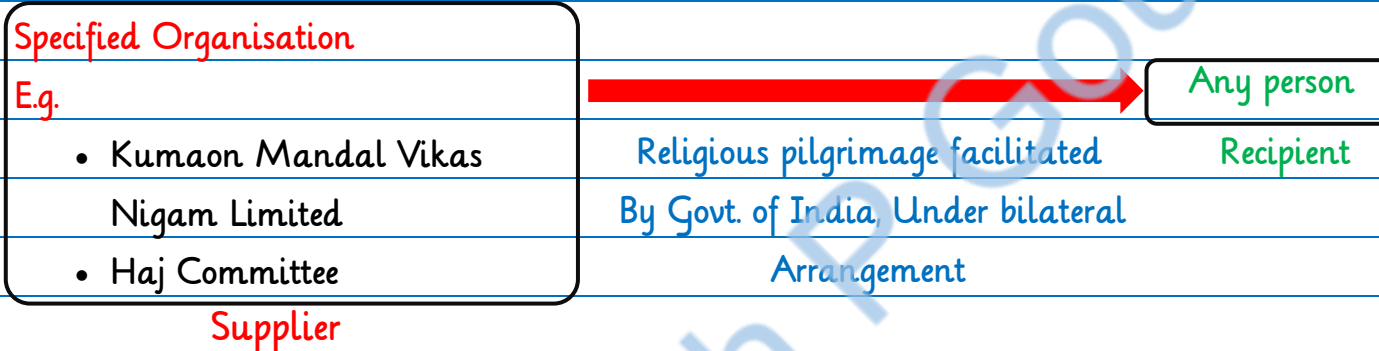


- I. Charges for renting of premises, Community hall, Kalyan mandapam or open area and the like are less than ₹10,000 per day

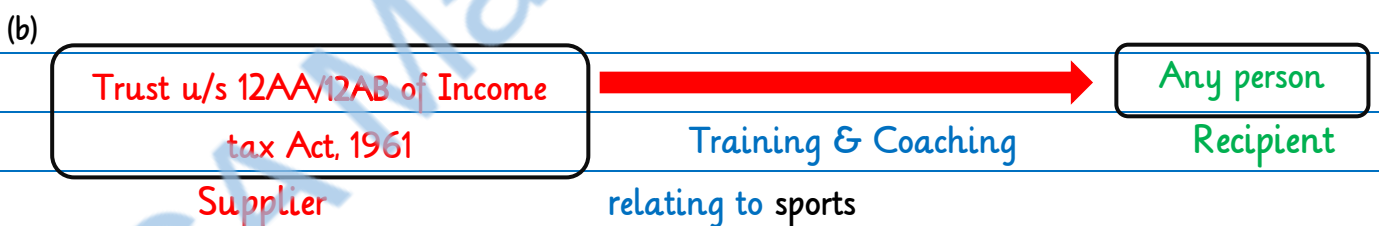
II. Charges for renting of rooms are less than ₹1,000 per day

III. Charges of renting of shops or other spaces for business or commerce are less than ₹10,000 per month.

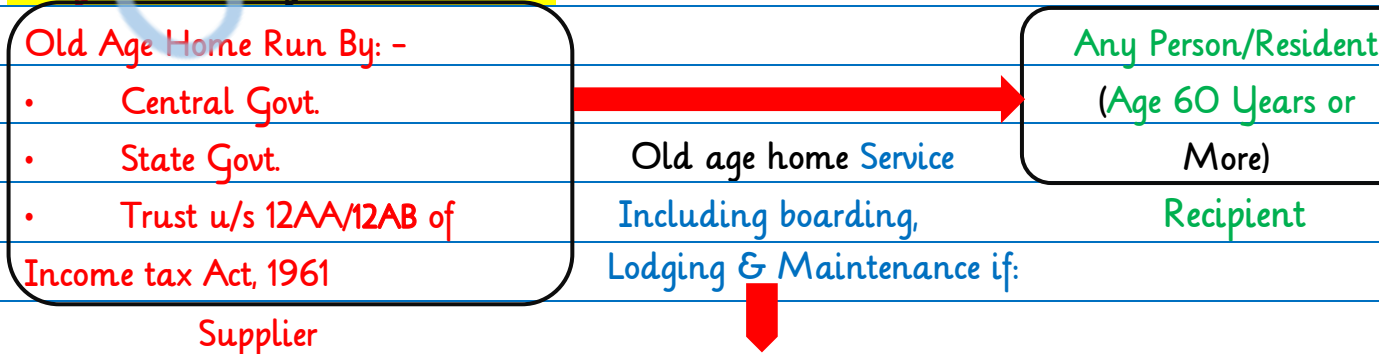
→ **Entry 60: Religious Pilgrimage Services**



→ **Entry 80: Training or Coaching**



→ **Entry 9D: Old Age Home Services**



1. Age of Residents \geq 60 Years
 2. Consideration upto ₹25,000 Per Month Per Member

→ (B) AGRICULTURE RELATED SERVICE

→ **Entry 24: Services Related to Rice**

Any person

Supplier



Any person

Recipient

Loading, Unloading,
Packing, Storage or
Warehousing

Note: Transportation of Rice by Rail/Vessels/GTA is Exempt under Entry Nos. 20 & 21

→ **Entry 24A: Warehousing of Minor Forest Produce**

Any person

Supplier



Any person

Recipient

warehousing of minor
Forest produce

Example :

- | | | |
|--------------------------|----------|-----------|
| - Bamboo | - Seeds | - Flowers |
| - Edible or useful Roots | - Fruits | |

→ **Entry 24B: Storage or Warehousing Services**

Services by way of storage/ 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~~.

→ ~~Entry 53A: Fumigation Services~~

~~Any person~~

~~Supplier~~



~~Any person~~

~~Recipient~~

~~Fumigation in warehouse
of Agriculture produce NN 2/2018~~

→ **Entry 54: Service Related to Agriculture or Agricultural Produce**

Any person

Supplier



Any person

Recipient

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 or agricultural produce by way of: -

(a) Agricultural operations directly related to production of any agricultural produce including: -

Example: Cultivation, Harvesting, Threshing, Plant Protection or Testing

(b) Supply of farm labour;

(c) Processes carried out at an agricultural farm including:-

Example: Tending, Pruning, Cutting, Harvesting, Drying, Cleaning, Trimming, Sun Drying
Fumigating, Curing, Sorting & Grading, Cooling, 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 or Board or services provided by a commission agent for sale or purchase of agricultural produce;

(h) Fumigation in a warehouse of Agriculture Produce [NN 2/2018]

→ DO YOU KNOW?

Agriculture Produce	Non-Agriculture Produce
Raw cotton	Ginned cotton/cotton baled
Grams	Pulses (Dehusked or split)
Sugarcane	Sugar & Jaggery
Paddy	Rice
Wheat	Flour
Unprocessed Tea or Coffee	Processed Tea and Coffee
Floriculture	Jaggery
Pisciculture	Processed dry fruits in Cashew
Forestry	
Sericulture	
Horticulture (Whole gram, Rajma)	

→ **Entry 55: Intermediate Production Process [MTP-May 19]**

Any person
Supplier



Any person
Recipient

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: -

a) Food

d) Raw Material

b) Fibre

e) Other similar products

c) Fuel

f) Agriculture produce

NOTE:

1) 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.

2) Milling of paddy into rice also changes its essential characteristics.



In view of the above, it is clarified that milling of paddy into rice is not eligible for exemption under **Entry 55**

→ **Entry 55A: Artificial Insemination**

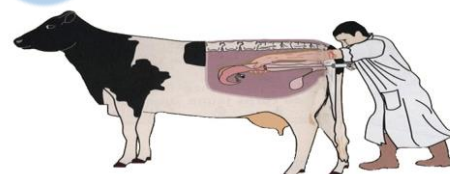
Any person

Supplier

Services by way of artificial insemination of livestock (other than horses).

Any person

Recipient



→ **Entry 57: Services Related to Fruits and Vegetables**

Any person

Supplier

Services by Way of: -

Any person

Recipient

Example: Pre-conditioning, Pre-cooling, Ripening, Waxing, Retail Packing, Labelling fruits and vegetables

→ **Entry 58: Cold Chain Knowledge Dissemination.**

NCCCD

(National Centre for Cold Chain Development)

Supplier

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.

Any person

Recipient

→ **(C) EDUCATION SERVICES**

→ **Entry 66: Services to & by an Educational Institution [MTP-May 19 & Nov 19, Nov 19,] [RTP-May 21]**

Services Provided **BY AN Educational Institution to faculty, students and staff.**

(a) Services provided by an Educational Institution to Faculty, Students and Staff.

(aa) Conduct of Entrance Examination against Consideration in the form of Exam Fee.

<p>Services Provided TO Educational Institution</p>	<p>b) Services provided to an Educational Institution</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>I. Transportation of students, faculty and staff</p> <p>II. Catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union Territory</p> <p>III. Security or cleaning or house-keeping services performed in such educational institution</p> </div> <p style="text-align: right; margin-right: 20px;"><i>To</i> →</p> <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>Educational Institution (Up to Higher Secondary School or Equivalent)</p> </div>
	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>IV. Services relating to admission to, or conduct of examination by, such institution.</p> </div> <p style="text-align: right; margin-right: 20px;"><i>To</i> →</p> <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>Educational Institution</p> </div>
	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>V. Supply of online educational journals or periodicals.</p> </div> <p style="text-align: right; margin-right: 20px;"><i>To</i> →</p> <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>Educational Institution Except:- 1. Pre-school and upto Higher School 2. Approved Vocational Training Institution</p> </div>

→ **MEANING OF EDUCATIONAL INSTITUTION [Para 2(y) of Notification No. 12/2017-CT (Rate)]**

"Educational Institution" means

institution providing services by way of -

- 1) Pre-school education (Aganwadi is covered under Pre-school)
- 2) Education up to higher secondary school or equivalent
- 3) Qualification recognised by any law
- 4) Approved vocational education course.

e.g. ITI, ITC, Modular employable, self skill, etc.

→ **DO YOU KNOW?**

1. A course in a college leads to dual qualification only one of which is recognized by law.

(a) 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.

(b) If an artificial bundle of service is created by clubbing two courses together, it shall be treated as a mixed supply. The taxability will be determined by the supply which attracts highest rate of GST.

2. If the catering services provided by any other person:

If the catering services i.e., supply of food or drink in a mess or canteen, is provided by anyone other than the educational institution, i.e. the institution outsources the activity to an outside contractor, then it is a supply of service to the concerned institution and attracts GST.

3. Services provided by a Government ITI to individual trainees/students, is exempt under Entry 6.

4. Maritime Training Institutes are educational institutions and the courses conducted by them are exempt.

5. Security and Housekeeping services

Security and Housekeeping services provided within premises of educational Institution (up to HSS) are Exempt.

If provided outside the premises of educational institution (HSS), it will be taxable.

6. GST on application fee charged for entrance or the fee charged for issuance of eligibility Certificate for admission for issuance of migration certificate by educational institutions

Exempt

7. 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

8. IIM provides short duration courses (Less than 1 year) → taxable

→ (D) HEALTH CARE SERVICES

→ **Entry 46. Veterinary Services**

Services by a veterinary clinic in relation to health care of animals and birds.

→ **Entry 73: Preservation of Stem Cell Etc. Services [RTP-Nov 18]**

Services provided by the cord blood banks by way of preservation of stem cells or any other service in relation to such preservation.



→ **Entry 74: Health Care Services**

Services by way of-

(a) health care services by a clinical establishment, an authorised medical practitioner or para-medics:-

Except 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)

(b) services provided by way of transportation of a patient in an ambulance, other than those specified in (a) above.

Case 1) transportation of patient to and from a clinical establishment ->

EXEMPT

Case 2) Hair transplant, cosmetic, plastic surgery except when undertaken to restore or function of body affected due to injury or Trauma ->

TAXABLE

Note:

1) Health Care Services:-

- means any service by way of diagnose 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.

2) Recognized Systems of Medicines:-

- Allopathy - Yoga - Naturopathy - Ayurveda
- Homeopathy - Siddha - Unani
- Any other system of medicine that may be recognised by Central Government.

→ **DO YOU KNOW?**

1. Services provided by senior doctors/ consultants/technicians to hospital & Hospitals pay them consultancy charges and there is no employer-employee relationship between them. -> **EXEMPT** CN 32/O6/2018

2. Food supplied to the patients

- If hospitals have their own canteens and they supply food to the doctors and their staff; such supplies, even when not charged, may be subjected to GST.
- Food supplied to the in-patients as advised by the doctor/nutritionists is a part of

composite supply of healthcare **EXEMPT**.

- supplies of food by a hospital to patients (not admitted) or their attendants or visitors are **TAXABLE** [Circular No. 32/06/2018]

3. As regards ambulance services provided by PSPs (Private Service Provider) [under NHM] on behalf of State Governments against consideration in the form of fee charged from State Government same would be **EXEMPT** as under:

- **Entry 3** if it is a pure service and not a composite supply involving supply of any Goods, and
- **Entry 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.



GST ON SERVICES IN FORM OF ART/ IVF

Issue:	The issue which arose for consideration was whether GST is applicable on services by way of Assisted Reproductive Technology (ART) procedures such as In vitro fertilization (IVF).
Clarification:	The abnormality/disease/ailment of infertility is treated using ART procedure such as IVF, it is clarified that services by way of IVF are also covered under the definition of health care services → Exempt <i>[Circular No. 177/09/2022 GST dated 03.08.2022]</i>

→ **Entry 74A: Rehabilitation, Therapy or counselling Services**

Rehabilitation
Professionals
Supplier

Services by way of-

- Rehabilitation
- Therapy
- Counselling
- Such other activities

- Trust u/s 12AA/12AB
- Medical establishment
- Educational Institution
- Rehabilitation centres establishment by the govt.

Recipient

→ (E) SERVICES PROVIDED BY GOVERNMENT

→ **Entry 4: Services related to article 243W of the constitution**

Services by a governmental authority by way of any activity in relation to any function entrusted to a Municipality under article 243W of the Constitution.

→ **Entry 5: Services related to article 243G of the constitution**

Services by a governmental authority by way of any activity in relation to any function entrusted to a Panchayat under **article 243G** of the Constitution.

Subject to Amendment issued by ICAI

Common note for **Entry 4 & 5**

DMFT SET UP BY GOVT. OR GOVERNMENTAL AUTHORITIES IS ELIGIBLE FOR EXEMPTION

Issue	Whether District Mineral Foundations Trusts (DMFTs) set up by the State Governments are Governmental Authorities and thus eligible for the same exemptions from GST as available to any other Governmental Authority.
Clarification	<ul style="list-style-type: none"> • DMFTs work for the interest and benefit of persons • Areas affected by mining related operations • They provide services related to drinking water supply, environment protection, health care facilities, education, welfare of women and children, supply of medical equipment etc.
Conclusion	DMFT set up by the State Governments are Governmental Authorities and thus eligible for the same exemptions from GST as available to any other Governmental Authority.

→ **Entry 6: Sovereign Services to any Person other than business entity**

Subject to Amendment issued by ICAI

Services by the Central Government, State Government, Union territory or local authority excluding any service, the following services—

- services by the Department of Posts Ministry of Railways (Indian Railways) by way of speed post, express parcel post, life insurance, and agency services provided to a person other than the Central Government, State Government, Union territory;
- services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport;
- transport of goods or passengers; or
- other than services covered under entries (a) to (c) above, provided to business entities.

CLARIFICATION: ON APPLICABILITY OF GST ON ACCOMMODATION SERVICES SUPPLIED BY AIR FORCE MESS AND OTHER SIMILAR MESSSES TO ITS PERSONNEL

Accommodation services supplied by Air Force Mess and other similar messes to its personnel => **Exempt** Entry No. 6

- Air Force Mess
- Army Mess
- Navy Mess
- Para Military Mess
- Police Force Mess

Accommodation Services

To their personnel

Exempt Entry No. 6

→ **Entry 7: Any Services provides to Business Entity**

Services provided by the Central Government, State Government, Union territory or local authority to a business entity with an aggregate turnover of up to such amount in the preceding financial year as makes it eligible for exemption from registration under the Central Goods and Services Tax Act, 2017

Explanation - For the purposes of this entry, it is hereby clarified that the provisions of this entry shall not be applicable to following services:

- item (a), (b) and (c) of Entry 6 above.
- services by way of renting of immovable property.

→ **Entry 8: Services provided by Government/Local Authority:**

Services provided by the Central Government, State Government, Union territory or local authority to another Central Government, State Government, Union territory or local authority. However, nothing contained in this entry shall apply to services referred in item (a), (b) and (c) of Entry 6 above.

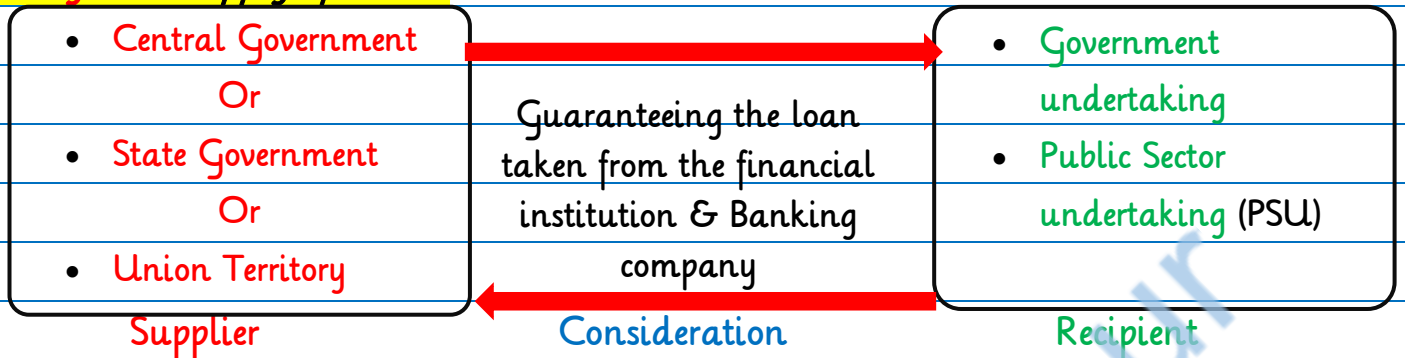
→ **Entry 9: Services provided by government where gross amount charged does not exceeds ₹ 5000**

Services provided by Central Government, State Government, Union territory or a local authority this where the consideration for such services does not exceed Rs 5,000 However, nothing contained in entry shall apply to services referred in item (a), (b) and (c) of Entry 6 above Further, in case where continuous supply of service* is provided by the Central Government, State Government, Union territory or a local authority, the exemption shall apply only where the consideration charged for such service does not exceed ` 5,000 in a FY. 2017

→ **Entry 24C: Service by the postal department**

Services by the department of posts by way of post card, inland letter, book post and ordinary Post(envelopes weighing less than 10 grams)

→ **Entry 34A: Supply of Service**

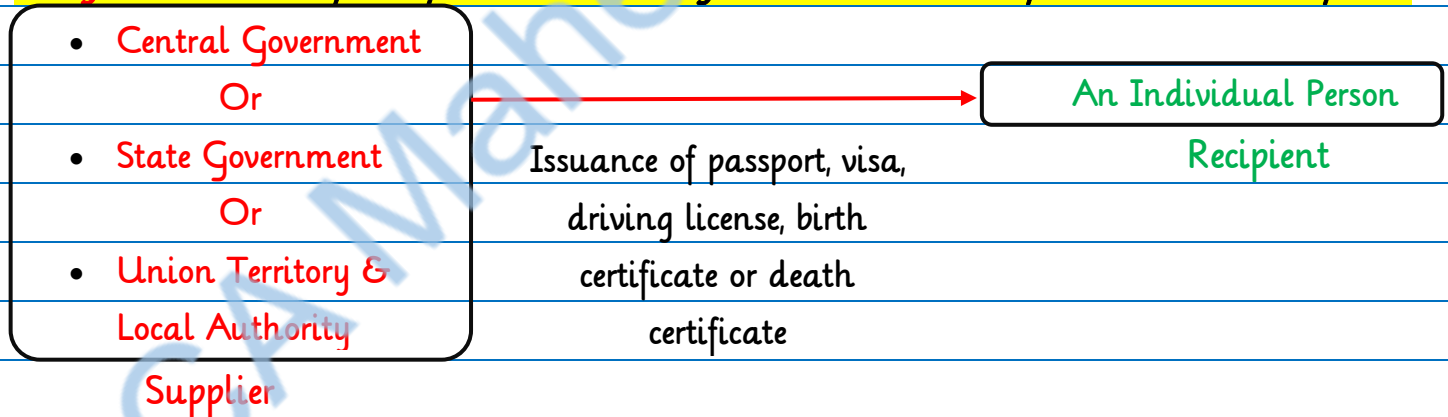


→ **Entry 47: Registration, Testing, Calibration safety check etc.**

The services provided by Government or a local authority by way of

- registration required under any law for the time being in force
- testing, calibration, safety check/certification relating to protection/safety of workers consumers or public at large, required under any law for the time being in force

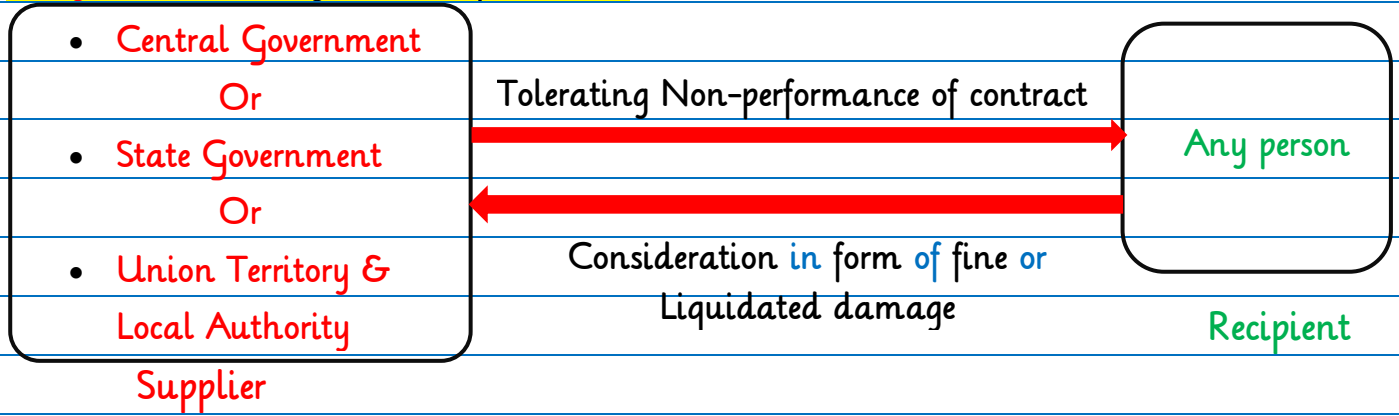
→ **Entry 61: Issuance of Passport, Visa Driving License, Birth Certificate, Death Certificate**



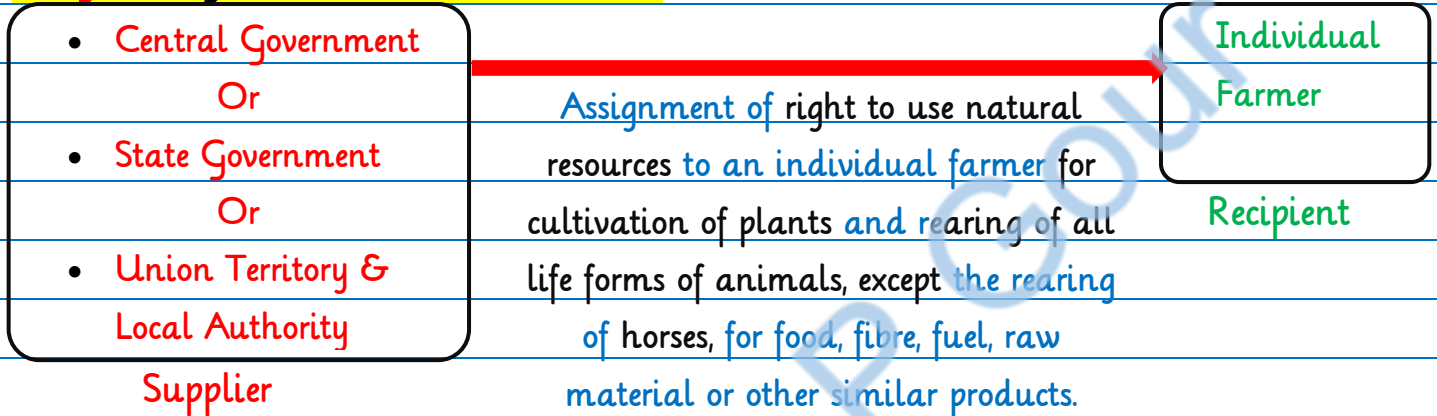
→ **Entry 61A: Granting National Permit to a Goods Carriage to operate through-out India/Contiguous States.**

Services by way of Granting National Permit to a Goods Carriage to operate through-out India/Contiguous States.

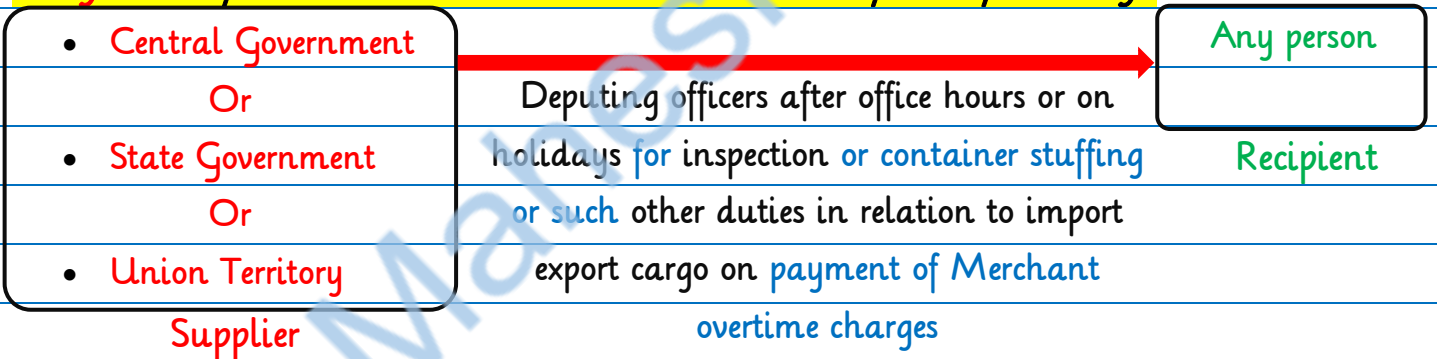
→ **Entry 62: Tolerating Non-Performance**



→ **Entry 63: Right to use Natural Resource**



→ **Entry 65: Inspection & other duties in relation to Import Export Cargo**

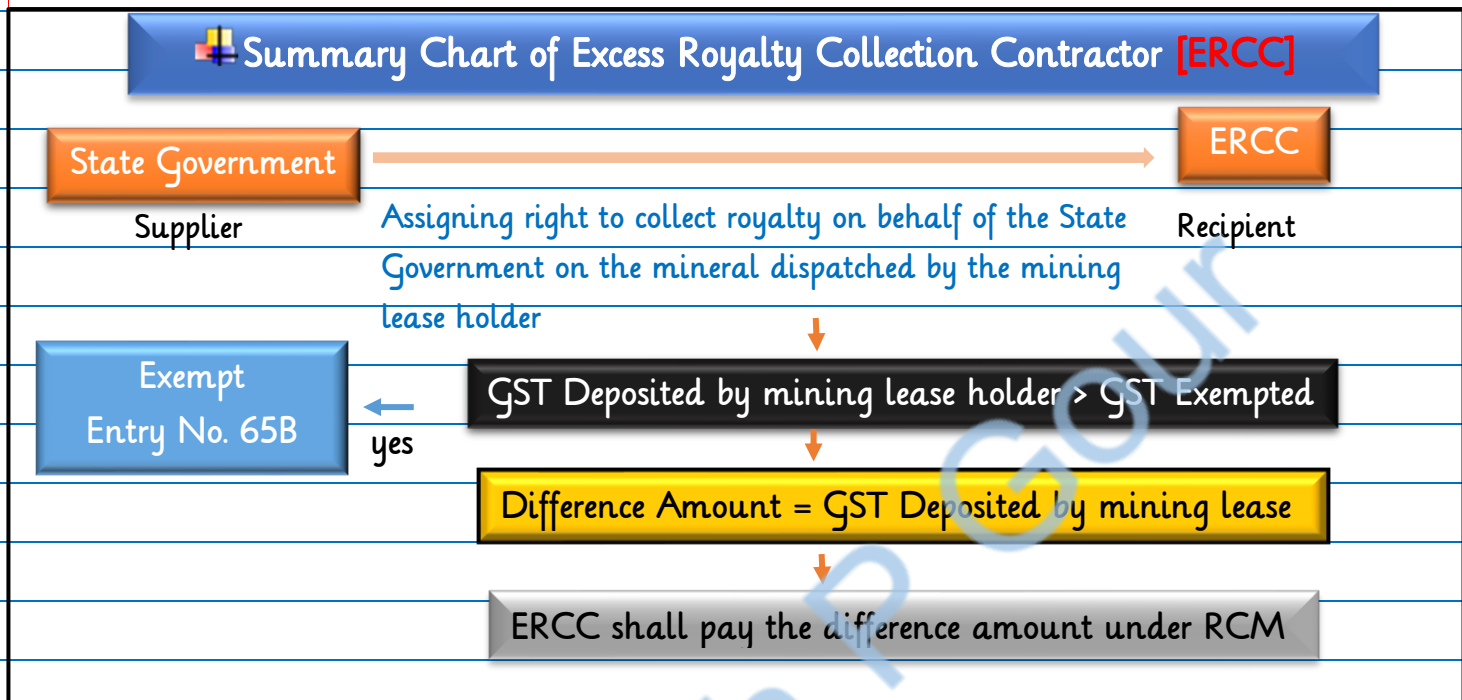


Entry 65B: Services supplied by a state government to Excess Royalty Collection

Contractor (ERCC) by way of assigning the right to collect royalty on behalf of the state Government on the mineral dispatched by the mining lease holders.

However, at the end of the contract period, ERCC shall submit an account to the State Government and certify that amount of GST deposited by mining lease holders on royalty is more than GST exempted on the service provided by State Government to the ERCC of assignment of right to collect royalty and where such amount of GST paid by mining lease holders is less than the amount of GST exempted, the exemption shall be restricted to such amount as is equal to the amount of GST paid by the mining lease

holders and the ERCC shall pay the difference between GST exempted on the service provided by State Government to the ERCC of assignment of right to collect royalty and GST paid by the mining lease holders on royalty.



→ (F) CONSTRUCTION SERVICES

→ **Entry 10: Original Works Contract under the Housing for All (Urban) Mission or Pradhan Mantri Awas Yojana.**

Any Person Supplier → **Any Person** Recipient
pure labour contracts of :

- Construction
- Erection
- Commissioning
- Installation
- Completion
- Any other kind of original work pertaining to the beneficiary-led individual house construction or enhancement under the Housing for All (Urban) Mission or Pradhan Mantri Awas Yojana.
- Fitting out
- Repair
- Maintenance
- Renovation
- Alteration of a civil Structure

→ **Entry 10A: Construction installation of Infrastructure services for electricity distribution network up to tubewell**

Electricity
distribution
utilities

Supplier

construction, erection, commissioning, or installation
of infrastructure for extending electricity distribution
network up to the tube well for agricultural use.

Farmer or
Agriculturist

Recipient

→ **Entry 11: Pure Labour Contract for single residential unit otherwise than as a part of a residential complex**

Any person

Supplier

- Construction
- Erection
- Commissioning
- Installation of original works

pertaining to a single residential unit otherwise than as a part of residential complex

Any person

Recipient

→ **DO YOU KNOW?**

Construction of Bungalow or house having more than one rooms in a unit and cannot separated or sold individually as per municipal record, then it would be treated as single residential unit & No GST is payable on aforesaid activities.

Meaning of Residential Complex: It means any complex comprising of a building or buildings, having more than one single residential unit.

Meaning of Single Residential Unit: It means a self-contained residential unit which is designed for use, wholly or principally, for residential purpose for one family.

Entries 41A & 41B: Supply of TDR, FSI, Long Term, Lease of Land

Supply of TDR, FSI, long term lease (premium) of land by a landowner to a developer have been exempted subject to the condition that the constructed flats are sold before issuance of completion certificate and tax is paid on them.

Exemption of TDR, FSI, long term lease (premium) shall be withdrawn if flats sold after issue of completion certificate, but such withdrawal shall be limited to 1% of value in case of affordable houses and 5% of value in case of other than affordable houses. This will achieve a fair degree of taxation parity between under construction and ready to move property [Effective from

01.04.2019]

Analysis of Entries 41A & 41B:

E. q. Consideration 10 Cr



Any Person

- Transfer of development rights or
- Floor space Index or
- Long term lease of land (30 year or more) against consideration in the form of upfront amount (called as premium/salami etc.)



Promoter or
Developer or
Builder

Constructed Flats are Sold

Before issuance of completion certificate & tax is paid on them

After issuance of CC & covered under
Schedule III

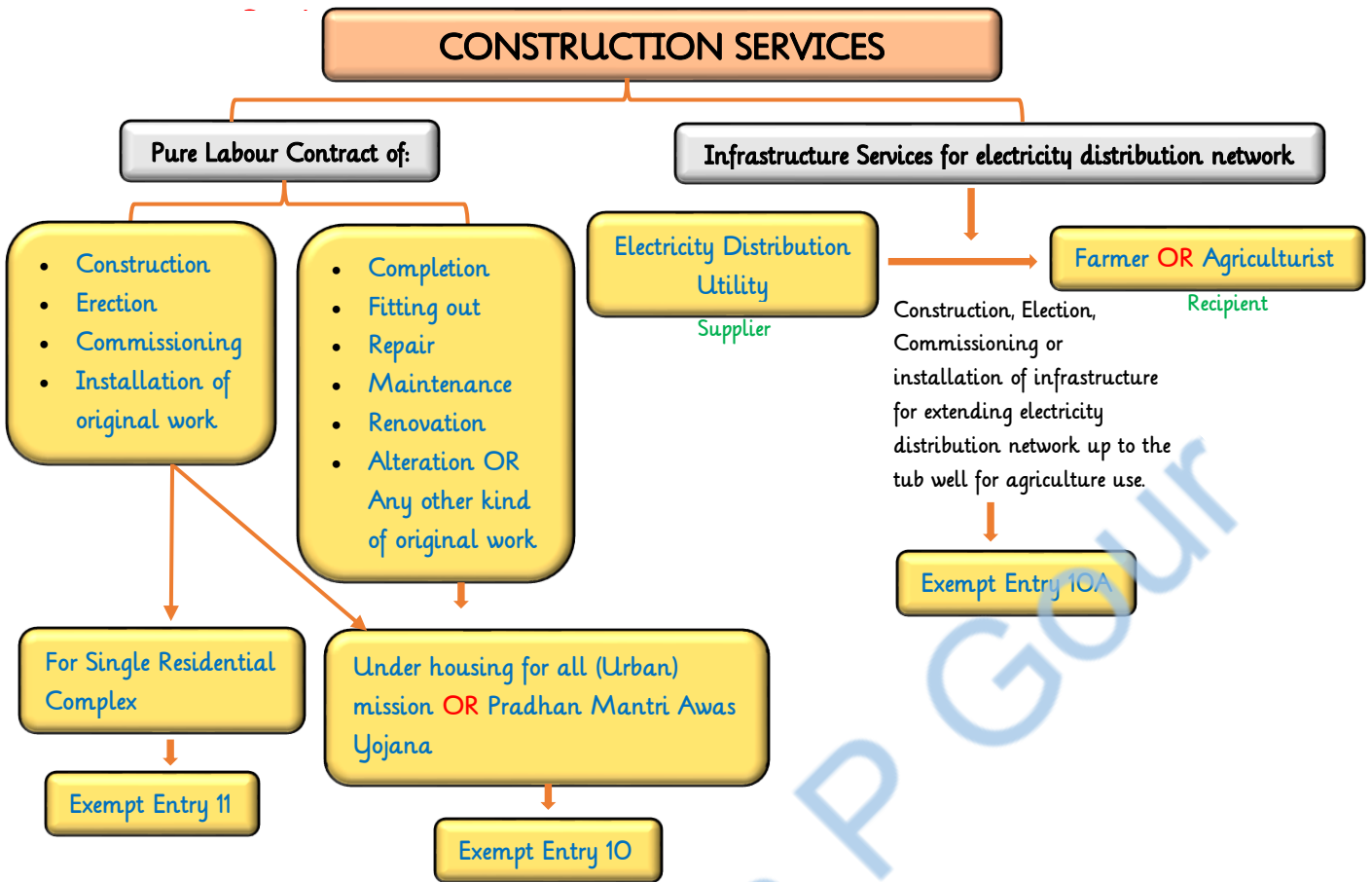
Consideration ₹ 10 Cr will be exempt

Consideration ₹ 10 Cr will be Taxable

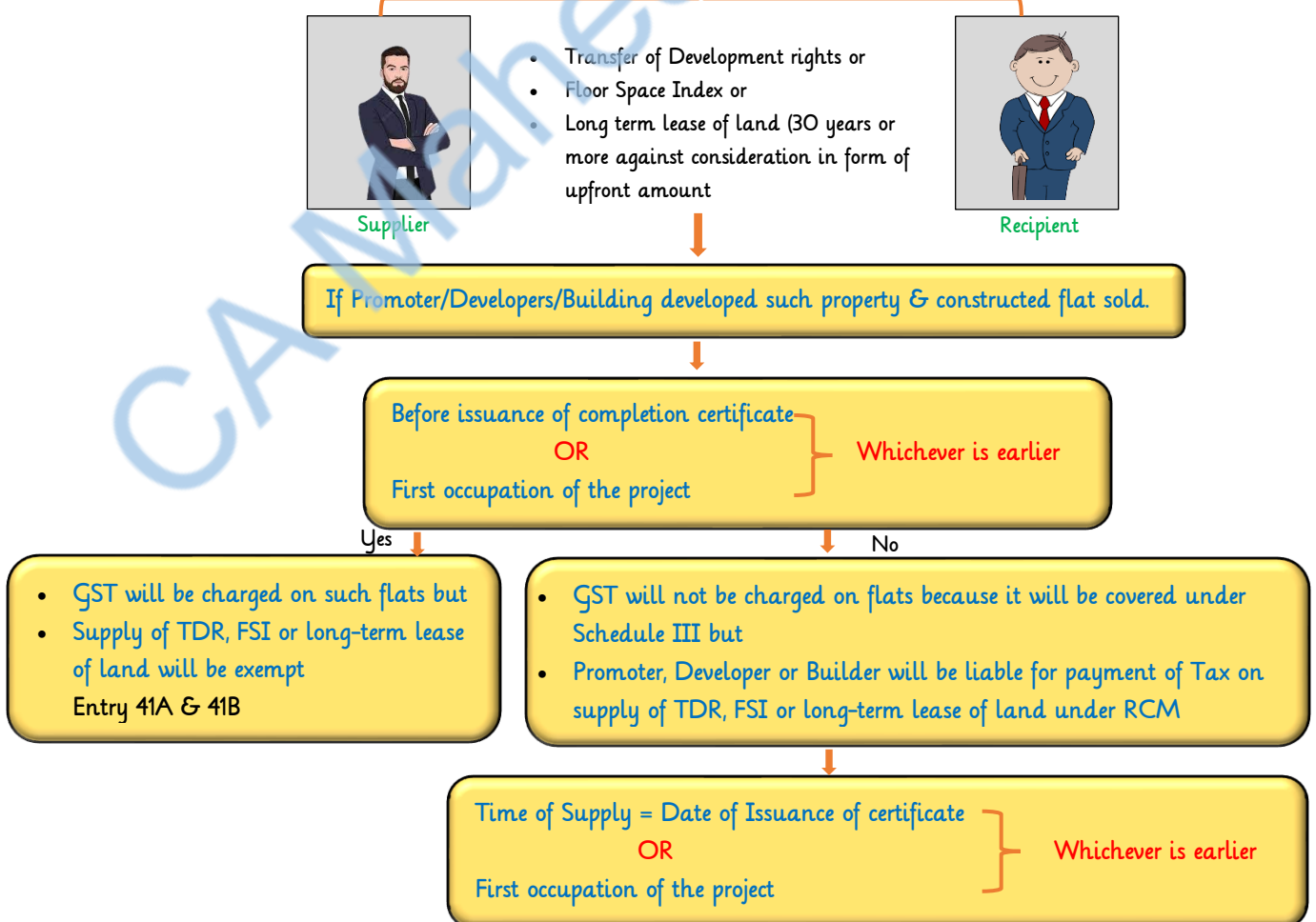
Students Note:



Summary Chart of Service provided of Construction





SUPPLY OF TDR, FSI OR LONG-TERM LEASE OF LAND



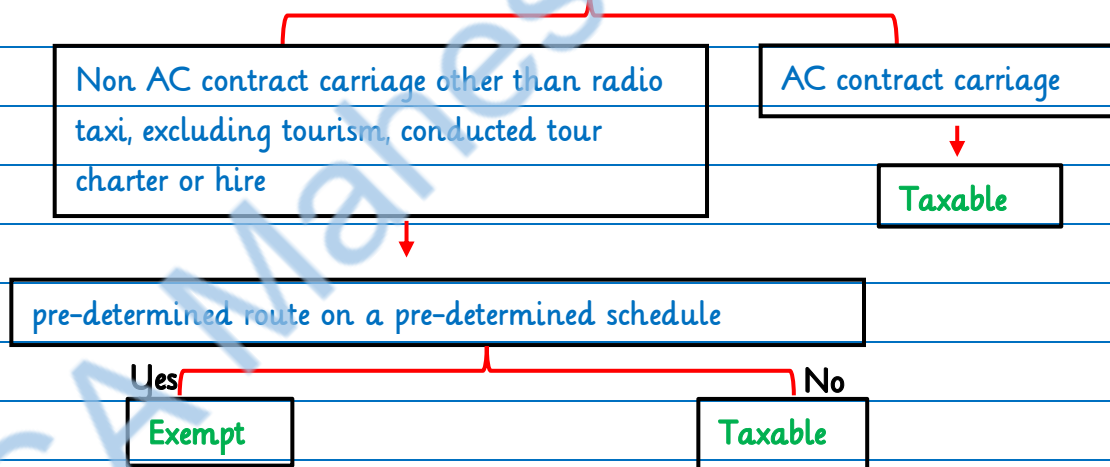
→ (G) PASSENGER TRANSPORTATION SERVICES

→ Entry 15: Transportation of Passengers [May23]

Transportation of Passengers

<p><i>Air in economy class</i></p> <p>Embarking from/ terminating in an airport located in SATNAM³</p> <p>S = Sikkim A = Arunachal Pradesh T = Tripura N = Nagaland A = Assam M = Manipur/Mizoram/ Meghalaya Bagdogra in West Bengal</p>	<p>A non-air conditioned contract carriage (other than Radio taxi) for the transportation of passengers excluding tourism, conducted tour, charter, Services supplied through ECO u/s 9(5) of GST Act.</p> 	<p>Non-AC Stage Carriage Excluding Services supplied through ECO u/s 9(5) of GST Act.</p> 
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→ Hiring of vehicles by firms for transportation of their employees to and from work



[Circular No. 177/09/2022 GST dated 03.08.2022]

Meaning of "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 entitled for tracking using the GPS or GPRS.

Students Note:

→ **Entry 16: Transportation of Passengers by Air, embarking from or terminating at RCS**

Airport

Airlines

Supplier

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 (VGF).
This provisions are not applicable on or after 3 years from the date of commencement of operations of the Regional connectivity scheme

Central Government

Recipient

→ **Entry 17: Transportation of passenger by Road, Rail or Vessels**

Transportation of passengers, with or without accompanied belongings, by –

- a) railways in a class other than –
 - i) first class; or
 - ii) an air-conditioned coach;
- b) metro, monorail or tramway;
- c) Inland Waterways;
- d) public transport, other than predominantly for tourism purpose, in a vessel between places located in India; and
- e) metered cabs or auto rickshaws (including e-rickshaws but excluding services supplied through ECO u/s 9(5) of CGST Act.)

GST ON TICKETS OF PRIVATE FERRY USED FOR PASSENGER TRANSPORTATION – EXEMPT ENTRY 17

The circular clarifies the applicability of GST on private ferry tickets. For instance, private ferries are used as means of transport from one island to another in Andaman and Nicobar Islands.

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. *[Circular No. 177/09/2022 GST dated 03.08.2022]*

→ **(H) GOODS TRANSPORTATION SERVICES**

→ **Entry 18: Transportation of Goods**

- 1) By road except the services of –

- (a) a goods transportation agency (GTA); or



(b) a courier agency

2) By inland waterways

GST ON TRANSPORT OF MINERALS FROM MINING PIT HEAD TO RAILWAY SIDING, BENEFICIATION PLANT ETC, BY VEHICLES DEPLOYED WITH DRIVER FOR A SPECIFIC DURATION OF TIME - TAXABLE

it is clarified that such renting of trucks and other freight vehicles with driver for a period of time is a service of renting of transport vehicles with operator and not service of transportation of goods by road. Consequently, it is not eligible for exemption under Entry 18.

[Circular No. 177/09/2022 GST dated 03.08.2022]

→ **Entry 19: Transportation of Goods by air from outside India**

Services by way of transportation of goods by an aircraft from a place outside India upto the Customs station of clearance in India are exempt.

→ **Entry 19A: Transportation of Goods by Aircraft from India to Outside India**

Services by way of transportation of goods by an aircraft from customs station of clearance in India to a place outside India [Up to 30.09.2022]

→ **Entry 19B: Transportation of Goods by Vessel from India to Outside India**

Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India. [Up to 30.09.2022]

→ **Entry 19C: Satellite launch services**

Satellite launch services supplied by Indian Space Research Organisation (ISRO),

Antrix Corporation Limited or New Space India Limited or Any Private Organisation

Subject to Amendment issued by ICAI

Entries 20 & 21- Services by the way of transportation of following goods by RAIL, VESSEL, GTA

Entry No. 20

By rail/ vessel

From one place in India to another

Railway equipment or Materials

Entry No. 21 By GTA

Goods, where gross Amount charged on a consignment Transported in a single Goods Carriage Does not exceed ₹ 1500/-

Goods, where gross amount charged for a single consignee does not exceed ₹ 750/-

Items transported by Rail, Vessel & GTA which are exempt

1. Agricultural produce

2. Food stuff (including flours, pulse and rice, milk, salt)
3. Newspaper, magazines, registered with the registrar of Newspaper
4. Defence/military equipment's
5. Relief Materials
6. Organic manure

Note:

1. Who is GTA – Goods Transport Agency?

Any person who:

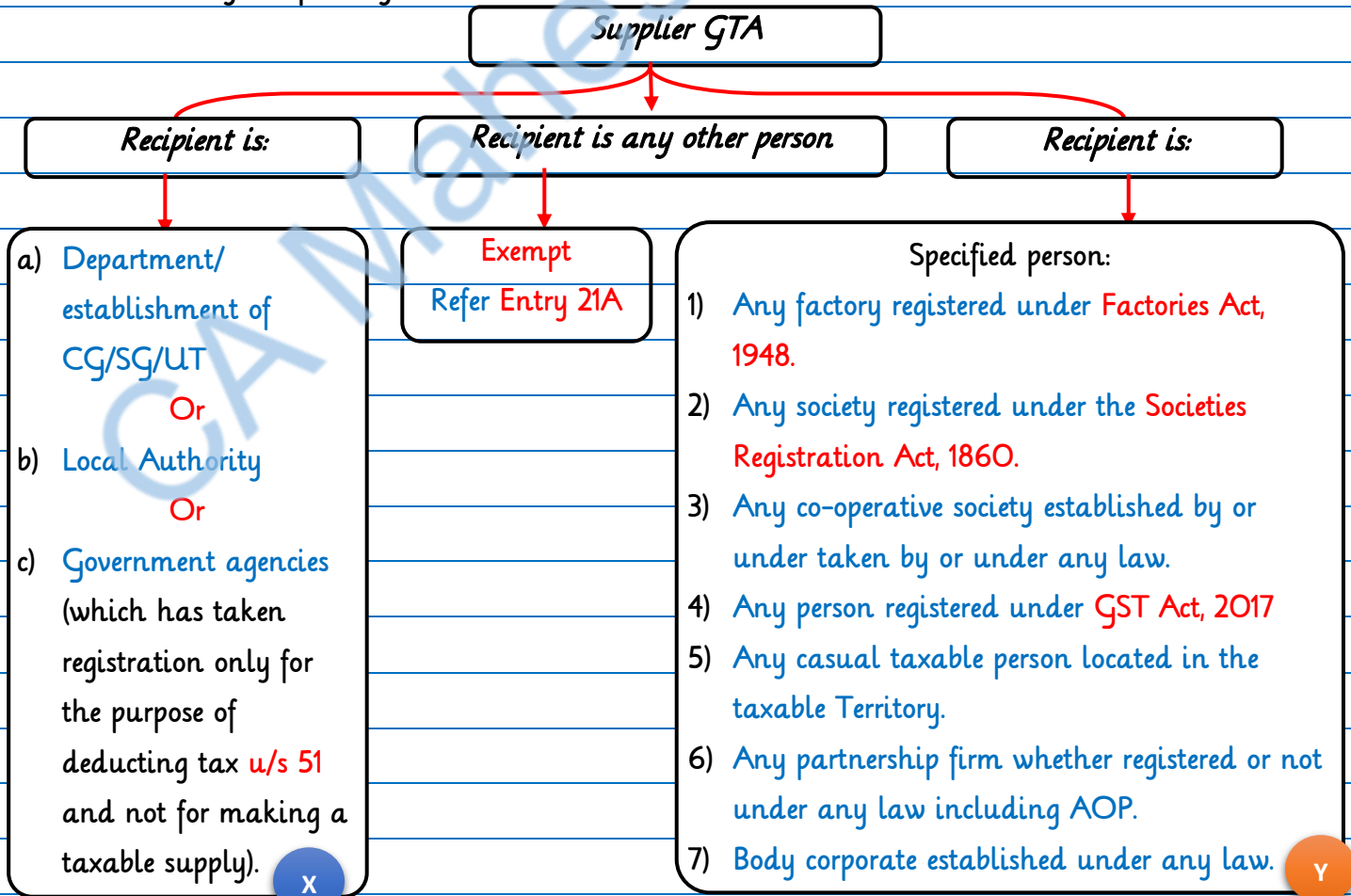
- Provide service in relation to transport of goods by road and
- Issue consignment note, by whatever name called.

2. Individual truck/tempo operators who do not issue any consignment note are Not Covered within the meaning of the term GTA. They will be covered in Entry 18 of notification, which is exempt from GST

→ **Entry 21A: Transportation of Goods by GTA**
Services provided by GTA to Unregistered Person

→ **Entry 21B: Services provided by GTA to Government etc.**

Analysis of Entry 21A & 21B



X

Exempt
(Refer entry 21B)

Y

RCM

Further, nothing contained in this entry shall apply where, -

- 1) the supplier has taken registration under the CGST Act, 2017 and exercised the option to pay tax on the services of GTA in relation to transport of goods supplied by him under forward charge; and
- 2) the supplier has issued a tax invoice to the recipient charging CGST at the applicable rates and has made the prescribed declaration on such invoice issued by him.

- ★ CG → Central Government
- SG → State Government
- UT → Union Territory

→ (I) BANKING AND FINANCIAL SERVICES

→ Entry 27: Interest on loan, Advance and Deposit/ Foreign Currency Exchange Services

Extending Deposits, Loans or advances, in so far as the consideration is represented by way of interest or discount (other than interest involved in case of credit card cases)

Foreign Exchange Transaction Between

1. Banks-Banks
2. Bank-Dealer
3. Dealer-Dealer
4. Dealer-Bank

Example:

1. Loan processing fee/charges, Administration charges, File charges → **Liable to GST**
2. Interest on loan taken against security → **No GST**
3. Discount Received by bank on Discounting of Bill of Exchange → **No GST**
4. Charges for late payment of due on credit card etc. → **Liable to pay GST**
5. Repo and Reverse Repo transaction → **Not Taxable**
6. Debt Collection services or credit control services → **Taxable**

Students Note:

→ **Entry 27A: Services under PMJDY**



Services under the Pradhan Mantri Jan Dhan Yojana



Supplier

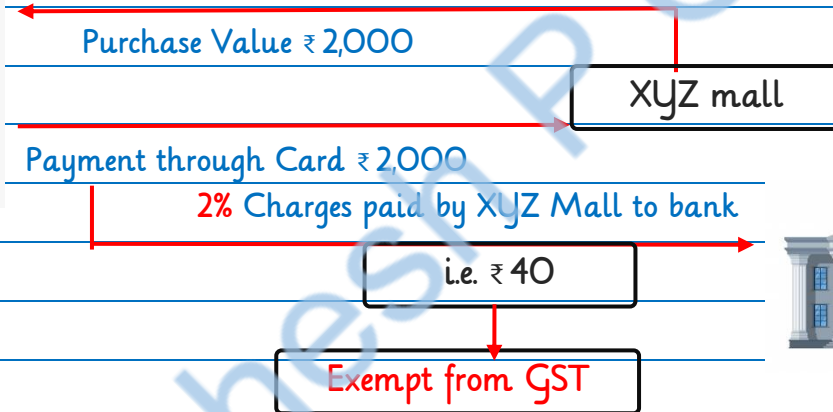
(Banking Company)

Recipient

(Basic Saving Bank
Deposit Account Holder)

→ **Entry 34: Card related settlement services provided by the acquiring Bank**

Services by an acquiring bank, to any person in relation to settlement of an Amount up to ₹ 2,000 in a single transaction through credit card, debit card, charge card or other payment card service.



→ **Entry 39: Intermediary Services Provided by Business Facilitator/ Business Correspondent**

Services by following persons in respective capacities:

- a) Business facilitator or a business correspondent to a banking company with respect to accounts in its rural branch;
- b) any person as an intermediary to a business facilitator or a business correspondent with respect to services mentioned in Sr. No. (a); or
- c) business facilitator or a business correspondent to an insurance company in rural area.

→ **Entry 39A: International Financial Service**

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).

Recognized by GOI or any other Regular appointed for regulation of IFSC
Or
Person resident outside India under FEMA
Or
Registered under IRDA guidelines as IFSC insurance office
Or
who is permitted by SEBI under SEBI Guidelines

S → R

currency other than Indian Rupees



Customer located outside India

Exempt

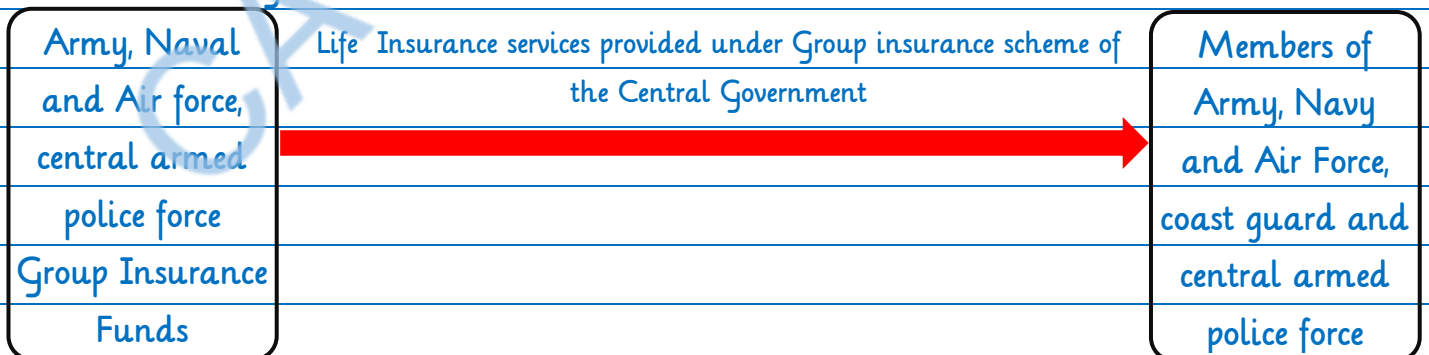
→ (J) LIFE INSURANCE BUSINESS SERVICES

→ **Entry 28: Services by way of annuity under the National Pension System**

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

→ **Entry 29/29A/29B: Services provided by the Army, Naval, Air Force/ Central Armed Police force Group Insurance Fund to members of the Army, Navy, Air Force, Coast Guard And Central Armed Police Force**

Services of Life Insurance business provided or agreed to be provided by the Army, Naval and Air Force Central Armed Police force Group Insurance Funds to members, e.g. Army, Navy and Air Force, Coast Guard and Central Armed Police Force respectively, under the Group Insurance Schemes of the Central Government.



→ **Entry 36: Life Insurance Services under schemes launched by the Government**

- Janashree Bima Uojana (JBU)
- Aam Aadmi Bima Uojana (AABU)
- Life micro-insurance product as approved by the Insurance Regulatory and

Development Authority, having maximum amount of cover of ₹ 2,00,000

- d. Varishtha Pension Bima Yojana
- e. Pradhan Mantri Jeevan Jyoti Bima Yojana
- f. Pradhan Mantri Jan Dhan Yojana
- g. Pradhan Mantri Vaya Vandan Yojana

→ (K) SERVICES PROVIDED BY SPECIFIED BODIES

→ **Entry 30: Services Provided by the ESIC to Employee**

Employees' State Insurance Corporation to persons governed under the **Employees' State Insurance Act, 1948.**

→ **Entry 31: Services Provided by the EPF organisation**

Employees Provident Fund Organisation to the persons governed under the Employees Provident Funds and the **Miscellaneous Provisions Act, 1952**

→ **Entry 31A: Services Provided by the Coal mines PF organisation**

Services by Coal Mines Provident Fund Organisation to persons governed by the Coal Mines Provident Fund And **Miscellaneous Provisions Act, 1948.**

→ **Entry 31B: Services Provided by the National Pension Trust to its member.**

Services by National Pension System (NPS) Trust to its members against consideration in the form of administrative fee.

→ **Entry 32: Services Provided by the IRDA**

Insurance Regulatory and Development Authority of India to insurers under the Insurance Regulatory and Development Authority of India Act, 1999

→ **Entry 33: Services Provided by the SEBI**

Services provided by Securities and Exchange Board of India (SEBI) set up under the Securities and Exchange Board of India Act, 1992 by way of :-

- protecting the interests of investors in securities and
- to promote the development of, and
- to regulate, the securities market.

Students Note:

→ (L) GENERAL INSURANCE BUSINESS SERVICES

→ **Entry 35: General Insurance**

Service of General Insurance business provided under following charges:

a)	Hut Insurance Scheme	k)	Pilot Scheme on seed Crop Insurance
b)	Cattle Insurance under Swarna Jayanti Gram Swarozgar Yojana	l)	Central Sector Scheme on Cattle Insurance
c)	Scheme for Insurance of Tribals	m)	Universal Health Insurance Scheme
d)	Janata Personal Accident Policy and Gramin Accident Policy	n)	Rashtriya Swasthya Bima Yojana
e)	Group Personal Accident policy for Self-employed women	o)	Coconut Palm Insurance Scheme
f)	Agricultural Pump set and Failed Well Insurance	p)	Pradhan Mantri Suraksha Scheme
g)	Premia collected on export credit insurance	q)	Niramaya Health Insurance Scheme
h)	Whether Based Crop Insurance Scheme	r)	Bangla Shasya Bima
i)	Jan Arogya Bima Policy	s)	Restructured whether based crops Insurance Scheme
j)	National Agriculture Insurance Scheme (Rashtriya Krishi Bima Yojana);	t)	Pradhan Mantri Fasal Bima Yojana.

→ **Entry 36A: Reinsurance of General Insurance & Life Insurance**

Services by way of reinsurance of the insurance schemes specified in **entries 35 & 36.**

→ (M) PENSION SCHEMES

→ **Entry 37: Collection & Contribution under Atal Pension Yojana**

Services by way of collection of contribution under the Atal Pension Yojana

→ **Entry 38: Collection of Contribution under pension scheme of State Government**

Services by way of collection of contribution under any pension scheme of the State Governments.

Students Note:

→ (N) SERVICES PROVIDED TO GOVERNMENT

Entry 3: Pure Service (A service where no goods are involved)



Pure Services

(Excluding works contract service or other composite supply of Goods and Services)

- Central Government
- State Government
- Union Territory
- Local Authority
- Governmental Authorities
- Government Entity

Recipient

Any Person

Supplier

In relation to any function entrusted to a

- Panchayat under article 243G of the Constitution
- Municipality under article 243W of the Constitution

→ **Entry 3A: Composite Supply (A Services where Goods are involved)**



Composite supply of goods and services in relation to any function entrusted to a Panchayat under article 243G of the Constitution or to a Municipality under Article 243W of the Constitution



Supplier

Condition :

(CA/SG/UT/LA/GA/GE)

Value of supply of Goods ≤ 25% of total value of contract

Recipient

GST ON SANITATION AND CONSERVANCY SERVICES SUPPLIED TO ARMY AND OTHER CENTRAL AND STATE GOVERNMENT DEPARTMENTS

The exemption under entries 3 & 3A has been given on pure services & composite supplies procured by Central Government, State Government, Union Territories or local authorities for performing functions listed in the 11th and 12th Schedules of the Constitution.

It is clarified that if such services are procured by Indian Army or any other Government Ministry/Department which does not perform any functions listed in the 11th and 12th Schedule, in the manner as a local authority does for the general public, the same are not eligible for exemption under Entries 3 and 3A. [CN. 177/09/2022 GST dated 03.08.2022]

WHETHER SUPPLY OF PURE SERVICES AND COMPOSITE SUPPLIES BY WAY OF HORTICULTURE/HORTICULTURE WORKS (WHERE THE VALUE OF GOODS CONSTITUTES NOT MORE THAN 25 PER CENT OF THE TOTAL VALUE OF SUPPLY) MADE TO CPWD ARE ELIGIBLE FOR EXEMPTION FROM GST UNDER SR. NO. 3 AND 3A OF NOTIFICATION NO 12/2017-CTR DATED 28.06.2017.

(i) Public parks in government residential colonies, government offices and other public areas are developed and maintained by CPWD.

(ii) Maintenance of community assets, urban forestry, protection of the environment and

promotion of ecological aspects are functions entrusted to Panchayats and Municipalities under Article 243G and 243 W

Conclusion: Accordingly, it is clarified that supply of pure services and composite supplies by way of horticulture/horticulture works (where the value of goods constitutes not more than 25 per cent of the total value of supply) made to CPWD are eligible for exemption from GST under Sr. No. 3 and 3A of Notification no 12/2017-CTR dated 28.06.2017.

Entry 3B: Services provided to a Governmental Authority by way of -

- a) water supply;
- b) public health;
- c) sanitation conservancy;
- d) solid waste management; and
- e) slum improvement and upgradation.

→ **Entry 9C: Services provided by Govt. Entity to CG/SG/UT/LA/ Specified person against Consideration in Form of Grant**



→ **Entry 11A: Supply of wheat rice and coarse grains under PDS System, kerosene, sugar, edible oil etc.**

Service provided by Fair Price Shops to Central Government or State Government or Union territory by way of sale of wheat, rice and coarse grains under Public Distribution System (PDS) or supply of Kerosene, Sugar, Edible Oil, etc. against consideration in form of commission or margin.

CLARIFICATION REGARDING APPLICABILITY OF GST ON MILLING OF WHEAT INTO FLOUR OR PADDY INTO RICE FOR DISTRIBUTION BY STATE GOVERNMENTS UNDER PUBLIC DISTRIBUTION SYSTEM (PDS):

Issue	Whether composite supply of service by way of milling of wheat into flour along with fortification or of paddy into rice, by any person to a State Government for distribution of such wheat flour under Public Distribution System is eligible for exemption under entry No. 3A of N/No. 12/2017? if not, what shall be the rate of
-------	--

GST on such milling?

Clarification

Article 243G of the Constitution which includes Public Distribution. It is therefore clarified that, if the value of goods supplied in such Composite Supply is not more than 25%, then such supply is exempt. Otherwise, it is taxable @5% GST, if such supply is made to State Government being registered person as above

→ **Entry 40: Insurance Services provided to CG/SG/UT**

Services provided to the Central Government, State Government and Union territory under any insurance scheme for which total premium is paid by the Central Government, State Government and Union territory.

→ **Entry 72: Training Programme Services provided to CG/SG/UT**

Services provided to the Central Government, State Government and Union territory administration under any training programme for which 75% OR MORE OF THE total expenditure is borne by the Central Government, State Government and Union territory administration.

→ **Entry 51: Services provided by GSTN to CG/SG/UT**

Services provided by the Goods and Services Tax Network to the Central Government or State Governments or Union territories for implementation of Goods and Services Tax.

→ **(O) LEASING SERVICES**

→ **Entry 41: Long Term Lease of Industrial Plots**

- State Government Industrial development corporation
- Undertaking or any of ten entity having 50% 20% or more ownership of CG/SG/UT

Upfront Amount [called as premium, salami cost, development charges]

- Industrial units
- Development of any industrial or financial business area

Granting of long term lease of 30 year or more of industrial plots for development of infrastructure for financial business

Conditions :

1. The lease plots shall be used for the purpose for which they are allotted.
2. In case of any violation or subsequent change of land use, due to any reason, the

original lessor, original lessee as well as any subsequent lessee/buyer/owner shall be jointly and severally liable to pay such amount of central tax.

Notes:

1) The upfront amount which is determined upfront but is paid or payable in instalments, it has been clarified vide **Circular No. 101/20/2019 GST dated 30.04.2019** that GST exemption on the upfront amount is admissible irrespective of whether such upfront amount is payable or paid in one or more instalments, provided the amount is determined upfront.

2) *Location charges or preferential location charges (PLC) collected in addition to the lease premium for long term lease of land constitute part of the lease premium or of upfront amount charged for long term lease of land - Exempt (Entry 41)*
[Circular No. 177/09/2022 GST dated 03.08.2022]

(P) LEGAL SERVICES

Entry 45: Legal Services

Legal services provided by Arbitral tribunal/Advocate

supplier is

- Partnership firm of Advocates
- Individual Advocate [except senior Advocate]

- supplier is senior Advocate
- supplier is Arbitral tribunal

Recipient is
Govt./LA/
GE/GA

Recipient is an Advocate
Or
Firm of Advocate

Recipient is any
person other than
Business entity

Recipient is
Business
entity

Exempt

Exempt

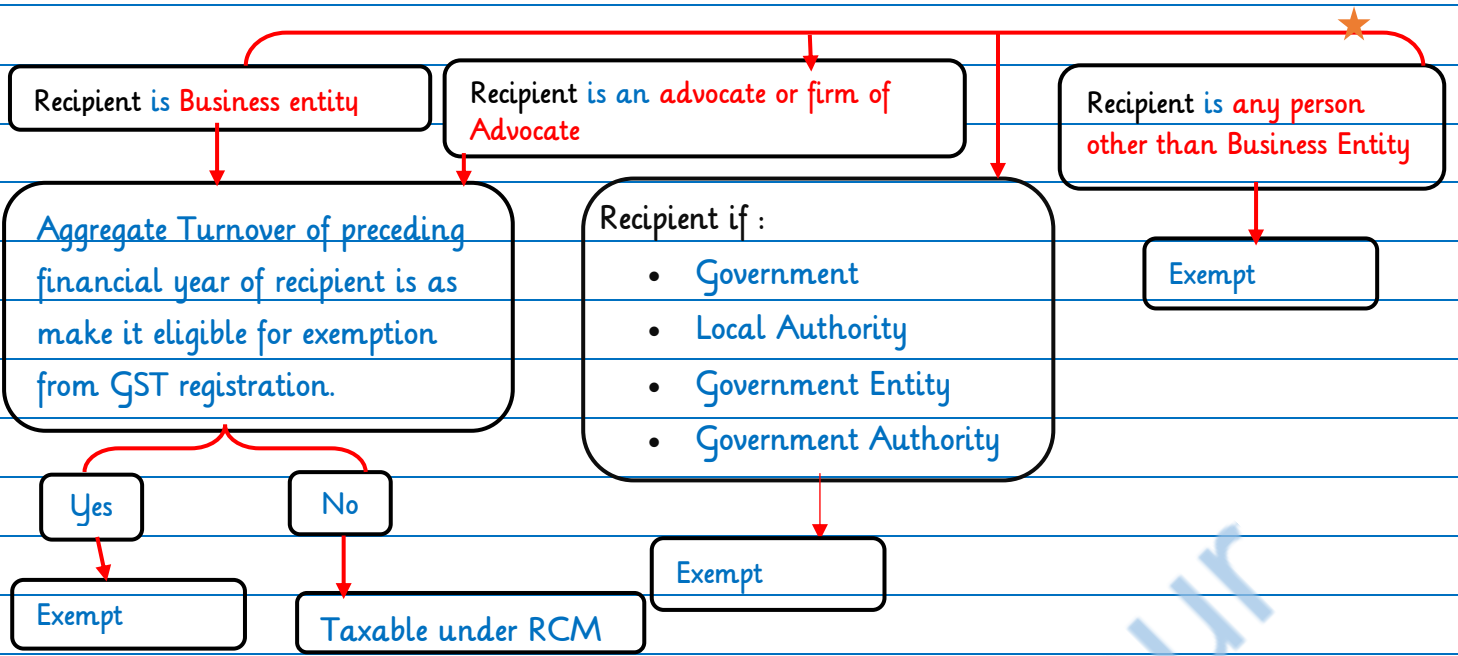
Aggregate Turnover of preceding financial year of recipient is as make it eligible for exemption from GST registration.

Yes

No

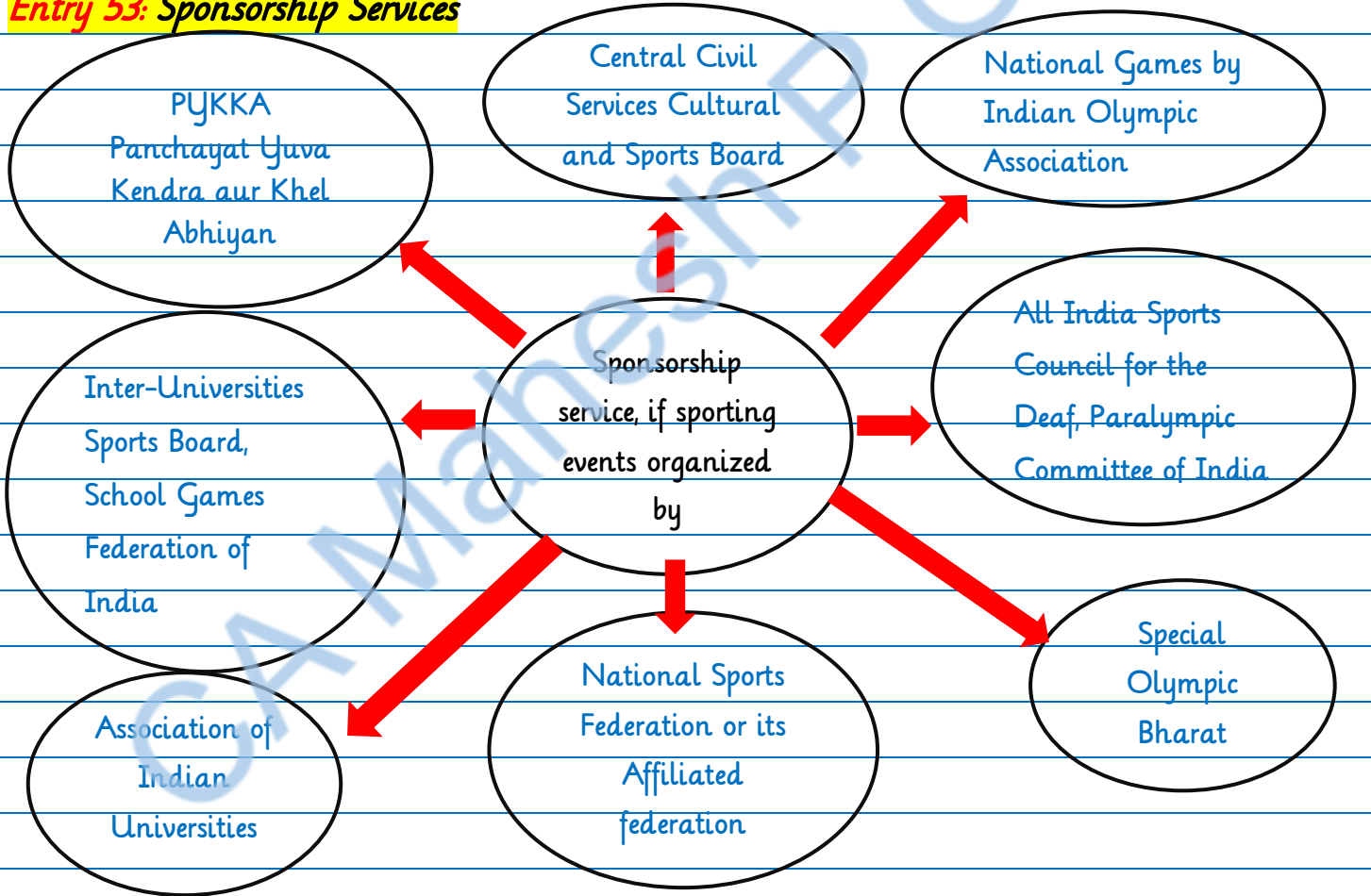
Exempt

Taxable under RCM



→ (Q) SPONSORSHIP OF SPORTS EVENTS

→ Entry 53: Sponsorship Services



→ (R) PERFORMANCE BY AN ARTIST

→ Entry 78: Classical, Music and Folk-Dance Performed by Artist

Services by an artist by the way of a performance in folk or classical art forms of-

- a) Music, or
- b) Dance, or

c) Theatre,

If the consideration charged for such performance is not more than ₹ 1,50,000

Note:

1. If consideration from such activities exceeds ₹ 1,50,000, entire Consideration is subject to GST
2. 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, similarly activities of artist in still art Forms e.g. painting, sculpture making etc. are taxable
3. The exemption shall not apply to service provided by such artist as a brand ambassador
4. GST on payment of honorarium to the Guest Anchors - Taxable

→ (S) SKILL DEVELOPMENT SERVICES

→ Entry 69: Services Provided by NSDC

Provided by	In relation to
a. The National Development Corporation set up by the Government of India	i) The National Skill Development Programme implemented by the National Skill Development Corporation; or
b. A sector skill council approved by the National Skill Development Corporation	ii) A Vocational Skill development Course under the National Skill Certification and Monetary Reward Scheme; or
c. An assessment agency approved by the sector Skill Council or the National Skill Development Corporation.	iii) Any other Scheme implemented by National Skill Development Corporation.
d. A training partner approved by the National Skill Development Corporation or the Sector Skill Council.	-

→ **Entry 70: Assessment of skill under the skill development Initiative Scheme**

Assessing Bodies empaneled centrally by DGT [Directorate General of Training], Ministry of Skill Development and Entrepreneurship

By way of Assessment under Skill Development Initiative Scheme

Exempt

→ **Entry 71: Training under DDUGKY**

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.

→ **(T) RIGHT TO ADMISSION TO VARIOUS EVENTS**

→ **Entry 79: Admission to a Museum, National Park, etc**

Services by Way of Admission to a –

Example: Museum, National Park, Wild life Sanctuary, Tiger Reserve, Zoo

→ **Entry 79A: Admission to a Protected Monument**

Services by way of admission to a protected monument so declared under the **Ancient Monuments & Archaeological Sites & Remains Act, 1958** or any state Acts for the time being in force

→ **Entry 81: Admission to an event**

Services by way of right to admission to-

- circus, dance, or theatrical performance including drama or ballet;
- award function, concert, pageant, musical performance or any unrecognised sporting event
- recognised sporting event,
- Planetarium

where the consideration for admission is not more than ₹ 500 per person as referred to in (a), (b), (c) and (d) above.

→ (U) SERVICES BY AN UNINCORPORATED BODY OR A NON-PROFIT ENTITY

→ **Entry 77: Services provided by housing Society/Non-Profit Entity to its members**

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 GST; 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.

Example:

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.

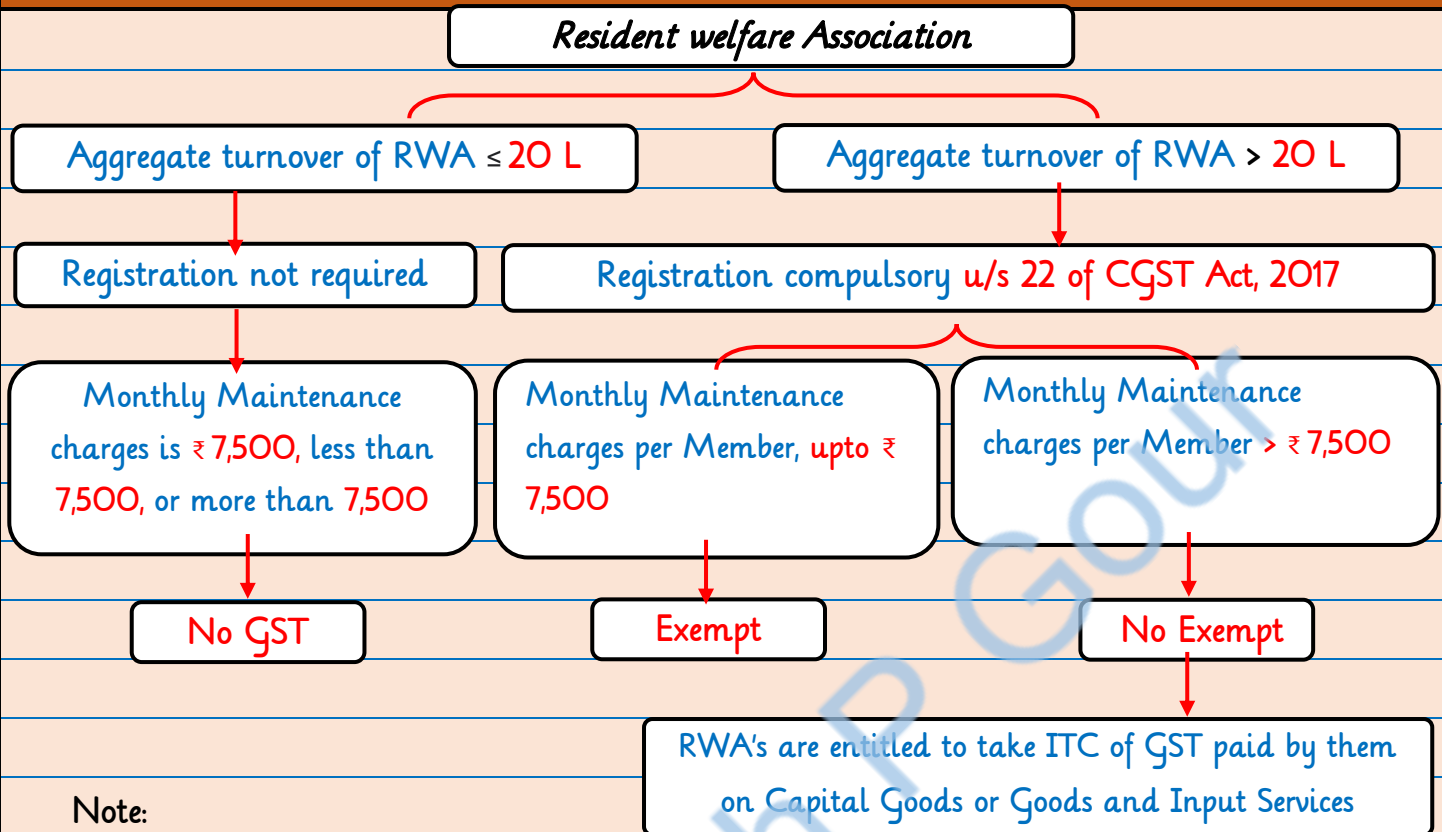
→ **Points To Be Noted**

Various charges collected by Societies

1. property Tax, Water Tax, Non-Agricultural Tax, & Electricity charges → Exempt [Entry 6]
2. sinking fund-mandatory under the Bye-laws of the Co-operative Societies, Repairs & Maintenance Fund, Car parking Charges, Non-Occupancy Charges & Simple interest for late payment → Taxable

Students Note

CLARIFICATION ON ISSUE RELATED TO GST ON MONTHLY SUBSCRIPTION/ CONTRIBUTION CHARGED BY A RESIDENTIAL WELFARE ASSOCIATION FROM IT MEMBERS.



Note:

When a person owns 2 or more flats in the housing society/ Residential Complex → The Ceiling of ₹ 7,500/- per month per member shall be applied separately for each residential apartment owned by him.

Entry 77A: Services related to welfare of labour/Farmer etc. provided by Non-Profit Entity to its own members

Services provided by an unincorporated body or a non-profit entity registered under any law for the time being in force, engaged in,-

1. Activities relating to the welfare of industrial or agricultural labour or farmers; or
2. 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.

→ (M) OTHER EXEMPT SERVICES

→ Entry 2: Transfer of going concern

Services by way of transfer of a going concern, as a whole or an independent part thereof;

Transfer after shutdown GST ✓

Do you know:

- ✓ Transfer of a going concern means transfer of a running business which is capable of being carried on by the purchase as an independent business.
- ✓ Such sale of business as a whole will comprise comprehensive sale of immovable property, goods and transfer of unexecuted orders, employees, goodwill, etc.

→ Entry 9B: Supply of Services associated with transit Cargo to Nepal & Bhutan

Supply of services associated with transit cargo to Nepal and Bhutan (landlocked countries).

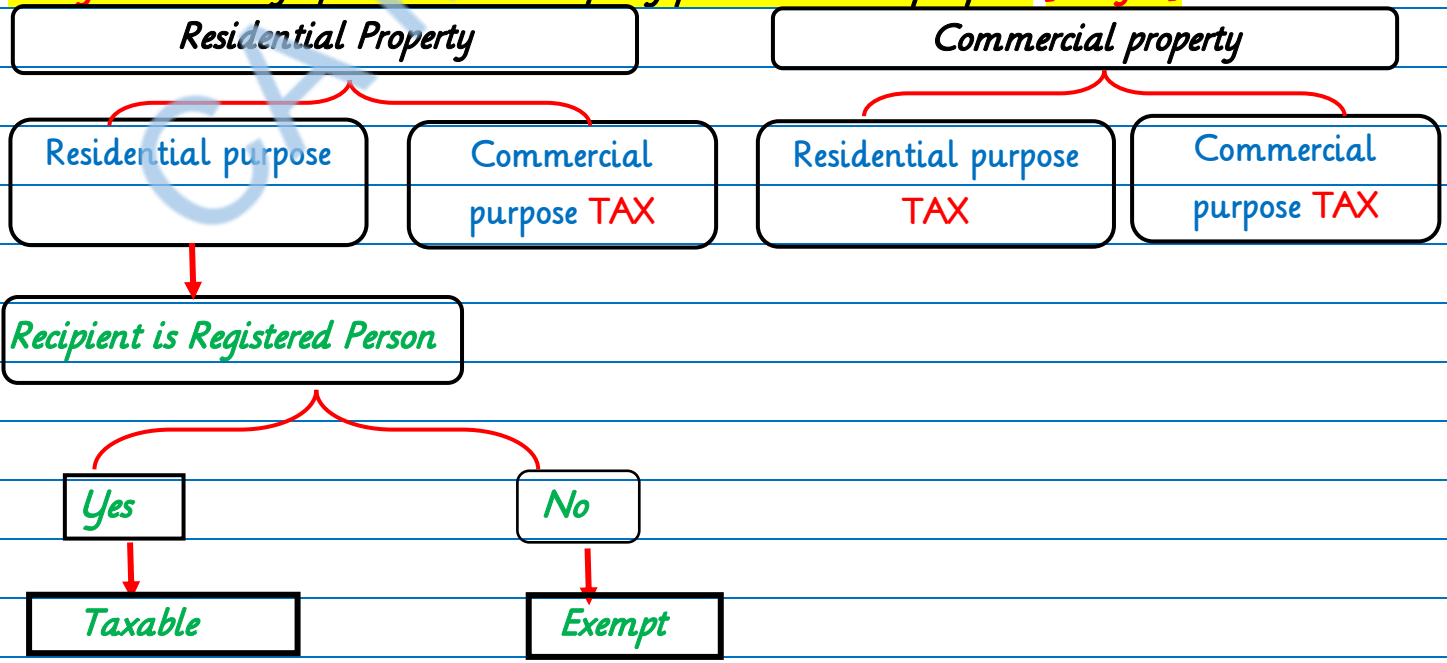
GST ON TRANSPORTATION OF EMPTY CONTAINERS RETURNING FROM NEPAL AND BHUTAN AFTER DELIVERY OF TRANSIT CARGO, TO INDIA - EXEMPT

Exemption under Entry 9B covers services associated with transit cargo both to and from Nepal and Bhutan.

It is also clarified that movement of empty containers from Nepal and Bhutan, after delivery of goods there, is a service associated with the transit cargo to Nepal and Bhutan and is therefore covered by the exemption.

[Circular No. 177/09/2022 GST dated 03.08.2022]

→ Entry 12: Renting of Residential Property for residential purpose [May'23]



Explanation:

For the purpose of exemption under this entry, this entry shall cover services by way of renting of residential dwelling to a registered person where, –

- i) the registered person is proprietor of a proprietorship concern and rents the residential dwelling in his personal capacity for use as his own residence; and
- ii) such renting is on his own account and not that of the proprietorship concern.]

Analysis of Entry 12

Sr. no	Supplier	property	Use of property	Tenant(Receipt)	GST
1.	Register	Commercial	Residence	Unregister or Register	GST(FCM)
2.	Register	Commercial	Business	Register	GST(FCM)
3.	Unregister	Commercial	Business	Register	No GST
4.	Unregister	Commercial	Any use	Unregister	No GST
5.	Unregister	Residential	Any use	Unregister	No GST
6.	Unregister or Register	Residential	Residence	Register	GST(RCM)
7.	Unregister or Register	Residential	Business	Register	GST(RCM)
8.	Register	Residential	Business	Unregister	GST(FCM)
9.	Register	Residential	Residence	Unregister	GST (Exempt)

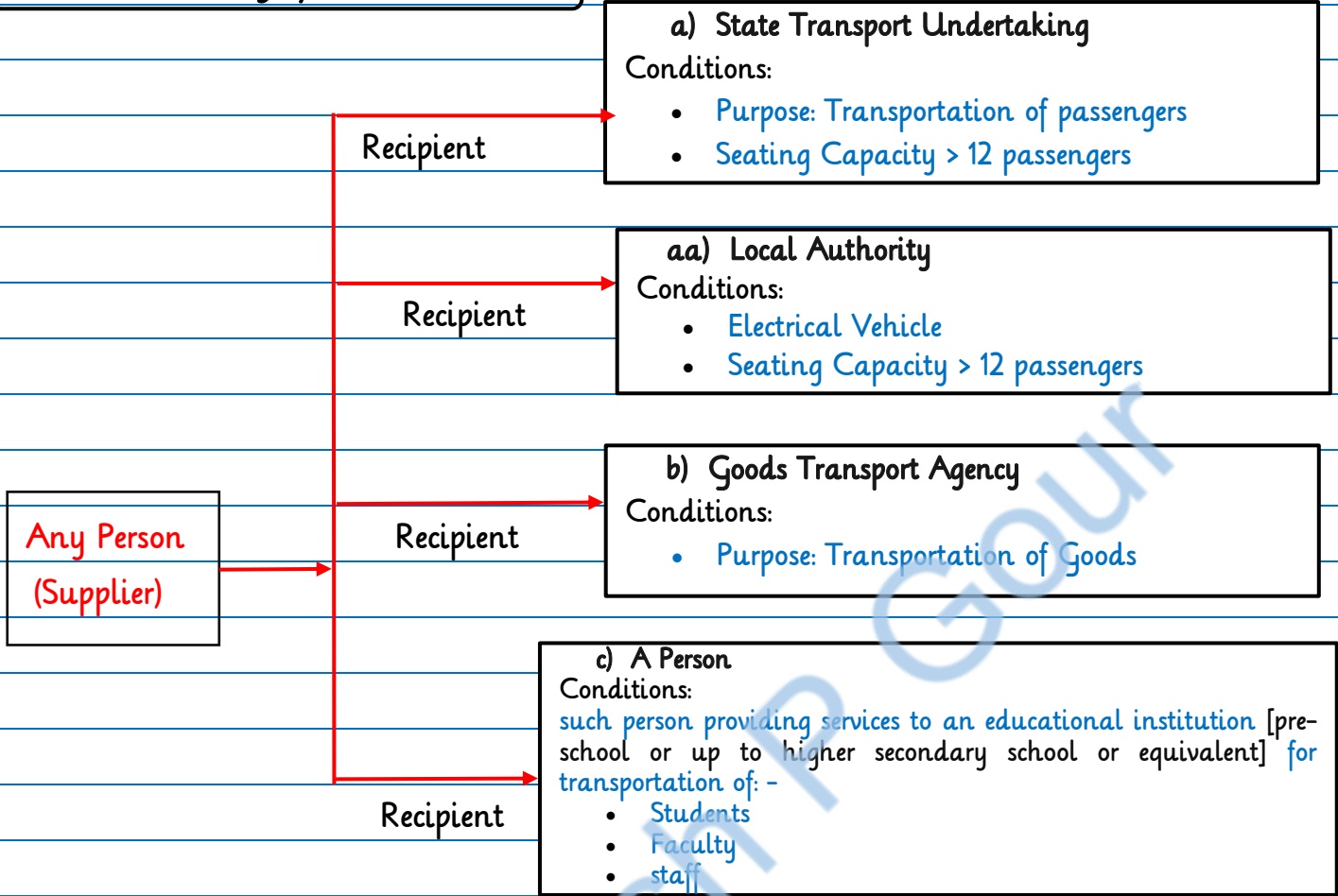
→ **Entry 14:- Accommodation Services provided by Hotel, Guest house, Club, Campsite etc. [May23]**

Services by a hotel, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes, having Actual tariff of a unit of accommodation below ₹1,000 per day or equal to ₹1,000.

Students Note:

→ **Entry 22: Hiring of Motor Vehicles**

Services = Hiring of Motor Vehicles



→ **Entry 23: Access to Road/Bridge [Payment of Toll Charge]**

Access to a road or a bridge on payment of toll charges.

→ **Entry 23A: Access to Road/Bridge [Payment of Annuity]**

Access to a road or a bridge on payment of Annuity.

GST ON OVERLOADING CHARGES AT TOLL PLAZA

(1) Overloading charges at toll plaza - **Exempt**

(2) Additional fee collected in the form of higher toll charges from vehicles not having Fastag is essentially payment of toll for allowing access to roads or bridges to such vehicles - **Exempt**

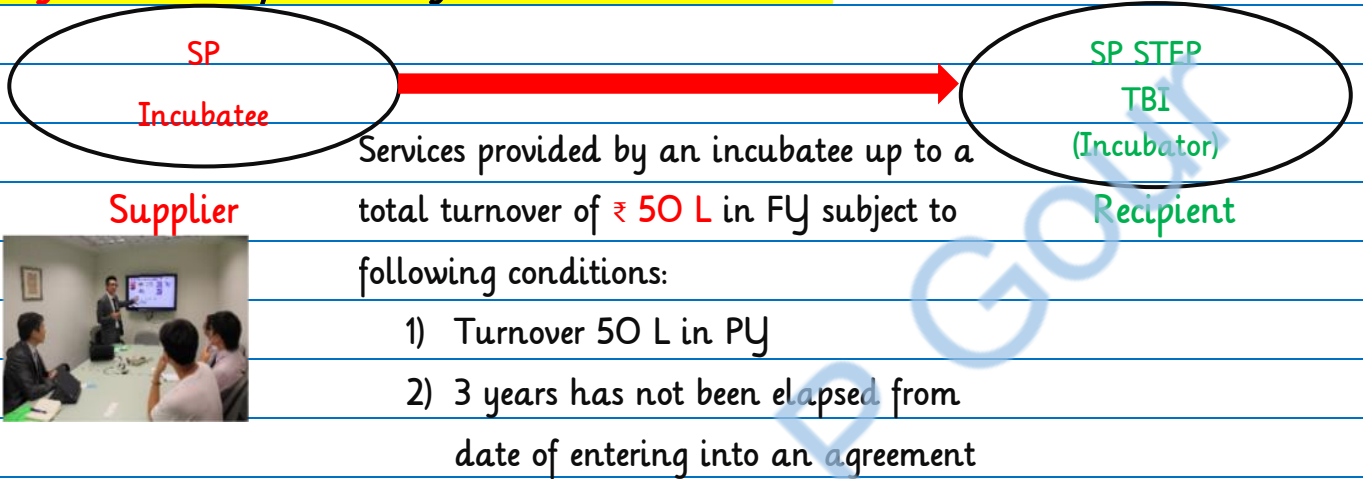
→ **Entry 25: Services provided by electricity transmission or distribution utility**

Transmission/distribution of electricity by an electricity transmission/distribution utility. However, in this regard 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 etc.;
- 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 dated 01.03.2018].

→ **Entry 44: Services provided by Incubatee to Incubator**



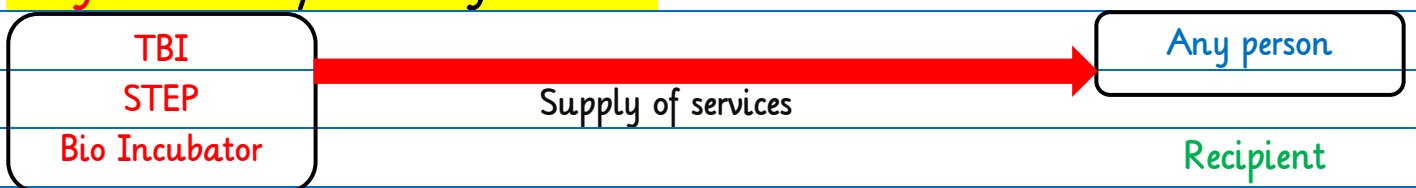
Meaning of incubatee:

"Incubatee" means an entrepreneur located within the premises of a Technology Business Incubator or Science and Technology Entrepreneurship Park recognized 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.

→ **Entry 47A: Services by way of licensing, registration and analysis or testing of food samples by FSSAI**

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.

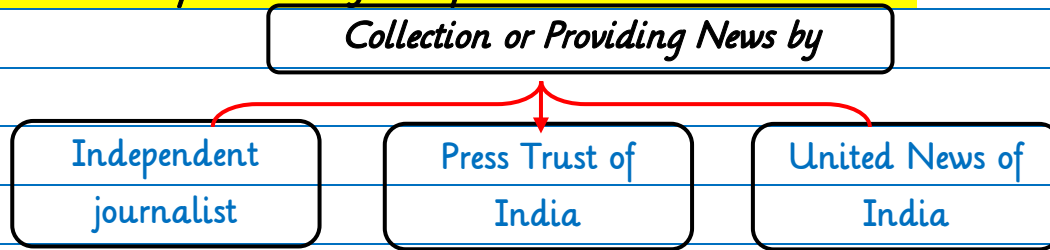
→ **Entry 48: Services provided by Incubator**



Supplier
(is incubator)

TBI → Technology Business Incubator
STEP → Science and Technology Entrepreneurship Park

→ **Entry 49: Services provided by Independent Journalist PTI/UNI**



→ **Entry 50: Services by way of Public Libraries**

Services by way of Public Libraries



→ **Entry 52: Services related to Business Exhibition held outside India**

Services provided by an organisation to any person in respect of business exhibition held outside India.



→ **Entry 52A: Services provided to a Foreign Tourist partly in India and Partly Outside India**

- Tour operator service, which is performed partly in India and partly outside value India, supplied by a tour operator to a foreign tourist, to the extent of the of the tour operator service which is performed outside India
- value of the tour operator service performed outside India shall be such to the proportion of the total consideration charged for the entire tour which is equal 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

Note:

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.

Example : A tour operator provides a tour operator service to a foreign tourist as follows

Case A: 3 days in India, 2 days in Nepal; Consideration Charged for the entire tour:

₹1, 00,000

Exemption: ₹ 40, 000 = (1, 00, 000 × 2/5) or ₹ 50, 000 = (50% of 1,00, 000) whichever is less i.e., ₹ 40, 000 (i.e., Taxable value: ₹ 60, 000);

Case B: 2 days in India, 3 nights in Nepal; Consideration Charged for the entire tour:

₹1, 00, 000

Exemption: ₹ 60, 000 = (1, 00, 000/- × 3/5) or ₹ 50, 000 (50% of 1, 00, 000) whichever is less i.e., ₹ 50, 000 (i.e., Taxable value: Rs.50, 000/-);

Case C: 25 days in India, 3 days in Nepal; Consideration charged for the entire tour:

₹1, 00, 000

Exemption: ₹ 54,545 = (1, 00, 000 × 3/5.5) or ₹ 50, 000 = (50% of ₹ 1, 00, 000)

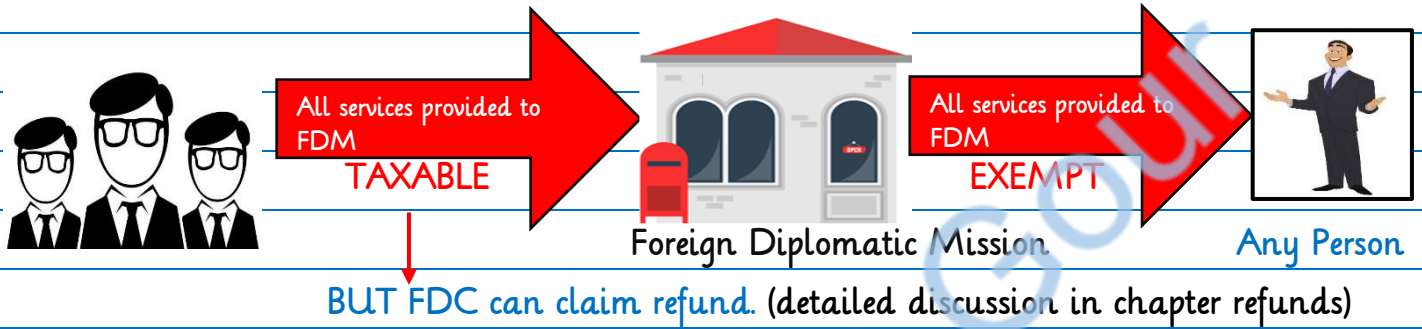
whichever is less, i.e., ₹ 50, 000 (i.e., Taxable value: ₹ 50, 000).

→ **Entry 56: Slaughtering of animals**



Services by way of slaughtering of animals.

→ **Entry 59: Services provided by Foreign Diplomatic mission Located in India**



→ **Entry 61A: Granting National Permit to a Goods Carriage to operate through-out**

Services by way of Granting National Permit to a Goods Carriage to operate through-out India/Contiguous States.

→ **Entry 65A: Service of providing Information under RTI Act, 2005**

Service by way of Providing info under Right to Information Act, 2005

→ **Entry 68: Specified Services Provided by an Individual or Recognised Sports Body**

Services provided to a recognised sports body by-

- (a) an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organised by a recognised sports body;
- (b) another recognised sports body.

Note: Services by individuals such as selectors, commentators, curators, technical experts are taxable. The service of a player to a franchisee which is not a recognized sports body is also taxable.

→ **Recognised sports body means -**

- 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.

→ **Entry 75: Bio-medical waste treatment**

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.

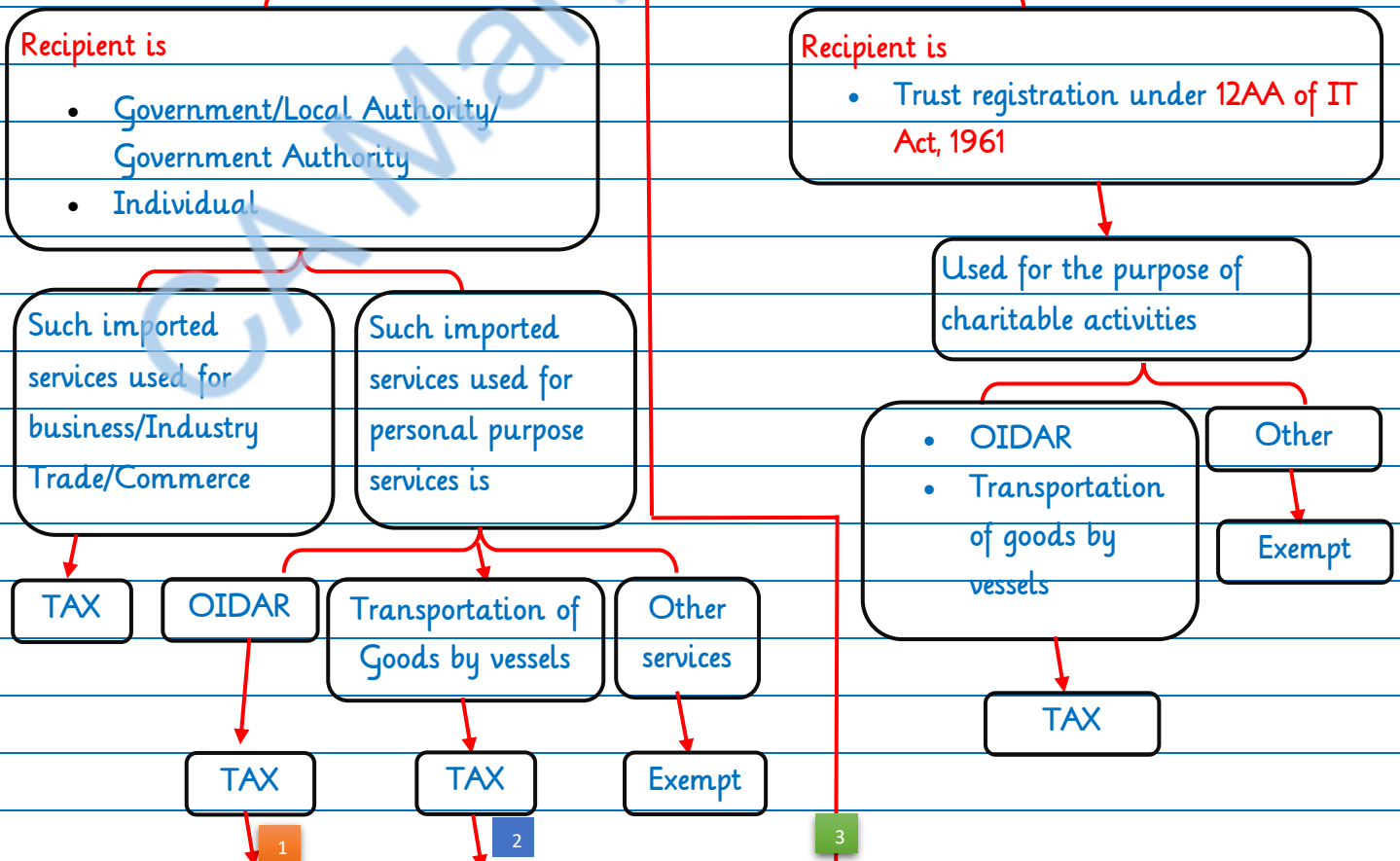
→ **Entry 76: Public Conveniences**

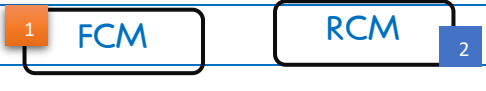
Services by way of public conveniences such as provision of facilities of bathroom, washrooms, lavatories, urinal or toilets.

→ **SERVICES EXEMPT SPECIFICALLY FROM IGST**

1. Services received from a provider of service located in a Non-Taxable Territory

Supplier = Located in Non-Taxable Territory





Recipient is education institute Except:-

- Pre-school
- Up to HSS
- Vocational Training Institute

Recipient Located in NTT

Exempt

Online educational Journals or Periodicals

Exempt

2. Services received by the RBI from outside India in relation to management of foreign Exchange/Asset Management



Exempt

RBI

Recipient

Taxable



Any person
Located outside India
(Supplier)

Any Person
Located in India
(Supplier)

3. Services provided to foreign tourist

Services provided by a tour operators to a foreign tourist in relation to a tour conducted wholly outside India.

Analysis of Services provided to foreign tourist

S. No.	Tour operator Located at	Tourist From	Tour Conducted In	Effect
1	Mumbai	Japan	US	Exempt
2	Mumbai	Japan	Japan	Exempt
3	Mumbai	Japan	India (Delhi)	Taxable
4	Mumbai	Japan	Partly in Japan And partly in India	Partly Exempt & Partly Taxable & Refer Entry 52A
5	Japan	Japan	US	Out of the scope of GST
6	Mumbai	Delhi	India	Taxable
7	Mumbai	Delhi	US	Taxable

4. Services Supplied to Distinct Person

Services supplied by an establishment of a person in India to any establishment of that person outside India, which are treated as establishment of distinct person in Section 8 of the IGST Act, provided the place of supply of the services outside India.

5. Import of services by specified organisation

Import of services by United Nations or a specified international organisation for Official use of the United Nations or the Specified international organisation.

6. Import of services by foreign Diplomatic mission or consular

Import of services by Foreign Diplomatic Mission (FDM) or Consular Post in India (CP)

Or diplomatic agents or career consular officers posted therein shall be exempt from IGST, subject to the conditions: -

- Certificate should be issued by the protocol division of the ministry of the external Affairs, based on the principal of reciprocity
- The service imported are for :

For Official purpose of the

For personal use of the

- ❖ Foreign Diplomatic Mission
- or
- ❖ Consular Post

- ❖ Diplomatic agent Or
- ❖ Career Consular Office Or
- ❖ Members of his or her family

- If protocol division withdraw the certificate, then they shall communicate the withdrawal of such certificate to FDM or CP
- Exemption shall not be available from the date of withdrawal of such certificate

→ OTHER EXEMPTION

S. No.	Description of services
1.	<p>Services imported by unit/developer in SEZ exempt from IGST</p> <p>All services imported by a unit/developer in the Special Economic Zone (SEZ) Are exempt from the whole of the integrated tax leviable thereon under Section 3(7) of the Custom Tariff Act, 1975 read with Section 5 of the IGST Act, 2017</p> <p>Note</p>

2. **Central Government share of profit petroleum exempted from CGST**



Supply of services by way of Grant of License/Lease to explore or mine petroleum crude or Natural Gas Both



Supplier

Recipient

Consideration

CG Shares of Profit Petroleum

3. **IGST exempted to the extent it is paid on the consideration attribute to royalty and license fee under Custom Valuation (Determination of Value of Imported Goods) Rules, 2007**

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 custom Leviable under Section 3(7) of the Custom Tariff Act, 1975, on the consideration declared under Section 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 Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 on which the appropriate duties of customs have been paid [Notification No. 6/2018 IT (R) Dated 25/01/2018]

→ **SOME OTHER CLARIFICATION**

GST ON SALE OF LAND AFTER LEVELLING, LAYING DOWN OF DRAINAGE LINES ETC. - TAXABLE

As per Para 5 of Schedule III of the CGST Act, 2017, 'sale of land' is neither a supply of goods nor a supply of services. Therefore, the sale of land does not attract GST.

However, it may be noted that any service provided for development of land, like levelling, laying of drainage lines (as may be received by developers) shall attract GST at applicable rate for such services.

[Circular No. 177/09/2022 GST dated 03.08.2022]

Students Note: