EDUCATIONAL SERVICE

DEFINITIONS

- "Educational institution" means an institution providing services by way of,-

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

  ii) education as a part of a curriculum for obtaining a qualification recognized by any law for the time being in force;

  iii) education as a part of an approved vocational education course

- "Approved vocational education course" means
  A course run by an industrial training institute or an industrial training centre affiliated to the National Council for Vocational Training or State Council for Vocational Training offering courses in designated trades notified under the Apprentices Act, 1961 (52 of 1961); or

  A Modular Employable Skill Course, approved by the National Council of Vocational Training, run by a person registered with the Directorate General of Training, Ministry of Skill Development and Entrepreneurship;

EDUCATIONAL SERVICE

This service falls under heading 9992

The commercial education is subject to GST @ 18 % (CGST 9% and SGST 9%) or IGST 18%. Details of various exemptions given below:

A) Services provided by an educational institution to students, faculty and staff are exempt.

B) Services supplied to educational services upto HSC level-
   a) Transportation of students, faculty and staff are exempt from GST. Similarly, catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory are also exempt from GST. Further, security or cleaning or housekeeping services performed in educational institutions are also exempt from GST. Finally, services relating to admission to, or conducting of examination by, such institutions, upto higher secondary, too are exempt from GST.

C) Services provided by the Indian Institutes of Management, as per the guidelines of the Central Government, to their students, by way of the following educational programmes, except Executive Development Programme are exempt :-

a) two year full time Post Graduate Programmes in Management for the Post Graduate Diploma in Management, to which admissions are made on the basis of Common Admission Test (CAT) conducted by the Indian Institute of Management;
    1. Fellow programme in Management;
    2. Five year integrated programme in Management Development Corporation.

D) Any services provided by, _
   a) The National Skill Development Corporation set up by the Government of India
   b) Sector Skill Council approved by the National Skill Development Corporation
   c) An assessment agency approved by the Sector Skill Council or the National Skill Development Corporation
   d) A training partner approved by the National Skill Development Corporation or the Sector Skill Council, in relation to-
   e) The National Skill Development Programme implemented by the National Skill Development Corporation; or
   f) A vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or
   g) Any other Scheme implemented by the National Skill Development Corporation.

   Are exempt.

E) Services provided by training providers (Project implementation agencies) under Deen Dayal Upadhyaya Grameen Kaushalya Yojana implemented by the Ministry of Rural Development, Government of India by way of offering skill or vocational training courses certified by the National Council for Vocational Training are also exempt.

F) Services of lodging/boarding in hostels provided by such educational institutions which are providing pre-school education and education up to higher secondary school or equivalent or education leading to a qualification recognised by law, are fully exempt from GST. Annual subscription/fees charged as lodging/boarding charges by such educational institutions from its students for hostel accommodation shall not attract GST

G) Services by an entity registered under section 12AA of the Income-tax Act by way of charitable activities relating to advancement of educational programmes or skill development for

    a. abandoned, orphaned or homeless children

    b. physically or mentally abused and traumatized persons

c. prisoners

d. persons over the age of 65 years residing in a rural area

are also exempt from GST.