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CCT/26-4/2017-2018/D/2485Dated: 20th December, 2019

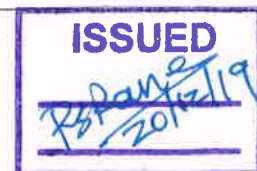
CIRCULAR
(No. 33 / 2019-20 - GST)

Subject– Clarification on scope of the notification entry at item (id), related to job work, under heading 9988 of Notification No. 38/1/2017-Fin(R&C)(11/2017-Rate) dated 30-06-2017-reg.

Doubts have been raised with regard to scope of the notification entry at item (id) under heading 9988 of Notification No. 38/1/2017-Fin(R&C)(11/2017-Rate) dated 30/06/2017, published in Extraordinary Official Gazette no. 3, Series I no. 13 dated 30/06/2017, inserted with effect from 01-10-2019 to implement the recommendation of the GST Council to reduce rate of GST on all job work services, which earlier attracted 18 % rate, to 12%. It has been stated that the entry at item (id) under heading 9988 of Notification No. 38/1/2017-Fin(R&C)(11/2017-Rate) inserted with effect from 01-10-2019, prescribes 12% GST rate for all services by way of job work. This makes the entry at item (iv) which covers “manufacturing services on physical inputs owned by others” with GST rate of 18%, redundant.

2. The matter has been examined. The entries at items (id) and (iv) under heading 9988 read as under:

(3)	(4)	(5)
(id) Services by way of job work other than (i), (ia), (ib) and (ic) above;	6	-
(iv) Manufacturing services on physical inputs (goods) owned by others, other than (i), (ia), (ib), (ic), (id), (ii), (iia) and (iii) above.	9	-



3. Job work has been defined in Goa GST Act as under.

*“Job work means any treatment or processing undertaken by a person on goods belonging to another **registered** person and the expression ‘job worker’ shall be construed accordingly.”*

4. In view of the above, it may be seen that there is a clear demarcation between scope of the entries at item (id) and item (iv) under heading 9988 of Notification No. 38/1/2017-Fin(R&C)(11/2017-Rate). Entry at item (id) covers only job work services as defined in section 2 (68) of Goa GST Act, 2017, that is, services by way of treatment or processing undertaken by a person on goods belonging to another **registered** person. On the other hand, the entry at item (iv) specifically excludes the services covered by entry at item (id), and therefore, covers only such services which are carried out on physical inputs (goods) which are owned by persons other than those registered under the Goa GST Act.

5. Difficulty if any, in the implementation of this Circular may be brought to the notice of the undersigned.



(Dipak M. Bandekar)
**Commissioner of State Tax,
Goa**

Note: Similar circular is issued under Central Goods and Services Tax Act, 2017 by the Tax Research Unit, Department of Revenue, Ministry of Finance, GOI, New Delhi vide Circular No.126/45/2019-GST dated 22/11/2019.