Lets Start Journey to Success.....

Mind Map on for Quick Revision → use it with] Audio books ⇒ facebook.com/tax4cs

Service Tax

ST is Paid by
- (a) Service Provider
- (b) Service Receiver under Reverse Charge
- (c) Both by SR & SP under partial Reverse charge

on → Value of taxable Services

- Monetary Consideration
  - Value ⇒ Gross Amt Charged
    - Excluding S Tax
    - Including S Tax → Do back calculation
- Non Monetary Consideration
  - Value ⇒ FMV of Non Monetary Consideration + Money received [if any]
  - Shall Always be including S Tax ⇒ Do back calculation to calculate Value of Services.
  - Value ⇒ $\frac{\text{Amt} \times 100}{112.36}$
  - In other words Value is 89% of Total Amount.

Valuation Rules are applicable in
- # Works Contract
- # Money changer
- # Catering Services
- # where Value can not be determined.

Service Tax → Finance Act, 1994

Extended to → Whole of INDIA Except Jammu & Kashmir

Tax Rate ⇒ 5%

Present rate ⇒ 12% + EC + SHEC

Selective approach
- Only 3 Services were taxable
  - # General Insurance
  - # Telephone
  - # Share broker

In 2012 Comprehensive approach ⇒ All Services are taxable now Except
- Negative List ⇒ Services not covered under Tax Net.
- Mega Exemption List ⇒ Services are covered under Service Tax Net but are exempted for the time being.

These Services are taxable if Provided in taxable territory

Taxable Territory means whole of India Except Jammu & Kashmir.

Place of Provision of Services is determined through POP Rules, 2012

Special tax rates also give like on
- Money Changers
- Air travel agents
- Lottery agents
- Life Insurance

Also in few cases abatement is given through Notification.

All d Best