Scheme to refund service tax on taxable services linked to exports further extended

PRESS RELEASE DATED 19-2-2008

Government has issued Notification No. 3/2008-ST, dated 19.02.2008, extending the scheme to refund service tax paid by exporters on taxable services, which are not in the nature of "input services" but could be linked to export of goods, to following three more taxable services:

(i) Services provided by the Goods Transport Agency in relation to transportation of export goods from the place of removal to the actual place of export i.e. inland container depot / port / airport. (Section 65[105][zzp]),

(ii) Services provided in relation to transportation of export goods in containers by rail from the place of removal to the actual place of export i.e. inland container depot / port / airport. (Section 65[105][zzzp])

(iii) Courier Services provided to an exporter in relation to transportation of documents, goods or articles relating to export, to a destination outside India. (Section 65[105][f] of the Finance Act, 1994)

Service tax paid by exporters on input services used for export goods is neutralised under various existing schemes. Refund of service tax paid on taxable services, which are not "input services" but could be attributable to export of goods is presently available to ten taxable services:

(i) Port Services provided for export. (Section 65[105][zn])

(ii) Other port Services provide for export. (Section 65[105][zzl])

(iii) Services of transport of goods by road from ICD to port of export provided by Goods Transport Agency. (Section 65[105][zzp])

(iv) Services of transport of export goods in containers by rail from ICD to port of export. (Section 65[105][zzzp])

(v) General Insurance Services provided to an exporter in relation to insurance of export goods. (Section 65[105][d])

(vi) Technical testing and Analysis Agency Services in relation to technical testing and analysis of export goods. (Section 65[105][zzh])

(vii) Inspection and Certification Agency Services in relation to inspection and certification of export goods. (Section 65[105][zzi])

(viii) Storage and warehousing service [section 65(105)(zza)]

(ix) Cleaning activity service [section 65(105)(zzzd)]

(x) Business exhibition service [section 65(015)(zzo)].

Details are available in Notification No. 3/2008- ST dated 19th February, 2008 on the CBEC website http://www.cbec.gov.in.

BSC/SS/GN-38/2008