

Panaji, 7th July, 2021 (Asadha 16, 1943)

SERIES II No. 14

OFFICIAL GOVERNMENT OF GOA GAZETTE



PUBLISHED BY AUTHORITY

EXTRAORDINARY

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.

2. This issue has been examined by the GST Council in its 43rd meeting held on 28th May, 2021.

2.1 GST is exempt on service, falling under heading 9967 (service code), by way of access to a road or a bridge on payment of annuity [entry 23A of notification No. 38/1/2017-Fin(R&C)(12/2017-Rate)]. Heading 9967 covers “supporting services in transport” under which code 996742 covers “operation services of National Highways, State Highways, Expressways, Roads & streets; bridges and tunnel operation services”. Entry 23 of said notification exempts “service by way of access to a road or a bridge on payment of toll”. Together the entries 23 and 23A exempt access to road or bridge, whether the consideration are in the form of toll or annuity [heading 9967].

2.2 Services by way of construction of road fall under heading 9954. This heading inter alia covers general construction services of highways, streets, roads railways, airfield runways, bridges and tunnels. Consideration for construction of road service may be paid partially upfront and partially in deferred annual payments (and may be called annuities). Said entry 23A does not apply to services falling under heading 9954 (it specifically covers heading 9967 only). Therefore, plain reading of entry 23A makes it clear that it does not cover construction of road services (falling under heading 9954), even if deferred payment is made by way of instalments (annuities).

3. Accordingly, as recommended by the GST Council, it is hereby clarified that Entry 23A of notification No. 38/1/2017-Fin(R&C)(12/2017-Rate) does not exempt GST on the annuity (deferred payments) paid for construction of roads.

4. 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 under Central Goods and Services Tax Act, 2017 is issued by the Department of Revenue, Ministry of Finance, GOI, New Delhi vide Circular No. 150/06/2021-GST dated 17th June, 2021.

CCT/26-4/2017-18/E/854

Circular

(No. 4/2021-22-GST)

Subject: Clarification regarding GST on supply of various services by Central and State Board (such as National Board of Examination)-reg.

Certain representations have been received seeking clarification in respect of taxability of various services supplied by Centre and State Boards such as National Board of Examination (NBE). These services include entrance examination (on charging a fee) for admission to educational institution, input services for conducting such entrance examination for students, accreditation of educational institutions or professional so as to authorise them to provide their respective services. The issue was examined by GST Council in its 43rd meeting held on 28th May, 2021.

2. Illustratively, NBE provides services of conducting entrance examinations for admission to courses including Diplomat National Board (DNB) and Fellow of National Board (FNB), prescribes courses and curricula for PG medical studies, holds examinations and grant degrees, diplomas and other academic distinctions. It carries out all functions as are normally carried out by central or state educational boards and is thus a central educational board.

3. According to explanation 3(iv) of the notification No. 38/1/2017-Fin(R&C)(12/2017-Rate), “Central and State Educational Boards” are treated as Educational Institution for the limited purpose of providing services by way of conduct of examination to the students. Therefore, NBE is an ‘Educational Institution’ in so far as it provides services by way of conduct of examination, including any entrance examination, to the students.

3.1 Following services supplied by an educational institution are exempt from GST vide Sl. No. 66 of the notification No. 38/1/2017-Fin(R&C)(12/2017-Rate), dated 30-06-2017,

Services provided-

(a) by an educational institution to its students, faculty and staff;

(aa) by an educational institution by way of conduct of entrance examination against consideration in the form of entrance fee;

3.2 Similarly, services provided to an educational institution, relating to admission to, or conduct of examination is also exempt from GST [sl. No. 66 (b)(iv)-38/1/2017-Fin(R&C)(12/2017-Rate)].

3.3 Educational institutions are defined at 2(y) of the said notification as follows-

“(y) educational institution” means an institution providing services by way of,-

(i) pre-school education and education up to higher secondary school or equivalent;