

INDIRECT TAXES UPDATE – 144

SERVICE TAX

Swachh Bharat Cess leviable from 15th November 2015

CBEC vide Notification No. 21/2015-Service Tax Dated 6th November, 2015 has provided that Swachh Bharat Cess (SBC) @ 0.5% would be leviable on value of all taxable services **with effect from 15th November 2015**. This implies that effective rate of service tax will be 14.5%.

Further, CBEC vide Notification No. 22/2015-Service Tax Dated 6th November, 2015 has exempted all taxable services from payment of Swachh Bharat Cess in excess of 0.5% of the value of services. It has also been provided that **SBC would not be applicable on non-taxable services and services which are exempt from service tax.**

As there is no amendment proposed in the CENVAT Credit Rules, 2004, hence whether CENVAT credit of SBC would be available or not requires an immediate clarification/amendment from the board.

[Notification No. 21/2015-Service Tax Dated 6th November, 2015 & Notification No. 22/2015-Service Tax Dated 6th November, 2015]

Source: www.cbec.gov.in

Disclaimer

Information published in the newsletter are taken from publicly available sources and believed to be accurate. The Indirect Taxes Committee of ICAI takes no responsibility of accuracy and reliability of information published in the newsletter. No part of this newsletter may be reproduced, stored in a retrieval system, or transmitted in any form or by any means – electronic, mechanical, photocopying, recording, or otherwise without the permission of

ICAI Feedback

The Indirect Taxes Update is an endeavour of the Indirect Taxes Committee to apprise the readers about the amendments made in various central indirect tax laws vide significant notifications, circulars etc. We welcome your feedback on the Update and its contents. Please email at itdc@icai.in for feedback.

You can also write to:

Secretary

Indirect Taxes Committee

The Institute of Chartered Accountants of India
ICAI Bhawan A-29, Sector -62, NOIDA (U.P.) India
Website: www.idtc.icai.org