



केन्द्रीय उत्पाद शुल्क एवं सेवा कर आयुक्त का कार्यालय
नं.1, विलियम्स रोड, कन्टोनमेंट, तिरुच्चिरापल्लि - 620 001.
OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE & SERVICE TAX
NO.1 WILLIAMS ROAD, CANTONMENT, TIRUCHIRAPPALLI - 620 001.

Trade Notice No. 09/2012-S.TAX

Date : 18 .09.2012.

Sub. : Service Tax – Vocational Education / Training Course – Regarding.

Copy of the letter F. No. 356/17/2012-TRU dated 28.08.2012 received from Tax Research Unit, Central Board of Excise and Customs, New Delhi, communicating Circular No. 164/15/2012-ST is enclosed herewith for information and necessary action.

The contents of the Trade Notice may be brought to the knowledge of the constituent members of the Trade Associations and Chamber of Commerce.

(Issued in File C. No. IV/16/828/2012-STC)

g/c

A. Cletus
T.F.S. 12
(A.CLETUS)
JOINT COIMMISSIONER

Encl. : As above

To

The Mailing List - I / II / III

B. Ram
DESPATCHED
दिनांक DATED... 20/09/12

*MS
28/8/12 / AE (ST)
for trade notice*

*MS
28/8/12*

Circular No. 164/15/2012-ST

F. No. 356/17 /2012 - TRU
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
(Tax Research Unit)

153, North Block,
New Delhi, 28th August, 2012

To
Chief Commissioner of Customs and Central Excise / Central Excise & Service Tax (All)
Director General of Service Tax /Central Excise Intelligence /Audit;
Commissioner of Customs and Central Excise/ Central Excise and Service Tax/ Service Tax
(All)

Madam/Sir,

Subject: service tax – vocational education/training course – regarding.

Clarification has been sought in respect of levy of service tax on certain vocational education/training/ skill development courses (VEC) offered by the Government (Central Government or State Government) or local authority themselves or by an entity independently established by the Government under the law, as a society or any other similar body.

2. The issue has been examined. When a VEC is offered by an institution of the Government or a local authority, question of service tax does not arise. In terms of section 66D (a), only specified services provided by the Government are liable to tax and VEC is excluded from the service tax.

3. When the VEC is offered by an institution, as an independent entity in the form of society or any other similar body, service tax treatment is determinable by the application of either sub-clause (ii) or (iii) of clause (l) of section 66D of the Finance Act, 1994. Sub-clause (ii) refers to "qualification recognized by any law" and sub-clause (iii) refers to "approved VEC". In the context of VEC, qualification implies a Certificate, Diploma, Degree or any other similar Certificate. The words "recognized by any law" will include such courses as are approved or recognized by any entity established under a central or state law including delegated legislation, for the purpose of granting recognition to any education course including a VEC.

4. This Circular may be communicated to the field formations and service tax assesseees, through Public Notice/Trade Notice. Hindi version to follow.

Yours faithfully,

(S.Jayaprahasam)
Technical Officer, TRU
Tel/Fax: 011-23092037

*Pub up
Trade notice*