

SERVICE TAXMega Exemption Notification 25/2012 amended to exempt Services related to religious pilgrimage facilitated by 'specified organisations'

Notification No. 17/2014 - ST dated August 20, 2014 amends Mega Exemption Notification No. 25/2012 – ST dated June 20, 2012 to exempt Services provided by a specified organisation related to religious pilgrimage facilitated by Ministry of External Affairs of the Government of India, under bilateral arrangement vide a new entry 5A.

Specified Organisation here shall mean Kumaon Mandal Vikas Nigam Limited, a Government of Uttarakhand Undertaking or 'Committee' or 'State Committee' as defined in section 2 of the Haj Committee Act, 2002 (35 of 2002) as specified in Paragraph 2 newly inserted clause zfa.

[Notification No. 17/2014 - ST dated August 20, 2014]

Amendments in Negative List applicable w.e.f. 1st October, 2014

Finance (No. 2) Act 2014 had proposed certain changes in Negative List which were to be applicable from a future date to be notified. These changes have now been effected from **1st October, 2014** vide Notification No. 18/2014 - ST dated August 25, 2014.

Consequent to the efficacy of the notification, following shall be the impact:

- **Radio Taxi** now also fall under the ambit of service tax at par with rent a cab service. Benefit of abatement notification No. 26/2012 dated 20th June, 2012 has also been extended vide new entry No.9A wherein Taxable portion will be 40% of the amount charged i.e. on the services provided by radio taxi, service tax payable will be payable 4.944% of the amount charged.
- Broadening of the tax base by extension of service tax levy on all forms of **advertisements except print media** such as in internet websites, out-of-home media, on film screen in theatres, bill boards, conveyances, buildings, cell phones, Automated Teller Machines, tickets, commercial publications, aerial advertising, etc.

Exclusion of Print media advertisement includes sale of space for advertisements in newspapers, book other than business directories / yellow pages/ trade catalogues.

[Notification No. 18/2014 - ST dated August 25, 2014]

STR, 1994 amended w.e.f 1.10.2014 to provide for determination of Rate of exchange & Power to issue supplementary instructions

In order to calculate the value of taxable services sought to be imported into the taxable territory,

the rate of exchange needs to be determined. In this regard, as per the new Rule 11 of the Service Tax Rules, 1994, the rate of exchange shall be taken as per the generally accepted accounting principles for such valuation.

As per the new Rule 12 of the Service Tax Rules, 1994, instructions for any incidental or supplemental matters for the implementation of the provisions of the Act may be issued by the Board or the Chief Commissioners of Central Excise.

[Notification No. 19/2014 - ST dated August 25, 2014]

CENTRAL EXCISE

Rule 12AAA of CCR, 2004 on Misuse of CENVAT Credit amended to include provider of Taxable service

Rule 12AAA of CENVAT Credit Rules, 2004, empowers the Central Government to impose restrictions on manufacturer, first stage and second stage dealer or an exporter in case of misuse of provisions of CENVAT Credit Rules, 2004. These restrictions include restrictions on utilization of CENVAT Credit, suspension of registration in case of a dealer, type of facilities to be withdrawn etc.

Notification No. 25/2014-CE, (N.T.) dated August 25, 2014 specifies that the provisions of Rule 12AAA would also be applicable on provider of taxable service with immediate effect.

[Notification No. 25/2014-CE, (N.T.) dated August 25, 2014]

CENVAT Credit Rules amended relating to service tax certificate for Transportation of goods by Rail

Notification No. 26/2014-CE, (N.T.) dated August 27, 2014 amends Rule 9 sub rule 1 of CENVAT Credit Rules, 2004 to include a Service Tax Certificate for Transportation of goods by Rail (STTG Certificate), issued by the Indian Railways, along with the photocopies of the railway receipts mentioned in the STTG certificate, in the list of documents on the basis of which CENVAT Credit can be availed by the assessee.

[Notification No. 26/2014-CE, (N.T.) dated August 27, 2014]

Registration of appeals in CESTAT on or after 06.08.2014

Circular No. F.No.15/CESTAT/General/2013-14 dated August 28, 2014 issued by Registrar, CESTAT directing All the DRs/ARs/TOs that the appeals received on or after 06.08.2014 may be registered in following cases:

- (i) If the mandatory deposit of duty or penalty, as the case may be, has been made in Cash and evidence thereof is produced at the time of filing appeal.
- (ii) If mandatory deposit of duty confirmed is made from CENVAT account and evidence thereof is produced.
- (iii) If the appellants have made deposit of the duty assessed subsequently, during investigation and if the same is more than the mandatory deposit as stipulated in the captioned amendments.

Further clarification is also sought from the competent authority regarding confusion of adjustment of CENVAT Credit against mandatory penalty, on the receipt of the same further clarification would be issued.

[Circular No. F.No.15/CESTAT/General/2013-14 dated August 28, 2014]

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