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SERIES II No. 14

OFFICIAL GOVERNMENT OF GOA GAZETTE



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GOVERNMENT OF GOA

Department of Finance

Office of the Commissioner of Commercial Taxes

CCT/26-4/2017-18/E/852

Circular

(No. 2/2021-22-GST)

Subject: Clarification regarding applicability of GST on supply of food in Anganwadis and School-reg.

Representations have been received seeking clarification regarding applicability of GST on the issues as to whether serving of food in schools under Mid-Day Meals Scheme would be exempt if such supplies are funded by Government grants and/or corporate donations. The issue was examined by GST Council in its 43rd meeting held on 28th May, 2021.

2. Entry 66 clause (b)(ii) of notification No. 38/1/2017-Fin(R&C)(12/2017-Rate) dated 30-06-2017, exempts Services provided to an educational institution, by way of catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory. This entry applies to pre-school and schools.

3. Accordingly, as per said entry 66, any catering service provided to an educational institution is exempt from GST. The entry further mention that such exempt service includes mid- day meal service as specified in the entry. The scope of this entry is thus wide enough to cover any serving of any food to a school, including pre-school. Further, an Anganwadi interalia provides pre-school non-formal education. Hence, anganwadi is covered by the definition of educational institution (as pre-school).

4. Accordingly, as per recommendation of the GST Council, it is clarified that services provided to an educational institution by way of serving of food (catering including mid-day meals) is exempt from levy of GST irrespective of its funding from government grants or corporate donations [under said entry 66 (b)(ii)]. Educational institutions as defined in the notification include anganwadi. Hence, serving of food to anganwadi shall also be covered by said exemption, whether sponsored by Government or through donation from corporates.

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

Hemant Kumar, IAS, Commissioner State Tax, Goa.

Panaji, 6th July, 2021.

Note: Similar circular is issued under Central Goods and Services Tax Act, 2017 by the Department of Revenue, Ministry of Finance, GOI, New Delhi vide Circular No. 149/05/2021-GST dated 17th June, 2021.

CCT/26-4/2017-18/E/853

Circular

(No. 3/2021-22-GST)

Subject: Clarification regarding applicability of GST on the activity of construction of road where considerations are received in deferred payment (annuity)-reg.

Certain representations have been received requesting for a clarification regarding applicability of GST on annuities paid for construction of road where certain portion of consideration is received upfront while remaining payment is made through deferred payment (annuity) spread over years.