

# INDIRECT TAXES UPDATE – 163

## SERVICE TAX

### Services Provided prior to 31<sup>st</sup> May 2016 exempt from Krishi Kalyan Cess (KKC)

The Central Government vide *Notification No. 35/2016 – ST dated June 23, 2016* has exempted taxable services for which the invoice for the service has been issued on or before the 31<sup>st</sup> May, 2016, from the whole of **Krishi Kalyan Cess** provided that provision of service has been completed on or before the 31<sup>st</sup> May, 2016.

[\[Notification No. 35/2016 – ST dated June 23, 2016\]](#)

*Comments: This Notification provides an answer to long awaited question of KKC being payable on services provided and invoices issued prior to 1<sup>st</sup> June 2016 and payment received after the said date. Now if only payment is received after 31<sup>st</sup> May 2016 KKC will not be required to be paid on that account.*

### Transportation of goods by a vessel from outside India upto the customs station in India prior to 31<sup>st</sup> May 2016 exempt from Service Tax

The Central Government vide *Notification No. 36/2016 – ST dated June 23, 2016* has exempted from service tax the taxable services by way of transportation of goods by a vessel from outside India upto the customs station in India for which the invoice has been issued on or before the 31<sup>st</sup> May, 2016, provided that the import manifest or import report required to be delivered under section 30 of the Customs Act, 1962 has been delivered on or before the 31<sup>st</sup> May, 2016 and the service provider or recipient produces Customs certified copy of such import manifest or import report.

[\[Notification No. 36/2016 – ST dated June 23, 2016\]](#)

Source: [www.cbec.gov.in](http://www.cbec.gov.in)

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