

INDIRECT TAXES UPDATE – 148

CENTRAL EXCISE & SERVICE TAX

RBI and Electricity Authorities to file returns to Central Excise

Finance Act (No. 2), 2014 had inserted a new **section 15A** in Central Excise Act, 1994 which empowered CBEC to prescribe an authority/ agency to whom an information return shall be filed by the person(s) specified in the said section. In exercise of such power, CBEC vide *Notification No. 04/2016-SERVICE TAX, Dated: February 15, 2016* has notified Service Tax and Central Excise (Furnishing of Annual Information Return) Rules, 2016 with effect from 1st April, 2016. These Rules provide that the following class of persons are required to **electronically** file an Annual Information Return (AIR) to the Director General of Systems and Data Management on or **before 31st December** of the financial year following the financial year to which the return pertains:

S. No	Class of Person to Sign & Verify AIR	Nature and value of transaction recorded or received by him <u>during every financial year beginning on or after the 1st April, 2015</u>	Annexure to Form AIRF
1.	An officer of the Reserve Bank of India who is duly authorized by RBI	Details of foreign remittances for the receipt of specified services declared for such entities whose value of remittances aggregates to more than 50 lakh rupees in a financial year to which the return pertains.	AIRA-I
2.	An officer of a State Electricity Board or an electricity distribution or transmission licensee or any other entity entrusted with such functions by the Central Government or State Government, who is duly authorized by such State Electricity Board or an electricity distribution or transmission licensee	Electricity consumed by manufacturers, using an induction furnace or rolling mill to manufacture specified goods whose aggregate value of clearances exceeds 150 lakh rupees in the financial year to which the return pertains, as identified and intimated to him by the Principal CC/ CC of Central Excise and Service Tax in-charge by the 30th June of the subsequent financial year.	AIRA-II

[Notification No. 04/2016-SERVICE TAX, Dated: February 15, 2016]

SERVICE TAX

Swachh Bharat Cess not leviable on services exempt as per section 93(2) of Finance Act 1994

Section 93(2) of Finance Act 1994 empowers the Central Government to exempt, by special order, any taxable service of any specified description from the payment of whole or any part of the service tax leviable thereon, under circumstances of exceptional nature to be stated in such order.

In this regard, CBEC vide *Notification No. 05/2016-SERVICE TAX, Dated: February 17, 2016* has provided that Swachh Bharat Cess would not be leviable on services exempted from service tax by a special order issued u/s 93(2) of Finance Act, 1994.

[*Notification No. 05/2016-SERVICE TAX, Dated: February 17, 2016*]

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