

# Union Budget 2016-2017

## Service tax amendments

By



## Key Highlights

- ⊗ Introduction of new Cess called Krishi Kalyan Cess @ 0.5%
- ⊗ Time limit for issuance of SCNs in normal cases increased from 18 months to 30 months
- ⊗ Interest rate reduced to 15%
- ⊗ Increase in monetary limit from Rs. 50 Lacs to Rs. 2 Crores for arrest provisions
- ⊗ A uniform rate of taxable value of 30% for commercial/residential construction services
- ⊗ Indirect tax Dispute Resolution Scheme has been announced for minimising pending litigations
- ⊗ Clarification provided in respect of levy of Service tax on IT softwares
- ⊗ Annual return prescribed
- ⊗ CENVAT Credit provisions pertaining to exempted as well as taxable services simplified
- ⊗ Relevant date for export of services provided

## Abbreviations...

<b>AC/DC</b>	Assistant Commissioner Or Deputy Commissioner Of Custom
<b>CCR</b>	CENVAT Credit Rules, 2004
<b>EC</b>	Education Cess
<b>FA</b>	Finance Act, 1994
<b>FY</b>	Financial Year
<b>GOI</b>	Government of India
<b>IC</b>	Infrastructure Cess
<b>ISD</b>	Input Service Distributor
<b>KKC</b>	Krishi Kalyan Cess
<b>NCCD</b>	National Calamity Contingent Duty
<b>Not.</b>	Notification

## ...Abbreviations

<b>OPC</b>	One Person Company
<b>POT</b>	Point of Taxation
<b>POTR</b>	Point of Taxation Rules, 2011
<b>RCM</b>	Reverse Charge Mechanism
<b>RSP</b>	Retail Sale Price
<b>SCN</b>	Show Cause Notice
<b>SHEC</b>	Secondary Higher Education Cess
<b>T/O</b>	Turnover
<b>TRU</b>	Tax Research Unit
<b>WEF</b>	With Effect From

# Introduction of Krishi Kalyan Cess

## Background

- ⊗ Vide Union Budget 2015-2016, education cesses were subsumed under Service tax

## Current Scenario

- ⊗ At present, Service tax is levied @ 14% and Swachh Bharat Cess @ 0.5% on all services

## Change in Law

- ⊗ For financing and promoting initiatives to improve agriculture and welfare of farmers a new cess called Krishi Kalyan Cess (KKC) is proposed to be introduced
- ⊗ KKC is proposed to be levied as Service tax with effect from 01.06.2016 on the specified taxable services @ 0.5% on the value of such taxable services
- ⊗ CENVAT Credit of KKC paid on input services is proposed to be allowed to be used for payment of KKC

## Impact

- ⊗ Now, effective rate of Service tax on specified taxable services will be increased from 14.5% to 15%

# Time limit for SCN increased

- Background** ☞ Adjudication Procedure is prescribed under Section 73 of FA
- Current Scenario**
- ☞ Presently, in cases of short-payment/non-payment/short-levy/non-levy/erroneous refund, Show Cause Notice can be issued within 18 months from the relevant date
  - ☞ In *mala fide* cases, the period of 18 months can be extended upto 5 years
- Change in Law**
- ☞ Section 73 of FA is proposed to be amended to increase the normal period of limitation from 18 months to 30 months for short levy/non-levy/short payment/non-payment/erroneous refund of Service tax
- WEF**
- ☞ The date of enactment of Finance Bill, 2016
- Impact**
- ☞ SCNs may be issued for a longer duration even in *bona fide* cases

# Educational services...

- Background** ☹ A relief is granted to Educational Sector by way of covering the same either in negative list of services or under exemption notifications
- Current Scenario** ☹ Following services of educational sector are covered under Negative list of services ('specified educational 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
- Change in Law** ☹ Now, the specified educational services are removed from negative list of services
- ☹ However, exemption is continued by way of covering them under an exemption notification
- WEF** ☹ The date of enactment of Finance Bill, 2016

## ...Educational services...

### Current Scenario

- ⊗ There was a confusion in relation to levy of Service tax for specified courses offered by Indian Institutes of Management (IIMs)

### Change in Law

Following exemptions are introduced:

- ⊗ Services provided by IIMs, as per the guidelines of the Central Government, to their students, by way of the following educational programmes, except Executive Development Programme:
  - ⊗ (i) 2 year full time residential Post Graduate Programmes in Management for Post Graduate Diploma in Management (Admission on the basis of CAT examination)
  - ⊗ (ii) Fellow Programme in Management
  - ⊗ (iii) 5 year integrated programme in Management

### WEF

- ⊗ 01.03.2016

### Impact

- ⊗ It is clarified in a letter issued by TRU that the exemption pertaining to Post Graduate Programmes and Fellow Programmes is clarificatory in nature and therefore, even the demands for the past period will not survive



## ...Educational services

### New Provision

- ⊗ Following further exemptions are introduced to educational sector:
  - ⊗ Services of assessing bodies empanelled centrally by Directorate General of Training, Ministry of Skill Development and Entrepreneurship by way of assessments under Skill Development Initiative (SDI) Scheme
  - ⊗ Services provided by training providers (Project implementation agencies) under Deen Dayal Upadhyaya Grameen Kaushalya Yojana under the Ministry of Rural Development by way of offering skill or vocational training courses certified by National Council For Vocational Training

### WEF

⊗ 01.04.2016

# Transportation of passengers by stage carriage

## Background

- ⌚ Various exemptions and abatements are provided to transportation industry

## Current Scenario

- ⌚ Service of transportation of passengers, with or without accompanied belongings, by a stage carriage (i.e. transportation with multiple halts) is covered under negative list of services
- ⌚ Transportation of passengers by air conditioned contract carriages (i.e. transportation with destination point) is already taxable

## Change in Law

- ⌚ Now, service of transportation of passengers, with or without accompanied belongings, by an air-conditioned stage carriage is proposed to be made taxable
- ⌚ Further, similar to contract carriage, transport of passengers, with or without accompanied belongings by air-conditioned stage carriage would be taxable @ 40% subject to non-availment of CENVAT Credit

## WEF

- ⌚ 01.06.2016

# Transportation of goods by vessel

## Background

- ⊗ Various exemptions and abatements are provided to transportation industry

## Current Scenario

- ⊗ Services by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India is covered under negative list of services
- ⊗ In respect of other transport of goods in vessel, abatement is granted to the extent of 70% of value of taxable services subject to non-availment of CENVAT Credit on inputs, input services and capital goods

## Change in Law

- ⊗ The services of transportation by vessel from a place outside India up to customs station of clearance in India are proposed to be taxable **WEF 01.06.2016**
- ⊗ Benefit of abatement @70% would be available to such services
- ⊗ Further, CENVAT Credit would now be available on input services used for transport of goods in vessel even while taking abatement **WEF 01.04.2016**

# Transportation of goods by aircraft

## Current Scenario

- ⌚ Services by way of transportation of goods by an aircraft from a place outside India up to the customs station of clearance in India is covered under negative list of services

## Change in Law

- ⌚ The said services of transportation by aircraft are granted exemption

## WEF

- ⌚ 01.06.2016

# Lottery selling agents...

## Background

- ⊗ Lottery selling agents were covered under Service tax net vide Finance Act, 2015

## Current Scenario

- ⊗ However, ***Sikkim High Court in the case of Future Gaming and Hotel Services Private Limited Vs. Union of India (2015-TIOL-2398-HC-SIKKIM -ST)*** had struck down the amendment made vide Finance Act, 2015 with respect to promotion/marketing of lottery tickets on one of the premise that the relationship between State Government and lottery distributors or selling agents is on principal to principal basis

## ...Lottery selling agents...

### Change in Law

- ⊗ It is clarified that vide Section 4 of the Lotteries (Regulation) Act, 1998, State Government shall sell tickets through distributors or selling agents and therefore, the relationship is that of principal and agent and any contract contrary to Lotteries (Regulation) Act, 1998 would not be enforceable
- ⊗ Accordingly, definition of 'service' is proposed to be amended to provide that Service tax is payable on activity carried out by a lottery distributor or selling agents of State Government
- ⊗ **The above amendments would be effective from the date of enactment of Finance Bill, 2016**
- ⊗ Further, the notification dealing with RCM is consequently amended to clarify that services provided by selling or marketing agents to lottery distributor or selling agent are covered under full RCM **WEF 01.04.2016**

## ...Lottery selling agents

### Impact

- ⊗ Even after the proposed amendment, the matter is not free from litigation in view of following observations made by High Courts and Supreme Court in landmark decisions:
  - ⊗ Lottery tickets are subject matter of States and therefore, Central Government do not have powers to levy any tax thereon
  - ⊗ Lottery tickets are actionable claims and therefore, no Service tax can be levied on the activity of distributors or selling agents
  - ⊗ The explanation to definition of service cannot expand the scope of 'service' under Service tax laws

# Radio-frequency spectrum

## Background

- ⊗ Declared services cover activities either not in the nature of service or activities prone to litigation

## Current Scenario

- ⊗ ***Hon'ble Karnataka High Court in case of Bharti Airtel Ltd. 2012 (25) STR 514 (Kar.)***, had held that Artificially Created Light Energy (ACLE) was not covered within the meaning of 'goods' as per Karnataka Sales Tax Act, 1957
- ⊗ Therefore, there was a debate whether radio-frequency spectrum is intangible goods or assignment thereof is leviable to Service tax

## Change in Law

- ⊗ Assignment of right to use the radio-frequency spectrum by Government and subsequent transfers thereof, are proposed to be declared as a 'service'
- ⊗ Further, as per TRU Circular, it appears to be a clarificatory amendment

## WEF

- ⊗ The date of enactment of Finance Bill, 2016

## Impact

- ⊗ Though TRU Circular states that this is a clarificatory amendment, this being an adverse amendment, cannot have a retrospective effect



# Interest...

## Background

- Interest rate under Service tax laws has been increasing since 2011

## Current Scenario

- Interest is chargeable in the range of 18% p.a. to 30% p.a. depending upon the period of delay in payment of Service tax vide amendments WEF 01.10.2014
- Interest rate is much higher than bank/private sector interest rates

## Change in Law

- Rate of interest are rationalised as under:

<b>Particulars</b>	<b>Small assesseees having value of taxable services in a FY &lt;= Rs. 60 Lacs during FY/preceding FY</b>	<b>Others</b>
Collection but non-payment of Service tax within due date	21%	24%
Others	12%	15%

## ...Interest...

### WEF

- ⌚ The date of enactment of Finance Bill, 2016

### Impact

- ⌚ The interest will be made compensatory in nature as laid down in ***Landmark decision delivered by Hon'ble Supreme Court in case of Pratibha Processors 1996 (88) ELT 12 (SC)*** which appears to be penal in nature at present

## ...Interest

### Change in Law

- ⊗ Further, in case of excess collection of Service tax, interest rate would be revised to 15% p.a. from 18% p.a.

### WEF

- ⊗ The date of enactment of Finance Bill, 2016

# Personal Penalties

## Background

- ⊗ Personal penalties for intentional contravention of Service tax Laws is prescribed for director, manager, secretary or other officer of a Company, responsible and knowingly concerned with any contravention (Section 78A of FA)

## Current Scenario

- ⊗ Maximum personal penalty could be levied upto Rs. 1 Lac
- ⊗ However, there is no provision to close these penalty proceedings in case the main demand and penalty proceedings are concluded

## Change in Law

- ⊗ Now, it is proposed to provide that personal penalty would be deemed to be closed if main demand and penalty proceedings are closed

## WEF

- ⊗ The date of enactment of Finance Bill, 2016

## Impact

- ⊗ Unnecessary harassment to directors, managers etc. would come to a rest

# Increase in monetary limit for prosecution and arrest...

## Background

- ⊗ Section 89 of FA provides for offences and their consequences under Service tax Laws
- ⊗ Section 90 of FA provides for cognizance of offences

## Current Scenario

- ⊗ Service tax Prosecution in following situations:
  - ⊗ knowingly evades the payment of Service tax
  - ⊗ Bogus availment and utilisation of CENVAT Credit
  - ⊗ Maintains false books of accounts
  - ⊗ Fails to supply any information
  - ⊗ Supplies false information or
  - ⊗ Collects any amount as Service tax but fails to pay beyond a period of 6 months
- ⊗ Imprisonment term: Ranging from 6 months to 7 years
- ⊗ Imprisonment of more than 1 year in case the default is more than Rs. 50 Lacs
- ⊗ Further, Departmental officials have powers to arrest if any of the offence is above Rs. 50 Lacs
- ⊗ Vide Circulars issued on 23.10.2015, the monetary limit was increased to Rs. 1 Crore

## ...Increase in monetary limit for prosecution and arrest

### Current Scenario

- ⊗ Cognizance of offences:
  - ⊗ Till now, collection and non-payment of Service tax above Rs. 50 Lacs beyond 6 months is considered to be serious offence and accordingly, is a non-bailable offence
  - ⊗ All other offences are bailable and non-cognizable but there was no need to follow Code of Criminal Procedure, 1973

### Change in Law

- ⊗ Now, the monetary limit for prescribed offences is proposed to be increased to Rs. 2 Crores as against Rs. 50 Lacs
- ⊗ Further, it is proposed to restrict powers of arrest only in case of collection and non-payment beyond 6 months of an amount exceeding Rs. 2 Crores

### WEF

- ⊗ The date of enactment of Finance Bill, 2016

### Impact

- ⊗ The Code of Criminal Procedure, 1973 cannot be ignored where collection and non-payment of Service tax is beyond 6 months and the amount involved exceeds Rs. 2 Crores

# Rebate...

## Background

- ⊗ Rebate of Service tax paid on input services received by exporter of goods and used for export of goods is granted vide Notification No. 41/2012-ST dated 29.06.2012

## Current Scenario

- ⊗ Rebate was granted for services beyond the place of removal used for the export of excisable goods
- ⊗ Place of removal was defined to mean factory, warehouse, depot or any other place or premises from where the excisable goods are to be sold after their clearance from the factory
- ⊗ Therefore, effectively, rebate of Service tax from factory to port/airport was granted
- ⊗ However, in February, 2015 (Circular No. 999/6/2015-CX dated 28.02.2015), CBEC clarified that in specified circumstances, place of removal is the port or airport from where goods are finally exported
- ⊗ This resulted in rejection of rebates for major services used for export of goods beyond factory upto port/airport and accordingly, issuance of SCNs
- ⊗ Consequently, rebate notification was amended WEF 03.02.2016, to grant rebate of taxable services beyond factory or manufacturing premises for export of goods

## ...Rebate

### Change in Law

- ⊗ Now, to grant relief, it is proposed to extend the recent amendment for rebate retrospectively for the period from 01.07.2012 to 02.02.2016 i.e. rebate is proposed to be allowed of taxable services beyond factory or manufacturing premises for export of goods
- ⊗ In cases of rebate rejection for the said period in absence of the amendment, it is proposed to introduce a time limit of 1 month from the date of enactment of Finance Bill, 2016 to file a fresh application for rebate

### WEF

- ⊗ The date of enactment of Finance Bill, 2016



# Retrospective exemption to canal, dam or other irrigation works...

## Background

- ⊗ Services like construction, erection, maintenance or alteration etc. of canal, dam or other irrigation work provided to Governmental authority was exempted from 01.07.2012 vide Notification No. 25/2012-ST dated 20.06.2012
- ⊗ Governmental authority was defined to mean a board or an authority or any other body established with 90% or more participation by way of equity or control by Government and set up by an Act of the Parliament or a State Legislature to carry out any function entrusted to a municipality under Article 243W of the Constitution of India

## Current Scenario

- ⊗ Definition of Governmental authority was amended with effect from 30.01.2014 so as to include entities either established by Government or by an Act of Parliament or a State Legislature
- ⊗ However, said services provided prior to 30.01.2014 to such bodies remained taxable

## ...Retrospective exemption to canal, dam or other irrigation works

### Change in Law

- ⊗ Therefore, now, it is proposed to extend the benefit of exemption to the said services provided during the period from 01.07.2012 to 29.01.2014
- ⊗ Consequently, refund of Service tax for the said period shall also be allowed
- ⊗ Refund claim should be filed within 6 months from the date on which the Finance Bill, 2016 receives the assent of the President

### WEF

- ⊗ The date of enactment of Finance Bill, 2016

# Restoration of exemption relating to construction of Government buildings...

- Background**
- ☑ Services provided to Government, Local Authority or Governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation or alteration of:
    - ☑ Civil structure or other original work meant predominantly for non-commercial use
    - ☑ Structure meant predominantly for use as educational, clinical or art or culture establishment and
    - ☑ Residential complex predominantly meant for self-use or use of employees of specified persons

Were granted exemption WEF 01.07.2012 vide Notification No. 25/2012-ST dated 20.06.2012

**Current Scenario**

- ☑ The exemption was withdrawn WEF 01.04.2015 and these services were made taxable

## ...Restoration of exemption relating to construction of Government buildings

### Change in Law

- ☑ Now, WEF 01.03.2016, the benefit of exemption is available upto 31.03.2020 to the said services for the contracts entered prior to 01.03.2015 on which appropriate Stamp Duty is paid prior 01.03.2015 (Not. 9/2016-ST dated 01.03.2016)
- ☑ Further, for such contracts, Service tax exemption is also restored for the period from 01.04.2015 to 29.02.2016
- ☑ In such cases, if Service tax is paid, refund thereof shall be allowed for the period from 01.04.2015 to 29.02.2016
- ☑ Refund claim should be filed within 6 months from the date on which the Finance Bill, 2016 receives the assent of the President
- ☑ The above amendments are from the date of enactment of Finance Bill, 2016

### Impact

- ☑ A relief is proposed to be granted to all the on-going projects which had not taken into consideration Service tax element while entering into the contracts with Government

# Restoration of exemption relating to construction of airport or port...

- Background** ☺ Services by way of construction, erection, commissioning, or installation of original works pertaining to an airport or port were granted exemption WEF 01.07.2012 vide Not. 25/2012-ST dated 20.06.2012
- Current Scenario** ☺ The exemption was withdrawn WEF 01.04.2015 and these services were made taxable

## ...Restoration of exemption relating to construction of airport or port

### Change in Law

- ☑ Now, WEF 01.03.2016, the benefit of exemption is available upto 31.03.2020 to the said services for the contracts entered prior to 01.03.2015 on which appropriate Stamp Duty is paid prior to 01.03.2015 (Not. 9/2016-ST dated 01.03.2016)
- ☑ Further, for such contracts, Service tax exemption is also restored for the period from 01.04.2015 to 29.02.2016
- ☑ The exemption is available subject to certification by Ministry of Civil Aviation or Ministry of Shipping in Government of India that the contract is entered prior to 01.03.2015
- ☑ In such cases, if Service tax is paid, refund thereof shall be allowed for the period from 01.04.2015 to 29.02.2016
- ☑ Refund claim should be filed within 6 months from the date on which the Finance Bill, 2016 receives the assent of the President
- ☑ The above amendments are from the date of enactment of Finance Bill, 2016

### Impact

- ☑ A relief is proposed to be granted to all the on-going projects which had not taken into consideration Service tax element while entering into such contracts for construction of ports or airports

# Services by Government...

## Background

- ⊗ At present, following services provided by Government or local authority are taxable:
  - 1) Speed post and parcel post services;
  - 2) Life insurance and agency services provided to persons other than Government;
  - 3) Services in relation to aircraft or vessel outside port or airport;
  - 4) Transportation of goods or passengers
  - 5) Renting of immovable property
  - 6) Defined support services provided to business entities

## Current Scenario

- ⊗ Vide Finance Act, 2015, Service tax will be levied on all services provided by Government to business entities from a notified date i.e. 01.04.2016
- ⊗ Further, all services provided by Government or local authority except renting and other specified taxable services such as speed post, parcel post services etc., to business entities, would get covered under full RCM from a notified date
- ⊗ However, services provided by Government or local authority to a business entity with a T/O upto Rs. 10 Lacs in preceding FY are exempted WEF 01.04.2016 (Not. 7/2016-ST dated 18.02.2016)
- ⊗ Services apart from first 4 services still to remain non-taxable for non business entities and individuals

## ...Services by Government

### Change in Law

- ⊗ Now, WEF 01.04.2016, it is notified to remove definition of 'support services' in absence of any relevance therefrom
- ⊗ Further, RCM would be applicable from 01.04.2016 on all services by Government to business entity except 1 to 5 services as discussed above
- ⊗ Consequential amendments are made in Service tax Rule, 1994 and Notification No. 30/2012-ST dated 20.06.2016

### WEF

- ⊗ 01.04.2016



# Mutual Fund agents/distributors

## Background

- Services provided by mutual fund (MF) agent/distributor to Assets Management Company (AMC) was exempted from Service tax upto 31.03.2015

## Current Scenario

- The exemption was withdrawn WEF 01.04.2015 and was covered under full RCM i.e. effectively, MFs and AMCs were liable to pay Service tax for services received from MF agents/distributors

## Change in Law

- Now, the services provided by MF agent/distributor to MF or AMC would be covered under prospective charge as against RCM
- In case of small sub-agents, small scale service provider's exemption of Rs. 10 Lacs p.a. would be available

## WEF

- 01.04.2016

# Point of taxation

## Background

- ⊗ Service tax collection was shifted from receipt basis to accrual basis WEF 01.04.2011 and accordingly, POTR were framed

## Current Scenario

- ⊗ Section 67A of FA provides that the rate of Service tax shall be the rate in force or as applicable at the time when the taxable service has been provided or agreed to be provided
- ⊗ Whereas, POTR effective from 01.04.2011 determines rate of Service tax under specified circumstances vide general powers Section 94 of FA
- ⊗ Therefore, it appeared that there was contradiction between Section 67A and POTR

## Change in Law

- ⊗ Now, Section 67A of FA is proposed to be amended to obtain specific rule making powers in respect of POTR. Consequential amendments are done in POTR

## WEF

- ⊗ The date of enactment of Finance Bill, 2016

# Change in abatement for Tour Operators...

## Background

- ⊗ Tour Operators are covered under Service tax net with different options to discharge Service tax

## Current Scenario

- ⊗ Hitherto, there were 3 bifurcations for tour operators under Service tax as under:

Particulars	Taxable Value
Packaged Tour Operators	25%
Tour operators providing services of solely arranging and booking accommodation	10%
Other tour operators	40%

- ⊗ All the said categories were granted different abatements subject to specified conditions

## ...Change in abatement for Tour Operators

- Change in Law**
- Now, the concept of packaged tour is removed and the rate of abatement is rationalised as under:

Particulars	Taxable Value
Tour operators providing services of solely arranging and booking accommodation	10%
Other tour operators (including tour operators covered under packaged tour earlier)	30%

- The abatement is subject to fulfilment of specified conditions as earlier
- Consequently, definition of 'package tour' is deleted

**WEF**

- 01.04.2016

## Changes in Construction service abatement

Description of Taxable Service	Taxable Value upto <b>31.03.2016</b>	Taxable Value WEF <b>01.04.2016</b>	Conditions
<p>☞ Construction of a complex, building, civil structure or a part thereof, intended for a sale to a buyer, wholly or partly except where entire consideration is received after issuance of completion certificate by the competent authority:</p>			
<p>☞ For residential unit satisfying both the following conditions namely:</p> <ul style="list-style-type: none"> <li>☞ The carpet area of the unit is less than 2000 sq. ft. and</li> <li>☞ The amount charge for the unit is less than RS. 1 Crore</li> </ul>	25%	30%	<p>(i) CENVAT credit on inputs used for providing the taxable service has not been taken under the provisions of the CENVAT Credit Rules, 2004</p> <p>(ii) The value of land is included in the amount charged from the service receiver</p>
<p>☞ Others</p>	30%		

## Transport of goods...

Sr. No.	Particulars	Abatement Rate upto 31.03.2016	Existing Conditions	Abatement Rate WEF 01.04.2016	Amended Condition
2	Transport of goods by rail (other than service specified at Sl. No. 2A below)	70%	CENVAT Credit on <u>inputs, capital goods and input services</u> , used for providing taxable service is not taken under CENVAT Credit Rules, 2004	70%	CENVAT credit on <u>inputs and capital goods</u> , used for providing the taxable service is not taken under CENVAT Credit rules, 2004

## ...Transport of goods...

Sr. No.	Particulars	Abatement Rate upto 31.03.2016	Existing Conditions	Abatement Rate WEF 01.04.2016	Amended Condition
2A	Transport of goods in containers by rail by any person other than Indian railways	70%	CENVAT Credit on <u>inputs, capital goods and input services</u> , used for providing taxable service is not taken under CENVAT Credit Rules, 2004	60%	CENVAT credit on <u>inputs and capital goods</u> , used for providing the taxable service is not taken under CENVAT Credit rules, 2004

## ...Transport of goods...

Sr. No.	Particulars	Abatement Rate upto 31.03.2016	Existing Conditions	Abatement Rate WEF 01.04.2016	Amended Condition
7	Services of goods transport agency (GTA) in relation to transportation of goods other than used household goods	70%	CENVAT Credit on <u>inputs, capital goods and input services</u> , used for providing taxable service is not taken under CENVAT Credit Rules, 2004	70%	CENVAT credit on <u>inputs, capital goods and input services</u> , used for providing the taxable service is not taken by service provider under CENVAT Credit rules, 2004



## ...Transport of goods

Sr. No.	Particulars	Abatement Rate upto 31.03.2016	Existing Conditions	Abatement Rate WEF 01.04.2016	Amended Condition
7A	Services of GTA in relation to transportation of used household goods	70%	CENVAT Credit on <u>inputs, capital goods and input services</u> , used for providing taxable service is not taken under CENVAT Credit Rules, 2004	60%	CENVAT credit on <u>inputs, capital goods and input services</u> , used for providing the taxable service is not taken by service provider under CENVAT Credit rules, 2004

## Transport of passengers

Sr. No.	Particulars	Abatement Rate upto 31.03.2016	Existing Conditions	Abatement Rate WEF 01.04.2016	Amended Condition
3	Transport of passengers with or without accompanied belongings by rail	70%	CENVAT Credit on <u>inputs, capital goods and input services</u> , used for providing taxable service is not taken under CENVAT Credit Rules, 2004	70%	CENVAT credit on <u>inputs and capital goods</u> , used for providing the taxable service is not taken under CENVAT Credit rules, 2004

# Chit Fund...

## Background

- ⊗ There was a debate whether the activity of foreman of chit fund is a transaction in money (and therefore, not liable to Service tax) or it is a cash management services (liable to Service tax)
- ⊗ **Hon'ble Supreme Court in case of Union of India v. Delhi Chit Fund Association - 2015 (38) S.T.R. J202 (S.C.) and Union of India v. Andhra Pradesh Federation of Chit Funds - 2015 (39) S.T.R. J31 (S.C.)** have specifically quashed the levy on the activities as the same are excluded from the definition of service
- ⊗ Further, services provided in relation to chits were granted abatement of 30% subject to non-availment of CENVAT Credit on inputs, capital goods and input services

## Current Scenario

- ⊗ In view of judicial pronouncements, at present, express provisions are introduced explaining the activities carried out by a foreman of chit fund for conducting or organizing a chit in any manner, to be a taxable service
- ⊗ WEF 01.04.2015, abatement was removed i.e. to say Service tax is levied on 100% of value of taxable services

## ...Chit Fund

### Change in Law

- ⊗ Now, abatement is again granted to a foreman of chit fund @ 30% subject to non-availment of CENVAT Credit on inputs, capital goods and input services

### WEF

- ⊗ 01.04.2016

### Impact

- ⊗ The above levy may still not be free from litigation in view of the comments expressed by ***Honorable Delhi High Court in the case of Delhi Chit Fund Association v. Union of India 2013 (30) S.T.R. 347 (Del.) maintained by Hon'ble Supreme Court***

# Rent-a-cab services

## Background

- ⊗ Rent-a-cab services are covered under RCM with effect from 01.07.2012

## Current Scenario

- ⊗ Presently, renting of motor cab is granted abatement of 60% from the amount charged for provision of taxable services subject to non-availment of specified CENVAT Credit

## Change in Law

- ⊗ Now, it is specified that the amount charged shall include fair market value (FMV) of all goods (including fuel) and services supplied by recipient of services
- ⊗ FMV of goods and services supplied may be determined in accordance with generally accepted accounting principles

## WEF

- ⊗ 01.04.2016

# Indirect tax Dispute Resolution Scheme...

## Applicability

- ⊗ The scheme is applicable to appeals pending before Commissioner(Appeals) as on 01.03.2016
- ⊗ Declarations to be made till 31.12.2016

## Exclusions

- ⊗ Order in respect of search and seizure
- ⊗ Prosecution of any offence started before 01.06.2016
- ⊗ Order in respect of narcotic drugs or other prohibited goods
- ⊗ Order in respect of any offence punishable under the Indian Penal Code, the Narcotic Drugs and Psychotropic Substances Act, 1985 or the Prevention of Corruption Act, 1988
- ⊗ Detention order has been passed under the Conservation of Foreign Exchange and Prevention of Smuggling Act, 1974

## Immunity granted

- ⊗ The appeals pending before Commissioner (Appeals) shall get disposed off and declarant shall get immunity from all proceedings under the Act
- ⊗ The declaration made, in respect of matters of the order appealed against, shall be conclusive and will never be re-opened

## ...Indirect tax Dispute Resolution Scheme

### Procedure

- ⊗ The applicant shall pay tax along with interest at applicable rate and 25% of penalty imposed in the order within 15 days of acknowledgement of declaration. The amount so paid shall not be refunded under any circumstances
- ⊗ The applicant to inform designated authority within 7 days of such payment
- ⊗ Within 15 days of receipt of such proof, designated authority shall pass order of discharge of dues

### WEF

- ⊗ The scheme shall come into force from 01.06.2016

### Impact

- ⊗ In penalty cases, this Scheme will bring lot of relief to the assesseees and will help in reducing pending litigations

# Legal Services by Advocates & person on Arbitral Tribunal...

**Background** ☹ Legal services in the form of advice, consultancy, assistance & representation provided to business entities are taxable services and are chargeable to tax under RCM

**Current Scenario** ☹ Exemption is granted to following services provided, by an individual advocate or a partnership firm of advocates, to:

- ☹ an advocate or partnership firm of advocates providing legal services
- ☹ Any person other than business entities
- ☹ Business entities with a turnover upto Rs. 10 Lacs in preceding FY

☹ However, where chargeable to tax, liability to discharge the Service Tax was upon the receiver of service

☹ Services provided by a person represented on an arbitral tribunal to an arbitral tribunal is also granted exemption



## ...Legal Services by Advocates & person on Arbitral Tribunal

### Change in Law

- ⌚ Now, the said legal services when provided by a Senior Advocate would be taxable except where provided to a non-business entity
- ⌚ The services provided by Senior Advocates will be liable to be taxed under forward charge and not under RCM
- ⌚ Now, services provided to arbitral tribunal is taxable under forward charge

### WEF

- ⌚ 01.04.2016

### Impact

- ⌚ Senior Advocates are now brought under the net of Service Tax and further, liable to pay tax under forward charge

# Construction, installation & commissioning services to Mono or Metro Rail

## Current Scenario

- Services such as construction, erection, commissioning or installation in the nature of original works pertaining to Rail way, Metro or Mono Rail are exempted

## Change in Law

- Exemption to construction, erection, commissioning or installation of original works pertaining to monorail or metro is now withdrawn but those relating to railways is still continuing
- Changes are effected so as to make this service taxable excluding the contracts entered & stamp duty thereon is paid before 01.03.2016

## WEF

- 01.03.2016

## Impact

- Services in relation to construction, erection, commissioning or installation of original works pertaining to monorail or metro will be taxable

# Transport of passengers by ropeway, cable car or aerial tramway

## Current Scenario

- Services of transport of passengers by way of ropeway, cable car & aerial tramway provided either by public sector or private sector are exempted by Not. 25/2012-ST dated 20.06.2012

## Change in Law

- Exemption to services of transport of passengers by Ropeway, Cable car and aerial tramway has now been withdrawn

## WEF

- 01.04.2016

# Services by an Artist

## Current Scenario

- ⌚ Services by an artist by way of performance in folk or classical art forms of music, dance or theatre are exempted from Service Tax if consideration for such performance is up to Rs.1 Lac

## Change in Law

- ⌚ Now, the limit of Rs. 1 Lac has been increased to Rs.1.5 Lacs

## WEF

- ⌚ 01.04.2016

# Affordable Housing Scheme

## Current Scenario

- Construction, erection, etc. of original works pertaining to low cost houses up to a carpet area of 60 square metres per house in a housing project approved by the competent authority empowered under Scheme of Affordable Housing Partnership framed by Ministry of Housing and Urban Alleviation, GOI are exempted from Service tax

## Change in Law

- In addition to the above authority, similar low cost houses built under the project approved by following competent authorities are also granted exemption:
  - “Affordable Housing in Partnership” component of the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana
  - Any housing scheme of a State Government

## WEF

- 01.03.2016

# Information Technology Software

- Background** ☑ Information Technology Software Service is subject to Service tax since 01.07.2012
- Current Scenario** ☑ Currently, there is a confusion whether Service Tax is payable on which Central Excise Duty is already paid
- Change in Law** ☑ No Service Tax leviable provided appropriate Excise Duty is paid
- WEF** ☑ 01.03.2016

# Introduction of New Exemptions...

## New Exemptions

- ⊗ Services of life insurance business provided by way of annuity under the National Pension System regulated by Pension Fund Regulatory and Development Authority of India (PFRDA) under the Pension Fund Regulatory And Development Authority Act, 2013
- ⊗ Services provided by Employees' Provident Fund Organisation (EPFO) to persons governed under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- ⊗ Services provided by Insurance Regulatory and Development Authority of India (IRDA) to insurers under the Insurance Regulatory and Development Authority of India Act, 1999
- ⊗ 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
- ⊗ Services provided by National Centre for Cold Chain Development under Ministry of Agriculture, Cooperation and Farmer's Welfare by way of cold chain knowledge dissemination

## ...Introduction of New Exemptions...

### New Exemptions

- Services of general insurance business provided under „Niramaya“ Health Insurance scheme launched by National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disability in collaboration with private/public insurance companies
- Services provided by Biotechnology Industry Research Assistance Council (BIRAC) approved biotechnology incubators to incubatees

### WEF

- 01.04.2016



## ...Introduction of New Exemption

### New Exemptions

- Services by way of construction, erection etc. of a civil structure or any other original works pertaining to the “In-situ Rehabilitation of existing slum dwellers using land as a resource through private participation” component of Housing for All (HFA) (Urban) Mission / Pradhan Mantri Awas Yojana (PMAY), except in respect of such dwelling units of the projects which are not constructed for existing slum dwellers
- Services by way of construction, erection etc., of a civil structure or any other original works pertaining to the “Beneficiary-led individual house construction / enhancement” component of Housing for All (HFA) (Urban) Mission/ Pradhan Mantri Awas Yojana (PMAY)

### WEF

- 01.03.2016

## POT in case of new levy

### Current Scenario

- ⊗ When the service is taxed for the first time, no tax is payable:
  - ⊗ If invoice is issued and payment is received before service became taxable or
  - ⊗ If payment is received before service becoming taxable and invoice is raised within 14 days therefrom

(Rule 5 of POTR)

### Change in Law

- ⊗ Now, in respect of the services which are already subjected to Service tax, if a new levy has been introduced, no tax shall be payable:
  - ⊗ If invoice is issued and payment is received before service became taxable or
  - ⊗ If payment is received before service becoming taxable and invoice is raised within 14 days therefrom

### WEF

### Impact

- ⊗ 01.03.2016
- ⊗ Two explanations are added to this rule to eliminate the doubts regarding applicability of new levy or tax
- ⊗ New levy like Krishi Kalyan Cess (to be levied WEF 01.06.2016) will be governed by this Rule

# Payment of Service Tax...

## Current Scenario

- ☒ Individuals or partnership firms are liable to pay Service tax on quarterly basis

## Change in Law

- ☒ Now, the facility of quarterly payment of Service tax is extended to:
    - ☒ One Person Companies (OPCs) having aggregate value of taxable service of Rs. 50 Lacs or less in previous FY and
    - ☒ Hindu Undivided Family (HUF)
- (Not. 19/2016-ST dated 01.03.2016)

## WEF

- ☒ 01.04.2016

## Impact

- ☒ OPCs and HUFs are now allowed to pay Service tax on quarterly basis

## ...Payment of Service Tax

- Background** ☑ Individuals or partnership firms have option to pay Service tax on receipt of payment
- Current Scenario** ☑ Individuals and partnership firms having aggregate value of taxable services of Rs. 50 Lacs or less are allowed to pay Service tax on receipt of payment  
(Not. 19/2016-ST dated 01.03.2016)
- Change in Law** ☑ In addition to individual and partnership firms, OPCs are also allowed to pay Service tax on receipt of payment provided aggregate value of taxable services of Rs. 50 Lacs or less
- WEF** ☑ 01.04.2016
- Impact** ☑ OPCs are now given option to pay Service tax on receipt of payment

# Presumptive payment of Service tax- Life Insurance Business

## Background

- ☞ Insurance business entities have 2 different options to pay Service tax depending upon whether the amount allocated for investment or savings is intimated to policy holder or otherwise

## Current Scenario

- ☞ In case of non-intimation to policy holders, Service tax is chargeable @ 3.5% of premium for first year and @ 1.75% of premium in subsequent years

## Change in Law

- ☞ In case of non-intimation to policy holders, single premium annuity policies shall be taxed @ 1.4% of the Single premium (Not. 19/2016-ST dated 01.03.2016)

## WEF

- ☞ 01.04.2016

## Impact

- ☞ Single Premium Annuity Policies will become cheaper

# Introduction of Annual Return

## Current Scenario

- ⊗ All assesseees are required to file 2 half yearly returns

## Change in Law

- ⊗ In addition, annual return for each FY will have to be filed on or before 30<sup>th</sup> November of the succeeding FY
- ⊗ Further, such annual return can be revised within 1 month from the date of its submission
- ⊗ In case of default in filing annual return, late filing fees of Rs. 100/- per day for the period of default maximum upto Rs. 20,000/-  
(Not. 19/2016-ST dated 01.03.2016)

## WEF

- ⊗ 01.04.2016

## Impact

- ⊗ This will lead to an additional compliance

# CENVAT CREDIT AMENDMENTS

# Definitions...

## Background

- ⊗ Rule 2 (a) of CCR provides for eligible Capital goods of which Credit can be availed

## Current Scenario

- ⊗ Goods of specific Tariff ID are eligible capital goods
- ⊗ Such goods must be used in the manufacture of final products but do not include any appliances or equipments used in an office

## Change in Law

- ⊗ Wagons under Tariff ID 8606 92 and equipments and appliances used in office located at Factory premises shall be included in the definition of capital goods

## WEF

- ⊗ 01.04.2016

## Impact

- ⊗ Disputes pertaining to availment of Credit in relation to office equipments used by a manufacturer will come to rest
- ⊗ Duty element on office equipments at factory premises can be availed as a credit and no need to capitalize the same in Books of Accounts



## ...Definitions...

### Background

- ⊗ Rule 2 (a) of CCR entails exhaustive list of capital goods on which Credit can be availed
- ⊗ Rule 2 (k) of CCR provides for the inputs of which Credit can be availed

### Current Scenario

- ⊗ Such goods must be used within the factory premises except where such goods are used in production of electricity outside the factory premises which is to be captively consumed

### Change in Law

- ⊗ Now, Credit of inputs and capital goods used for pumping of water for captive use in the factory is also allowed where such capital goods are installed outside the factory

### WEF

- ⊗ 01.04.2016

### Impact

- ⊗ Credit of inputs and capital goods used outside the factory for pumping of water for captive use can now be availed and utilised subject to specified conditions

## ...Definitions

### Background

- ⊗ Credit of Capital goods, inputs and input services is available to the manufacturer of goods or provider of output services

### Current Scenario

- ⊗ Where goods are classified as eligible capital goods for availment of Credit, 50% of the credit is availed in the same financial year in which the goods are received and balance 50% can be availed in subsequent financial year
- ⊗ Whereas, Credit on inputs is available as and when the same are received

### Change in Law

- ⊗ Capital goods, the value of which is less than Rs. 10,000/- can be treated as Inputs under Rule 2(k) of CCR

### WEF

- ⊗ 01.04.2016

### Impact

- ⊗ Credit of capital goods having value less than Rs. 10,000/- can now be availed in the same financial year which will lead to ease of compliance

# Exempted Services

## Background

- ⊗ Credit of inputs, input services or capital goods is not allowed when used in the manufacturing of exempted goods or provision of exempted services

## Current Scenario

- ⊗ Earlier, export services as per Rule 6A of the Service Tax Rules, 1994, were excluded from the definition of Exempted Services

## Change in Law

- ⊗ Now, provision of services of transportation of goods from customs station of clearance in India to a place outside India is also excluded

## WEF

- ⊗ 01.03.2016

## Impact

- ⊗ Credit of inputs, input services or capital goods used in the provision of services of transportation of goods from customs station of clearance in India to a place outside India is also available

# CENVAT Reversal

## Background

- ⊗ The manufacturer of goods or provider of output services who are engaged in manufacturing of exempted goods or provision of output services has to reverse Credit on common inputs and input services relating to such exempted goods and services

## Change in Law

- ⊗ Now, assessee does not have the option to maintain separate records for inputs or input services for availing the credit in respect of Exempted and non-exempted goods and services
- ⊗ Assessee exclusively dealing in exempted goods and services are not eligible for any Credit
- ⊗ Assessee can either pay an amount equal to 6% of the exempted goods and 7% of exempted services, or determine the reversal of Credit on input and input services as per Rule 6 (3A) of CCR
- ⊗ **However, reversal of Credit can never exceed the amount of Credit availed**

## WEF

- ⊗ 01.04.2016

# Delay in option to choose method of CENVAT reversal

- Background**      ☹ Assessee engaged in manufacturing of non-exempted and exempted goods and provision of non-exempted and exempted services has to intimate the option chosen for reversal of Credit
- Current Scenario**      ☹ If such option is not intimated well in time, there is a confusion whether to allow choosing such option at a later date
- Change in Law**      ☹ If the assessee fails to choose any of the options for reversal of Credits as per Rule 6 of CCR, adjudicating authority may allow to choose the options with an interest of 15% p.a.
- WEF**      ☹ 01.04.2016
- Impact**      ☹ Assessee can now opt for any of the methods for reversal of Credit even at a subsequent stage. However, he will have to pay interest for such delay in choosing the option

# CENVAT reversal in Banking Services

## Background

- ⊗ The main source of income, for a banking company or a financial institution including a non-banking financial company, is interest, not leviable to Service tax

## Current Scenario

- ⊗ Every banking company and a financial institution including a non-banking financial company has to reverse every month an amount equal to 50% of total Credit availed

## Change in Law

- ⊗ Now, following 3 options have been granted to the above assesseees:
  - ⊗ Pay an amount equal to 6% of exempted goods / 7% of exempted services
  - ⊗ Determine reversal of Credit on input and input services as per formula prescribed in Rule 6 (3A) of CCR
  - ⊗ Pay every month an amount equal to 50% of the total Credit availed

## WEF

- ⊗ 01.04.2016

# No Credit of Capital goods after 2 Years

## Background

- ⊗ No Credit of capital goods is allowed if the capital goods are used in the manufacturing of capital goods or provision of output services

## Current Scenario

- ⊗ Presently, Credit of capital goods was available to the manufacturer of exempted goods or provider of output services till the time they start manufacturing dutiable goods or provide taxable services
- ⊗ This Credit could be utilized for the payment of output liability on dutiable goods or services

## Change in Law

- ⊗ Credit will not be allowed on the capital goods if such goods exclusively used for manufacture of exempted goods or provision of exempted services for 2 years

## WEF

- ⊗ 01.04.2016

## Impact

- ⊗ Credit of Capital goods will not be available after 2 years, if such capital goods are exclusively used in the manufacture of exempted goods or provision of exempted services

# Time Limit for Claiming Service Tax Refund...

## Background

- ⊗ Manufacturer of Exported goods or provider of output services can apply for refund of inputs and input services under Rule 5 of CCR

## Current Scenario

- ⊗ The relevant date for claiming refund for inputs and input services used in manufacturing of export goods and providing export services is provided in Section 11B of CEA
- ⊗ Section 11B of CEA only dealt with relevant date relating to manufacturers
- ⊗ Therefore, there is a litigation with regard to interpretation of the term 'relevant date' for calculating period of 12 months



## ...Time Limit for Claiming Service Tax Refund

### Change in Law

- ⊗ Now, the 'relevant date' for service providers would be counted as under:
  - (a) receipt of payment in convertible foreign exchange, where provision of service had been completed prior to receipt of such payment; or
  - (b) issue of invoice, where payment for the service had been received in advance prior to the date of issue of invoice

### WEF

- ⊗ 01.03.2016

# NCCD

## Background

- ⊗ NCCD is leviable on push button mobiles, cars, tobacco etc.

## Current Scenario

- ⊗ Credit of all creditable duties and cesses is available for payment of NCCD
- ⊗ However, for push button mobiles (Tariff ID 85171210) and accessories and parts thereof (Tariff ID 85171290), only Credit of NCCD could be utilized for payment of NCCD

## Change in Law

- ⊗ Now, for payment of NCCD (leviable under Section 136 of the Finance Act, 2001) on all specified goods, Credit of NCCD can only be utilized

## WEF

- ⊗ 01.03.2016

## Impact

- ⊗ NCCD paid can now be utilised only for discharge of NCCD in respect of all goods liable to NCCD

# Removal of Goods from the factory of Job-worker

## Background

- ⌚ Normally, a principal manufacturer can clear goods from job worker's premises with the permission of AC/DC

## Current Scenario

- ⌚ The permission of AC/DC is valid for a financial year (Rule 4(6) of CCR)

## Change in Law

- ⌚ Now, the permission given by AC/DC for clearance of goods from the premises of Job-worker will be valid for 3 financial years

## WEF

- ⌚ 01.04.2016

## Impact

- ⌚ Lesser compliance as permission has to be taken once in 3 years instead of every year

# Input Service Distributor

## Background

- ⊗ ISD is a unit of the assessee which receives Credit of input services and distributes it among other units

## Current Scenario

- ⊗ ISD distributes the availed Credits only to its units which may be manufacturer of excisable goods or provider of output services

## Change in Law

- ⊗ Input service Credit can also be distributed to outsourced manufacturing units such as job-worker etc.
- ⊗ Credit balance available as on 31.03.2016 cannot be distributed to outsourced manufacturing units

## WEF

- ⊗ 01.04.2016

## Impact

- ⊗ Job-worker will also be eligible to utilize Credit of Input services received by the principle manufacturer through its ISD unit

# Distribution of Input Credit by Warehouse

## New Provision

- ⊗ A manufacturer having more than 1 factory shall be allowed to take credit of inputs of the goods received at the warehouse first and subsequently, transferred to the factories
- ⊗ The Credit would be available on the basis of invoice issued by such warehouse upon such factories





## WEF

- ⊗ 01.04.2016

## Impact

- ⊗ This will allow the manufacturer having multiple manufacturing units to maintain common warehouse and distribute inputs with Credits to individual units

# Exemption on Value based Clearances

- Background**  Conditions for allowability of CENVAT Credit is prescribed under Rule 4 of CCR
- Current Scenario**  An assessee who is availing exemption on value based clearances is allowed Credit on Capital goods in the same financial year
- Change in Law**  Now, this benefit is extended to manufacturer of articles of jewellery, other than articles of silver jewellery, falling under Tariff ID 7113
- WEF**  01.03.2016

## Credit on moulds, dies, jigs etc.

### Background

- ⊗ Manufacturer of final products are allowed to take Credit on moulds, dies, jigs, fixtures, etc.

### Current Scenario

- ⊗ Credit is allowed in respect of inputs and capital goods sent directly to another manufacturer or to a job worker without bringing the same in his factory

### Change in Law

- ⊗ Now, Credit will also be allowed on moulds, dies, jigs, fixtures, etc. sent directly to other manufacturer or job-worker without bringing the same to his factory

### WEF

- ⊗ 01.04.2016

# CENVAT Credit on re-assignment of rights for consideration

## New Provisions

- ⌚ Credit of Service Tax paid on amount charged for assignment by Government or any other person of a natural resource such as radio-frequency spectrum, mines etc. shall be spread over the period of time for which the rights have been assigned
- ⌚ If the manufacturer of goods or provider of output service further assigns such right to use in any financial year, to another person against a consideration, balance Credit not exceeding the Service tax payable on the consideration charged by him for such further assignment, shall be allowed in the same financial year

## WEF

- ⌚ 01.04.2016



# Infrastructure Cess

## Background

- ⊗ A new cess is proposed to be introduced on motor vehicles

## New Provision

- ⊗ Credit of any duty or cess cannot be utilized for payment of Infrastructure Cess
- ⊗ Similarly, Infrastructure Cess would not be available as Credit for discharge of any other duty or cess

## WEF

- ⊗ 01.03.2016

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