

# Charitable and religious activities

## 1. Services by an entity registered under section 12AA/12AB of the Income-tax Act, 1961 by way of charitable activities

Meaning of charitable activities:

**Public health by way of care or counselling of**

- terminally ill persons or persons with severe physical or mental disability;
- persons afflicted with HIV or AIDS;
- persons addicted to a dependence-forming substance such as narcotics drugs or alcohol; or
- public awareness of preventive health, family planning or prevention of HIV infection;

**Advancement of religion, spirituality or yoga**

**Preservation of environment including watershed, forests & wildlife.**

**Advancement of educational programmes/skill development relating to,-**

- abandoned, orphaned or homeless children
- physically or mentally abused and traumatized persons;
- prisoners; or
- persons over the age of 65 years residing in a rural area;

**Some important points:**

- Yoga and meditation camp by charitable trusts - Primary and predominant activity shall be advancement of religion, spirituality or yoga shall be exempt
- Grant of advertising rights to a person on the premises of the charitable/religious trust or on publications of the trust, or granting admission to events, functions, celebrations, shows against admission tickets or fee etc. would attract GST.

## 2. Conduct of Religious ceremony - Exempted

## 3. Renting of precincts of religious place meant for general public

To avail exemption - Entity shall be registered under 12AA/12AB/10(23)(v)/10(23BBA)

- renting of rooms where charges are ₹ 1,000 or more per day;
- renting of premises, community halls, kalyanmandapam or open area, and the like where charges are ₹10,000 or more per day;
- renting of shops or other spaces for business or commerce where charges are ₹ 10,000 or more per month.

**No Exemption. Gst will be attracted**

## 4. Religious yatra/pilgrimage

- Kumaon Mandal Vikas Nigam Limited (KMVN)
- Haj Committee of India' or

**Provided by only by these 2 entities is exempted**

## 5. Training or coaching in recreational activities

- **Recreational activities** relating to arts or culture, by an individual
- **Sports** by charitable entities registered under section 12AA or 12AB

**Exempted**

# Agriculture related services

1. Entry 24 - Services by way of loading, unloading, packing, storage or warehousing of rice
2. Entry 24A - Services by way of warehousing of minor forest produce.
3. Entry 24B - Services by way of storage/ warehousing of cereals, pulses, fruits and vegetables .
4. Entry 54 - Services relating to cultivation of plants and rearing of all life forms of animals, except horses :

Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce by way of—

- (a) agricultural operations **directly related to production of any agricultural produce** including cultivation, harvesting, threshing, plant protection or testing;
- (b) **supply of farm labour;**
- (c) **processes carried out at an agricultural farm** including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;
- (d) **renting or leasing of agro machinery** or vacant land with or without a structure incidental to its use;
- (e) **loading, unloading, packing, storage or warehousing** of agricultural produce;
- (f) **agricultural extension services**
- (g) services by any **Agricultural Produce Marketing Committee or Board** or services provided by a commission agent for sale or purchase of agricultural produce

Entry No. 55 - Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce.

6. Entry 57 - Services by way of pre-conditioning, pre- cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.
7. Entry 55A - Services by way of artificial insemination of livestock (other than horses).

**Custom milling of paddy into rice be exempted - Not exempted**

# Education services

**Meaning of educational institution:** Educational institution means an institution providing services by way of,-

- Pre-school education and education up to higher secondary school or equivalent;
- Education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;
- Education as a part of an approved vocational education course.

## SERVICES PROVIDED BY EDUCATIONAL INSTITUTIONS

- to its students, faculty and staff
- by way of conduct of entrance examination against consideration in the form of entrance fees

**Exempted**

## EXEMPTION OF INWARD SERVICES

**Provided to Pre-school education and education up to higher secondary school or equivalent:**

- Transportation of students, faculty and staff;
- Catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory;
- Security or cleaning or house-keeping services performed in such educational institution;
- Services relating to admission to, or conduct of examination by such institution
- Supply of online educational journals or periodical

**Provided to Education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;**

- Transportation of students, faculty and staff;
- Catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory;
- Security or cleaning or house-keeping services performed in such educational institution;
- Services relating to admission to, or conduct of examination by such institution
- Supply of online educational journals or periodical

**Provided to Education as a part of an approved vocational education course:**

- Transportation of students, faculty and staff;
- Catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory;
- Security or cleaning or house-keeping services performed in such educational institution;
- Services relating to admission to, or conduct of examination by such institution
- Supply of online educational journals or periodical

# Healthcare services

## 1. Health care services by a clinical establishment, an authorised medical practitioner or para-medics

**Meaning of Health care services:** Health care services means

- any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognised system of medicines in India and
- includes services by way of transportation of the patient to and from a clinical establishment, but
- does not include hair transplant or cosmetic or plastic surgery, except when undertaken to restore or to reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma.

**Recognized systems of medicines in India:**

Allopathy, Yoga, Naturopathy, Ayurveda, Homeopathy, Siddha, Unani or Any other system of medicine that may be recognized by Central Government

Services provided by a clinical establishment by way of providing room [other than Intensive Care Unit (ICU)/Critical Care Unit (CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)] having room charges exceeding ₹ 5000 per day to a person receiving health care services.

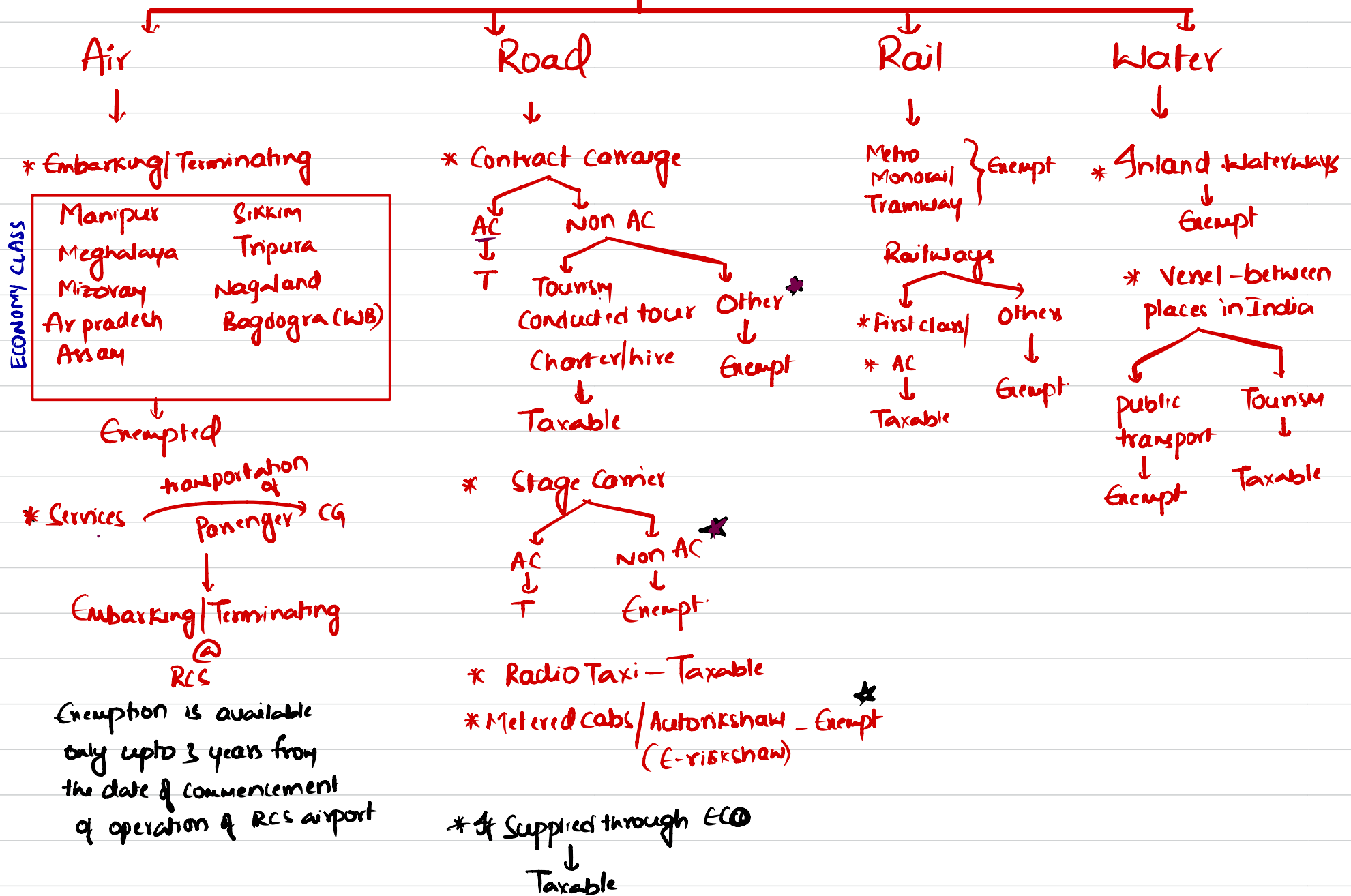
Not Exempted. GST will be attracted

## 2. Services provided by way of transportation of a patient in an ambulance

### ➤ Various services provided by clinical establishments and their taxability:

|                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rent of rooms provided to in-patients                                         | Exempted                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Services provided by senior doctors/consultants/technicians                   | Exempted                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Amount charged by hospitals from the patients                                 | The entire amount charged by them from the patients including the retention money and the fee/payments made to the doctors etc., is towards the healthcare services provided by the hospitals to the patients and is exempt                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Food supplied to the patients                                                 | <p>a. Health care services provided by the clinical establishments will include food supplied to the patients; but such food</p> <ul style="list-style-type: none"><li>• may be prepared by the <u>canteens run by the hospitals</u> or</li><li>• <u>may be outsourced</u> by the hospitals from outdoor caterers.</li></ul> <p>b. <u>When outsourced</u>, there is no ambiguity that the <u>suppliers shall charge tax as applicable</u> and hospital will get no ITC.</p> <p>c. Food supplied to the in-patients as advised by the doctor/nutritionists is a part of <u>composite supply</u> of healthcare and <u>not separately taxable</u>.</p> <p>d. <u>Other supplies of food</u> by a hospital to patients (not admitted) or their attendants or visitors are <u>taxable</u>.</p> |
| Services other than health care services in clinical establishment's premises | Supply of services other than healthcare services such as renting of shops, auditoriums in the premises of the clinical establishment, display of advertisements etc. <u>will be subject to GST</u> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

# Transportation of passengers



# Transportation of Goods

## RAIL

Relief Materials  
Agricultural produce  
Newspapers/Mag regd  
Defence/Military  
Organic Manure  
Milk, Salt & food grain

RANDOM  
↓  
Exempt

## WATER

\* Inland waterways } Exempt  
\* Vessel (between places in India) of following items  
RANDOM → Exempt  
Others → Taxable

## ROAD

Courier Agency  
↓  
Taxable

Individual truck/tempo  
↓  
Exempt

GTA →

Transportation of  
RANDOM  
↓  
Exempt

Services provided to (RP)  
DIE - CGIS/UT  
LA  
GA  
deduct tax  
ULSI  
Exempt

Services provided to Regd person (including regd CTP)  
①  
↓  
Taxable (RCM)  
↓  
RANDOM  
↓  
Exempt

Services provided to (URP)  
②  
✓ Factory ✓ BC  
✓ Society ✓ PF (AOP/LLP)  
✓ Co-op Society  
↓  
Taxable (RCM)

Services provided to Others (Other than 1 & 2)  
↓  
Exempt

# PLACE OF SUPPLY

## SEC 10

Scope of this chapter:

IGST Act

SEC 10 - POS OF GOODS OTHER THAN IMPORTS AND EXPORTS

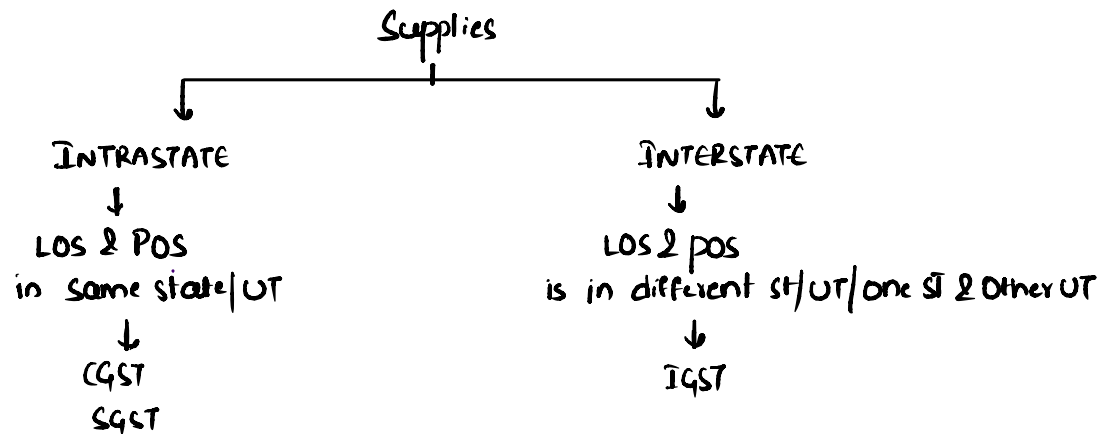
SEC 11 - Discussed at CA Final

SEC 12 - POS OF SERVICES OTHER THAN IMPORTS AND EXPORTS

SEC 13 - Discussed at CA Final

SEC 14 - Discussed at CA Final

WHY POS IS IMPORTANT:



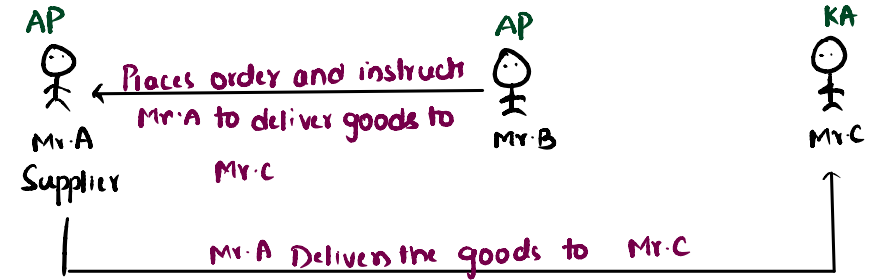
Note: Determining POS in case of services is complicated than determining POS in case of goods

10(2): When POS can't be determined as above, then it shall be determined as per prescribed rules.

10(i)(a): POS when supply involves movement of goods

location of the goods at the time at which the movement of goods terminates for delivery to the recipient;

10(i)(b): POS in case of 'BILL TO' 'SHIP TO' transactions:



Transaction b/w Mr. A & Mr. B: } Mr. B is deemed to be received the Goods & POS will be AP - 10(i)(b)

Transaction b/w Mr. B & Mr. C: } POS will be as per 10(i)(a) i.e. location where the movement terminates which is KA

10(i)(c): Supply not involving movement of goods:

Location of the goods at the time of delivery to the recipient.

10(i)(a): Supply of goods to an unregistered person

Location of recipient as recorded in invoice

Location of supplier, if address of recipient not recorded

10(i)(d): Supply involving installation/assembly of goods:  
Place of such installation/assembly

10(i)(e): Goods supplied on board a conveyance.

Location where such goods have been taken on board.

## SEC-12(3) → Service in relation to immovable property / lodging / accommodation

(a)  
to immovable property /

- architects,
- interior decorators,
- surveyors,
- engineers and
- other related experts or estate agents,
- any service provided by way of grant of rights to use immovable property or
- for carrying out or co-ordination of construction work

(b)  
Lodging (or) accommodation  
↓

- hotel,
- inn,
- guest house,
- home stay,
- club or campsite, by whatever name called, and
- including a house boat or any other vessel; or

by way of accommodation in any immovable property for organising any marriage or reception or matters related thereto, official, social, cultural, religious or business function including services provided in relation to such function at such property;

(d)  
any services ancillary to the services referred to in clauses (a), (b) and (c)

Pos shall be the location at which the immovable property / boat / vessel is located / intended to be located.

Immovable property / Boat / Vessel located in more than one State / Union territory: } the service is deemed to have been supplied in each of the respective States / Union territories, in proportion to the value for the services determined in terms of the contract or agreement entered into in this regard.

if the location of the immovable property or boat or vessel is located or intended to be located outside India, } the place of supply shall be the location of the recipient.

In the absence of a contract or agreement – Rule 4 of IGST Rules will be applicable

|                                                                                                                                                                                                                                                |                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| Service provided by way of lodging accommodation by hotel, inn, guest house etc. and its ancillary services (other than the cases where such property is a single property located in 2 or more contiguous States / Union territories or both) | <u>Number of nights stayed</u> in such property |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|

|                                                                                               |                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Services by way of lodging accommodation by a house boat or vessel and its ancillary services | Time spent by the boat or vessel in each such State / Union territories, to be determined on the basis of declaration made by the service provider |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• All other services provided in relation to immovable property including services by way of accommodation in any immovable property for organising any marriage or reception etc. and in cases of supply of accommodation by a hotel, inn, guest house, club or campsite, by whatever name called where such property is a single property located in 2 or more contiguous States or / and Union territories</li> <li>• Services ancillary to services mentioned above</li> </ul> | Area of the immovable property lying in each State / Union territories |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|

## SECTION 12(4) - Restaurant and catering service, personal grooming, fitness, beauty and health services:

supply of restaurant and catering services, personal grooming, fitness, beauty treatment, health service including cosmetic and plastic surgery

→ POS is location where such services are actually performed

## SECTION 12(5) - Training and performance appraisal services:

### Services provided to

### POS

Registered person → location of such person

Unregistered person → location where the services are actually performed

R

## SECTION 12(6) - Admission to events/amusement park/other places:

1. Services provided by way of ADMISSION to following types of events:

- Cultural
- Sporting
- Educational
- Scientific
- Entertainment
- Artistic

2. Services provided by way of ADMISSION to amusement park or any other place

3. Services ancillary to the above-mentioned services

POS is the place where the event is actually held or where the park or such other place is located.

## SECTION 12(7) - Organisation of events / Assigning sponsorship to such events:

### Services provided to

### POS

Registered person → location of such person

Unregistered person → location where the event is actually held If the event is held outside India, the place of supply is the location of recipient.

### Event held in more than one State/Union territory

place of supply of such services is deemed to be in each of the respective States/Union territories in proportion to the value for services determined in terms of the contract or agreement entered into in this regard.

### Manner of determining proportionate value of service in the absence of a contract or agreement:

In the absence of a contract or agreement between the supplier and recipient of services, the proportionate value of services made in different States/Union territories (where the event is held) is computed in accordance with rule 5 of the IGST Rules by the application of generally accepted accounting principles.

## SECTION 12(8) - Transportation of goods including mail or courier:

### Services provided to

Registered person  
Unregistered person

### POS

location of such person  
location at which such goods are handed over for their transportation.

## SECTION 12(9) - Transportation of Passengers:

### Services provided to

Registered person → location of such person  
Unregistered person → place where the passenger embarks on the conveyance for a continuous journey.

### POS

Issue of right to passage for future use and the point of boarding not known at the time of issue of right to passage

- If the address of the unregistered person is available in the records of the supplier, the location of such unregistered person.
- In other cases, the location of the supplier of services

## SECTION 12(10) - Services on board a conveyance:

The place of supply of services on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle, shall be the location of the first scheduled point of departure of that conveyance for the journey.

## Section 12(12) - Financial and stock broking services:

location of recipient of services is available → location of the recipient of services in the records of the supplier of services  
location of recipient of services is not available → location of the supplier of services.

## Section 12(13) - Insurance services:

Provided to a registered person → location of the recipient of services  
Provided to other than registered persons → location of the recipient of services in the records of the supplier of services.

## SECTION 12(11) – Telecommunication service

### Nature of supply

- Fixed telecommunication line
- Leased circuits
- Internet leased circuit
- Cable or dish antenna



### Place of supply

Location where the telecommunication line, leased circuit or cable connection or dish antenna is installed for receipt of services

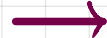
- Location of billing address of the recipient of services in the records of the supplier of services
- Location of the supplier of services, if the address is not available

Post-paid mobile connection and internet services



Pre-paid mobile connection, internet services and DTH services (recharge coupon, vouchers, net pack etc.)

Services provided through a



Address of the selling agent/ re-seller/ distributor at the time of supply

- selling agent
- re-seller

c. distributor of subscriber identity module card or recharge voucher

### Nature of supply

Services provided by any person final subscriber



### Place of supply

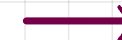
Location where such pre-payment is received or such vouchers are sold

Pre-paid services, the payment for which is made through internet banking/other electronic mode of payment



Location of the recipient of services in the records of the supplier of services

Other cases



- The address of the recipient as per the records of the supplier of services
- Location of the supplier of services, if the address is not available Z-z

### Leased circuit is installed in more than one State/Union territory

The number of points in a circuit is determined in the following manner –

- In the case of a circuit between two points or places, the starting point or place of the circuit and the end point or place of the circuit will invariably constitute two points.
- Any intermediate point or place in the circuit will also constitute a point provided that the benefit of the leased circuit is also available at that intermediate point.