

Service Name : CLINICAL ESTABLISHMENT SERVICES

Introduction Date : 1-7-2010 (under the name Health Checkup or preventive care)

Accounting Code : Service Tax: 00440598, Penalty : 00440599

Scope of Taxable service prior to 1-5-2011:

1. **Health Services** undertaken by **Hospitals or Medical establishments** for the employees of business organizations and **Health services** provided under **health insurance schemes** offered by the **insurance companies**.
2. Services provided by a clinical establishment having the facility of central airconditioning in whole or any part of the establishment and more than 25 beds for inpatient treatment at any time of the year
And
Services provided by a clinical establishment in relation to diagnostic tests of any kind or investigative services with the help of a laboratory or medical equipment
And
Service provided by doctors, who are not employees, from the premises of a clinical establishment.

Finance minister announced 50% exemption from the value of this service.

3. **Complete exemption from service tax.**

The proposed tax was criticized as Misery tax. Hence, Complete exemption has been granted to this Service vide Notification No. 30/2011. ST dated 25th April 2011 which comes into force from **1st May 2011**.

The above exemption also applies to Health Checkup or Preventive care services.

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Source : 1. Notification No. 30/2011 issued on 25th April 2011
2. Service Tax Rules
3. Section 65 (105) (zzzz) of Finance Act