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MES BUILDERS ASSOCIATION OF INDIA (REGD)
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Circular No. 32

Dated: 25.8.2016

To,
All Members

Sub: Refund of Service Tax.

Dear Members,

As you are aware as per Finance Bill 2016, the Govt. has exempted certain cases relating to construction of Govt. Buildings from Service Tax. Extract from Finance Bill 2016 is as under:-

“ 102. (1) Notwithstanding anything contained in section 66B, no service tax shall be levied or collected during the period commencing from the 1st day of April 2015 and ending with the 29th day of February, 2016 (both days inclusive) in respect of taxable services provided to the Government, a local authority or a Governmental authority, by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation or alteration of –

- (a) A civil structure or any other original works meant predominantly for use other than for commerce, industry or any other business or profession;
- (b) A structure meant predominantly for use as -
 - (i) An educational establishment;
 - (ii) A clinical establishment; or
 - (iii) An art of cultural establishment;
- (c) A residential complex predominantly meant for self-use or for the use of their employees or other persons specified in *Explanation 1* to clause (44) of section 65 B of the said Act.

Under a contract entered into before the 1st day of March 2015 and on which appropriate stamp duty, where applicable, had been paid before that date.

(2) Refund shall be made of all such service tax which has been collected but which would not have been so collected had sub-section (1) been in force at all the material times.

(3) Notwithstanding anything contained in the Chapter, an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2016 receives the assent of the President.”

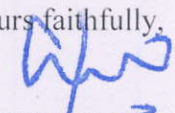
Accordingly notification No.9/2016 – Service Tax dated 1st March 2016 was issued by the Government of India, Ministry of Finance (Department of Revenue)

As mentioned above, an application for the claim of refund of Service Tax shall be made within a period of 6 months from the date on which Finance Bill 2016 received assents of the President. The Finance Bill -2016 received Presidential assent on May 14, 2016, therefore, last date for submitting application for refund of service tax will be 11th November 2016.

Members are advised to apply for refund of service tax deposited on the works for which the contract was entered into before 1st day of March 2015 timely.

Thanking you,

Yours faithfully,


(PRAVEEN MAHANA)
HONY.GEN.SECRETARY