

SERVICE TAX RULES, 1994

In exercise of the powers conferred by sub-section (1) read with sub-section (2) of section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules for the purpose of the assessment and collection of Service Tax, namely:-

Rule 1. Short title and commencement –

- (1) These rules may be called the Service Tax Rules, 1994.
- (2) They shall come into force on the 1st day of July, 1994.

Rule 2. Definitions –

(1) In these rules, unless the context otherwise requires,-

- (a) "Act" means the Finance Act, 1994 (32 of 1994);
- ¹[(b) "assessment" includes self-assessment of service tax by the assessee, reassessment, provisional assessment, best judgment assessment and any order of assessment in which the tax assessed is nil; determination of the interest on the tax assessed or reassessed;]
- ²[(bb) "banking company" has the meaning assigned to it in clause (a) of section 45A of the Reserve Bank of India Act, 1934 (2 of 1934);
- (bc) "body corporate" has the meaning assigned to it in clause (7) of section 2 of the Companies Act, 1956 (1 of 1956);
- (bd) "financial institution" has the meaning assigned to it in clause (c) of section 45-I of the Reserve Bank of India Act, 1934 (2 of 1934);"]
- (c) "Form" means a Form appended to these rules;
- ³⁴[(ca) "Half year" means the period between 1st April to 30th September or 1st October to 31st March of a financial year;]
- ⁵[(c1a) "goods carriage" has the meaning assigned to it in clause (14) of section 2 of the Motor Vehicles Act, 1988 (59 of 1988);]
- ⁶⁷[(cb) "input service distributor" has the meaning assigned to it in clause (m) of rule (2) of the CENVAT Credit Rules, 2004.]
- ⁸[(cba) "insurance agent" has the meaning assigned to it in clause (10) of section 2 of the Insurance Act, 1938 (4 of 1938);]
- ⁹¹⁰[(cc) "large taxpayer" shall have the meaning assigned to it in the Central Excise Rules, 2002.]
- ¹¹[(cca) "legal service" means any service provided in relation to advice, consultancy or assistance in any branch of law, in any manner and includes representational services before any court, tribunal or authority;]
- [(ccb) "life insurance business" has the meaning assigned to it in clause (11) of section 2 of the Insurance Act, 1938 (4 of 1938);
- (ccc) "nonbanking financial company" has the meaning assigned to it in clause (f) of section 45-I of the Reserve Bank of India Act, 1934 (2 of 1934);]
- ¹²(cd) "partnership firm" includes a limited liability partnership;"]

¹ Substituted (w.e.f. 16.07.2001) by M.F. (D.R.) Notification No. 5/2001-ST, dated 09.07.2001.

² Inserted (w.e.f. 1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

³ Inserted (w.e.f. 16.10.1998) by M.F. (D.R.) Notification No. 54/98-ST, dated 07.10.1998.

⁴ Re-numbered (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax, dated 17.03.2012.

⁵ Inserted (w.e.f. 1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

⁶ Inserted by Notification No.11/2004-Service Tax, dated 10.09.2004.

⁷ Inserted (w.e.f. 01.04.12) by Notification No.3/2012-Service Tax dated 17.03.2012.

⁸ Inserted (w.e.f. 1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

⁹ Inserted by Notification No.28/2006-Service Tax., dated 30.09.2006.

¹⁰ Re-numbered (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax, dated 17.03.2012.

¹¹ Inserted (w.e.f. 1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

¹² Inserted (w.e.f. 01.04.12) by Notification No.3/2012-Service Tax dated 17.03.2012.

- ¹[(d) “person liable for paying service tax”,-
- (i) in respect of the taxable services notified under sub-section (2) of section 68 of the Act, means,-
 - (A) in relation to service provided or agreed to be provided by an insurance agent to any person carrying on the insurance business, the recipient of the service.
 - (B) In relation to service provided or agreed to be provided by a goods transport agency in respect of transportation of goods by road, where the person liable to pay freight is,-
 - (I) any factory registered under or governed by the Factories Act, 1948 (63 of 1948);
 - (II) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India;
 - (III) any co-operative society established by or under any law;
 - (IV) any dealer of excisable goods, who is registered under the Central Excise Act, 1944 (1 of 1944) or the rules made there under;
 - (V) anybody corporate established, by or under any law; or
 - (VI) any partnership firm whether registered or not under any law including association of persons;

any person who pays or is liable to pay freight either himself or through his agent for the transportation of such goods by road in a goods carriage:

Provided that when such person is located in a non-taxable territory, the provider of such service shall be liable to pay service tax.
 - (C) In relation to service provided or agreed to be provided by way of sponsorship to anybody corporate or partnership firm located in the taxable territory, the recipient of such service;
 - (D) In relation to service provided or agreed to be provided by ,-
 - (I) an arbitral tribunal, or
 - (II) an individual advocate or a firm of advocates by way of legal services,

to any business entity located in the taxable territory, the recipient of such service
 - (E) In relation to support services provided or agreed to be provided by Government or local authority except, -
 - ²[(EE) In relation to service provided or agreed to be provided by a director of a company to the said company, the recipient of such service;]
 - (a) renting of immovable property, and
 - (b) services specified sub-clauses (i), (ii) and (iii) of clause (a) of section 66D of the Finance Act, 1994,

to any business entity located in the taxable territory, the recipient of such service
 - (F) In relation to services provided or agreed to be provided by way of :-
 - (a) renting of a motor vehicle designed to carry passengers, to any person who is not engaged in a similar business; or
 - (b) supply of manpower for any purpose; or ³[security services];
 - (c) service portion in execution of a works contract-
 - by any individual, Hindu Undivided Family or partnership firm, whether registered or not, including association of persons, located in the taxable territory to a business entity registered as a body corporate, located in the taxable territory, both the service provider and the service recipient to the extent notified under sub-section (2) of section 68 of the Act, for each respectively.
 - (G) In relation to any taxable service provided or agreed to be provided by any person which is located in a non-taxable territory and received by any person located in the taxable territory, the recipient of such service.”
 - (ii) in a case other than sub-clause (i), means the provider of service.]
- ⁴[(dd) “place of provision” shall be the place as determined by Place of Provision of Services Rules, 2012;]

¹ Substituted (w.e.f. 1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

² Inserted (w,e,f, 07.08.2012) by Notification No. 46/2012 dated 07.08.2012.

³ Inserted (w,e,f,07.08.2012) by Notification No. 46/2012 dated 07.08.2012.

⁴ Inserted (w.e.f. 1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

¹ [(e) "quarter" means the period between 1st January to 31st March or 1st April to 30th June or 1st July to 30th September or 1st October to 31st December of a financial year;]

² [(f) "renting of immovable property" means any service provided or agreed to be provided by renting of immovable property or any other service in relation to such renting.

³ [(fa) "security services" means services relating to the security of any property, whether movable or immovable, or of any person, in any manner and includes the services of investigation, detection or verification, of any fact or activity."]

(g) "supply of manpower" means supply of manpower, temporarily or otherwise, to another person to work under his superintendence or control.]

(2) All words and expressions used but not defined in these rules but defined in the ⁴[Central Excise Act, 1944 (1 of 1944)]⁵[and the rules made there under shall have the meanings assigned to them in that Act and rules.]

Rule 3. Appointment of officers – The Central Board of Excise and Customs may appoint such Central Excise Officers as it thinks fit for exercising the powers under Chapter V of the Act within such local limits as it may assign to them as also specify the taxable service in relation to which any such Central Excise Officers shall exercise his powers.

[Rule ⁶4. Registration – (1) Every person liable for paying the service tax shall make an application to the ⁷[concerned Superintendent of Central Excise] in Form ST-1 for registration within a period of thirty days from the date on which the service tax under ⁸[section [66B] of the Finance Act, 1994(32 of 1994)] is levied:

Provided that where a person commences the business of providing a taxable service after such service has been levied, he shall make an application for registration within a period of thirty days from the date of such commencement:

⁹**[Provided** further that a person liable for paying the service tax in the case of taxable services referred to in sub-section (4) or sub-section (5) of section 66 of the Finance Act, 1994 (32 of 1994) may make an application for registration on or before the 31st day of December, 1998:]

¹⁰**[Provided** also that a person liable for paying the service tax in the case of taxable services referred to in sub-clause (zzp) of clause (105) of section 65 of the Act may make an application for registration on or before the ¹¹[31st day of March, 2005.]

¹²[* * * * *]

¹³(1A) For the purposes of sub-rule (1), the Central Board of Excise and Customs may, by an order specify the documents which are to be submitted by the assessee along with the application within such period, as may be specified in the said order.

¹⁴(2) Where a person, liable for paying service tax on a taxable service

- (i) provides such service from more than one premises or offices; or
- (ii) receives such service in more than one premises or offices; or,
- (iii) is having more than one premises or offices, which are engaged in relation to such service in any other manner, making such person liable for paying service tax, and has centralised billing system or centralised accounting system in respect of such service, and such centralised billing or centralised accounting systems are located in one or more premises, he may, at his option, register such premises or offices from where centralised billing or centralised accounting systems are located.

(3) The registration under sub-rule (2), shall be granted by the Commissioner of Central Excise in whose jurisdiction the premises or offices, from where centralised billing or accounting is done, are located:

¹ Inserted (w.e.f. 16.10.1998) by M.F. (D.R.) Notification No. 54/98-ST, dated 07.10.1998.

² Inserted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

³ Inserted (w.e.f. 07.08.2012) by Notification No. 46/2012 dated 07.08.2012

⁴ Central Excise & Salt Act, 1944 renamed by s.71 of the Finance (no.2)Act, 1996(33 of 1996).

⁵ Substituted (w.e.f. 16.07.2001) by M.F. (D.R.) Notification No. 5/2001-ST, dated 09.07.2001.

⁶ Substituted (w.e.f. 16.10.1998) by M.F. (D.R.) Notification No. 54/98-ST, dated 07.10.1998.

⁷ Substituted (w.e.f. 16.07.2001) by M.F. (D.R.) Notification No. 5/2001-ST, dated 09.07.2001.

⁸ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20.06.2012.

⁹ Inserted (w.e.f. 2.12.1998) by M.F. (D.R.) Notification No.60/98-S.T., dated 1.12.1998.

¹⁰ Inserted by M.F.(D.R.) Notification No.2/2005-S.T., dated 14.02.2005.

¹¹ Substituted for the words "28th day of February, 2005" by Notification No. 03/2005-ST, dated 26.02.2005.

¹² Omitted (w.e.f. 16.08.2002) by Notification No. 12/2002-ST, dated 01.08.2002.

¹³ Inserted by Notification No.48/2011-Service Tax dated 19.10.2011.

¹⁴ Substituted (w.e.f. 02.11.2006) by Notification No. 29/2006-ST, dated 02.11.2006.

Provided that nothing contained in this sub-rule shall have any effect on the registration granted to the premises or offices having such centralised billing or centralised accounting systems, prior to the 2nd day of November, 2006.]

(3A) Where an assessee is providing a taxable service from more than one premises or offices, and does not have any centralized billing systems or centralized accounting systems, as the case may be, he shall make separate applications for registration in respect of each of such premises or offices to the jurisdictional Superintendent of Central Excise.

(4) Where an assessee is providing more than one taxable service, he may make a single application, mentioning therein all the taxable services provided by him, to the concerned ¹[Superintendent of Central Excise].

(5) The ²[**Superintendent of Central Excise**] shall after due verification of the application form, ³or an intimation under sub-rule (5A), as the case may be, grant a certificate of registration in Form ST-within seven days from the date of receipt of the application ⁴[or the intimation]. If the registration certificate is not granted within the said period, the registration applied for shall be deemed to have been granted.

⁵**[(5A)** Where there is a change in any information or details furnished by an assessee in Form ST-1 at the time of obtaining registration or he intends to furnish any additional information or detail, such change or information or details shall be intimated, in writing, by the assessee, to the jurisdictional Assistant Commissioner or Deputy Commissioner of Central Excise, as the case may be, within a period of thirty days of such change.]

(6) Where a registered assessee transfers his business to another person, the transferee shall obtain a fresh certificate of registration.

(7) Every registered assessee, who ceases to provide the taxable service for which he is registered, shall surrender his registration certificate immediately ⁶[to the Superintendent of Central Excise].]

⁷**[(8)** On receipt of the certificate under sub-rule (7), the Superintendent of Central Excise shall ensure that the assessee has paid all monies due to the Central Government under the provisions of the Act, and the rules and the notifications issued there under, and thereupon cancel the registration certificate.]

Rule ⁸[4A. Taxable service to be provided or credit to be distributed on invoice, bill or challan – (1)

Every person providing taxable service shall, ⁹[not later than ¹⁰[thirty days] from the date of ¹¹[completion of] such taxable service or receipt of any payment towards the value of such taxable service, whichever is earlier] issue an invoice, a bill or, as the case may be, a challan signed by such person or a person authorized by him ¹²[in respect of taxable service] ¹³[provided or agreed to be provided] and such invoice, bill or, as the case may be, challan shall be serially numbered and shall contain the following, namely :-

- (i) the name, address and the registration number of such person;
- (ii) the name and address of the person receiving taxable service;
- ¹⁴[(iii) description and value of taxable service provided or agreed to be provided; and]
- (iv) the service tax payable thereon:

¹⁵**[Provided** that in case the provider of taxable service is a banking company or a financial institution including a non-banking financial company, or any other body corporate or any other person, providing service to any person an invoice, bill or, as the case may be, challan shall include any document, by whatever name called, whether or not serially numbered, and whether or not containing address of the person receiving taxable service but containing other information in such documents as required under this sub-rule:]

¹ Substituted (w.e.f. 16.07.2001) by M.F. (D.R.) Notification No. 5/2001-ST, dated 09.07.2001.

² Substituted (w.e.f. 16.07.2001) by M.F. (D.R.) Notification No. 5/2001-ST, dated 09.07.2001.

³ Inserted by Notification No. 01/2007-ST, dated 01.03.2007.

⁴ Inserted by Notification No. 01/2007-ST, dated 01.03.2007

⁵ Inserted by Notification No. 05/2006-ST, dated 01.03.2006.

⁶ Inserted by Notification No. 05/2006-ST, dated 01.03.2006.

⁷ Inserted by Notification No. 05/2006-ST, dated 01.03.2006.

⁸ Inserted by Notification No. 11/2004-ST, dated 10.09.2004.

⁹ Inserted (w.e.f. 01.04.2005) by Notification No. 07/2005-ST, dated 01.03.2005.

¹⁰ Substituted(w.e.f. 1.04.2012) for the words “fourteen days” by Notification No.3/2012-S.T., dated 17.03.2012

¹¹ Substituted (w.e.f.1.04.2011) by Notification No.26/2011-Service Tax dated 31.03.2011.

¹² Substituted (w.e.f. 01.04.2005) by Notification No. 07/2005-ST, dated 01.03.2005.

¹³ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax., dated 20.06.2012.

¹⁴ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax., dated 20.06.2012.

¹⁵ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax., dated 20.06.2012.

¹[**Provided** further that in case the provider of taxable service is a goods transport agency, providing service ²[to any person], in relation to transport of goods by road in a goods carriage, an invoice, a bill or, as the case may be, a challan shall include any document, by whatever name called, which shall contain the details of the consignment note number and date, gross weight of the consignment and also contain other information as required under this sub-rule.]

³[* * * * *]

⁴[**Provided also** that in case of continuous supply of service, every person providing such taxable service shall issue an invoice, bill or challan, as the case may be, within ⁵[thirty days] of the date when each even specified in the contract, which requires the service receiver to make any payment to service provider, is completed:]

⁶[**Provided also** that in case the provider of taxable service is a banking company or a financial institution including a non-banking financial company providing service to any person, the period within which the invoice, bill or challan, as the case may be, is to be issued, shall be forty-five days:]

⁷[**Provided** that in case the provider of taxable service is providing the service of transport of passenger, an invoice, a bill or as the case may be, challan shall include ticket in any form by whatever name called and whether or not containing registration number of the provider of service and address of the service recipient of service but containing other information in such documents as required under this sub-rule.]

⁸[**Provided** also that wherever the provider of taxable service receives an amount up to rupees one thousand in excess of the amount indicated in the invoice and the provider of taxable service has opted to determine the point of taxation based on the option as given in point of Taxation Rules, 2011, no invoice is required to be issued to such extent.]

(2) Every input service distributor distributing credit of taxable services shall, in respect of credit distributed, issue an invoice, a bill or, as the case may be, a challan signed by such person or a person authorized by him, for each of the recipient of the credit distributed, and such invoice, bill or, as the case may be, challan shall be serially numbered and shall contain the following namely:-

- (i) the name, address and registration number of the person providing input services and the serial number and date of invoice, bill, or as the case may be, challan issued under sub-rule (1);
- (ii) the name, ⁹[and address] of the input service distributor;
- (iii) the name and address of the recipient of the credit distributed;
- (iv) the amount of the credit distributed.

¹⁰ [**Provided** that in case the input service distributor is an office of a banking company or a financial institution including a non-banking financial company providing service to any person an invoice, a bill or, as the case may be, challan shall include any document, by whatever name called, whether or not serially numbered but containing other information in such documents as required under this sub-rule.”]

Rule ¹¹[4B. Issue of consignment note.- Any goods transport agency which provides service in relation to transport of goods by road in a goods carriage shall issue a consignment note ¹²[to the recipient of service]

Provided that where any taxable service in relation to transport of goods by road in a goods carriage is wholly exempted under section 93 of the Act, the goods transport agency shall not be required to issue the consignment note.

¹ Inserted (w.e.f. 01.01.2005) by Notification No. 35/2004-ST, dated 03.12.2004.

² Substituted (w.e.f. 16.05.2008) by Notification No. 19/2008-ST, dated 10.05.2008.

³ Omitted (w.e.f. 01.04.2011) by Notification No.3/2011 dated 1.03.2011.

⁴ Inserted (w.e.f.1.04.2011) by Notification No.26/2011-Service Tax dated 31.03.2011.

⁵ Substituted (w.e.f.1.4.2012) for the words “fourteen days” by Notification 3/2012-Service Tax dated 17.03.2012.

⁶ Substituted (w.e.f. 01.07.2012) by Notification No. 36/2012-ST, dated 20.06.2012.

⁷ Substituted (w.e.f. 01.07.2012) by Notification No. 36/2012-ST, dated 20.06.2012.

⁸ Inserted (w.e.f.1.04.2012) by Notification No. 3/2012-Service Tax dated 17.03.2012.

⁹ Corrected by M.F.(DR)Corrigendum F.No. B2/3/2004-TRU dated 22.09.2004.

¹⁰ Substituted (w.e.f. 01.07.2012) by Notification No. 36/2012-ST, dated 20.06.2012.

¹¹ Inserted (w.e.f. 01.01.2005) by Notification No. 35/2004-ST, dated 03.12.2004.

¹² Substituted (w.e.f. 16.05.2008) by Notification No. 19/2008-ST, dated 10.05.2008.

Explanation.- For the purposes of this rule and the second proviso to rule 4A, “consignment note” means a document, issued by a goods transport agency against the receipt of goods for the purpose of transport of goods by road in a goods carriage, which is serially numbered, and contains the name of the consignor and consignee, registration number of the goods carriage in which the goods are transported, details of the goods transported, details of the place of origin and destination, person liable for paying service tax whether consignor, consignee or the goods transport agency.]

Rule 5. Records – (1) The records ¹[****] including computerised data, ²[****] as maintained by an assessee in accordance with the various laws in force from time to time shall be acceptable.

³[(2) Every assessee shall furnish to the Superintendent of Central Excise at the time of filing of return for the first time or the 31st day of January, 2008, whichever is later, a list in duplicate, of-

(i) all the records prepared or maintained by the assessee for accounting of transactions in regard to,-

⁴[(a) providing of any service,]

(b) receipt or procurement of input services and payment for such input services;

(c) receipt, purchase, manufacture, storage, sale, or delivery, as the case may be, in regard of inputs and capital goods;

(d) other activities, such as manufacture and sale of goods, if any.

(ii) all other financial records maintained by him in the normal course of business];

⁵[(3) All such records shall be preserved at least for a period of five years immediately after the financial year to which such records pertain.

⁶[*****]

⁷[**Explanation.** - For the purposes of this rule, “registered premises” includes all premises or offices from where an assessee is providing taxable services.]

⁸[**Rule 5A. Access to a registered premise.** (1) An officer authorised by the Commissioner in this behalf shall have access to any premises registered under these rules for the purpose of carrying out any scrutiny, verification and checks as may be necessary to safeguard the interest of revenue.

(2) Every assessee shall, on demand, make available to the officer authorised under sub-rule(1) or the audit party deputed by the Commissioner or the Comptroller and Auditor General of India within a reasonable time reasonable time not exceeding fifteen working days from the day when such demand is made, or such further period as may be allowed by such officer or the audit party, as the case may be,-

(i) the records as mentioned in sub-rule (2) of rule 5;

(ii) trial balance or its equivalent; and

(iii) the income-tax audit report, if any, under section 44AB of the Income-tax Act, 1961 (43 of 1961), for the scrutiny of the officer or audit party, as the case may be.]

⁹[**Rule 5B. [* * * * *]**

Rule ¹⁰[6. Payment of service tax. ----¹¹ (1) The service tax shall be paid to the credit of the Central Government,-

¹ Omitted by Notification No. 05/2006-S.T. dated 01.03.2006.

² Omitted by Notification No. 05/2006-S.T. dated 01.03.2006.

³ Substituted (w.e.f.28.12.2007) by Notification No.45/2007-S.T., dated 28.12.2007.

⁴ Substituted (w.e.f. 01.07.2012) by Notification No. 36/2012-ST, dated 20.06.2012.

⁵ Inserted by Notification No. 05/2006-ST, dated 01.03.2006.

⁶ Omitted by Notification No.45/2007-S.T., dated 28.12.2007.

⁷ After omission of sub-rule (4) of Rule 5 this explanation has become otiose.

⁸ Inserted (w.e.f.28.12.2007) by Notification No.45/2007-S.T., dated 28.12.2007.

⁹ Omitted (w.e.f. 01.07.2012) by Notification No. 36/2012-ST, dated 20.06.2012.

¹⁰ Substituted (w.e.f. 16.10.1998) by M.F. (D.R.) Notification No. 54/98-ST, dated 07.10.1998.

¹¹ Substituted (w.e.f. 12.09.2007) by M.F. (D.R.) Notification No. 39/2007-ST, dated 12.09.2007.

- (i) by the 6th day of the month, if the duty is deposited electronically through internet banking;
and
- (ii) by the 5th day of the month, in any other case,

immediately following the calendar month in which the ²[service is deemed to be provided as per the rules framed in this regard]:

Provided that where the assessee is an individual or proprietary firm or partnership firm, the service tax shall be paid to the credit of the Central Government by the 6th day of the month if the duty is deposited electronically through internet banking, or, in any other case, the 5th day of the month, as the case may be, immediately following the quarter in which ³[service is deemed to be provided as per the rules framed in this regard]

⁴[*****]

^{5,6}**Provided** also that the service tax on the service deemed to be provided in the month of March, or the quarter ending in March, as the case may be, shall be paid to the credit of the Central Government by the 31st day of March of the calendar year.

⁷[*****]

⁸[Provided also that in case of individuals and partnership firms whose aggregate value of taxable services provided from one or more premises is fifty lakh rupees or less in the previous financial year, the service provider shall have the option to pay tax on taxable services ⁹[provided or agreed to be provided] by him up to a total of rupees fifty lakhs in the current financial year, by the dates specified in this sub-rule with respect to the month or quarter, as the case may be, in which payment is received.]

¹⁰[(1A) Without prejudice to the provisions contained in sub-rule (1), every person liable to pay service tax, may, on his own volition, pay an amount as service tax in advance, to the credit of the Central Government and adjust the amount so paid against the service tax which he is liable to pay for the subsequent period:

Provided that the assessee shall,-

- (i) intimate the details of the amount of service tax paid in advance, to the jurisdictional Superintendent of Central Excise within a period of fifteen days from the date of such payment; and
- (ii) indicate the details of the advance payment made, and its adjustment, if any in the subsequent return to be filed under section 70 of the Act;]

(2) The assessee shall deposit the service tax liable to be paid by him with the bank designated by the Central Board of Excise and Customs for this purpose in Form TR-6 or in any other manner prescribed by the Central Board of Excise and Customs.

¹¹[Provided that where an assessee has paid a total service tax of rupees ¹²one lakh or more including the amount paid by utilization of CENVAT credit, in the preceding financial year, he shall deposit the service tax liable to be paid by him electronically, through internet banking.]

¹(2A) For the purpose of this rule, if the assessee deposits the service tax by cheque, the date of presentation of cheque to the bank designated by the Central Board of Excise and Customs for this purpose shall be deemed to be the date on which service tax has been paid subject to realization of that cheque.

¹ Substituted (w.e.f.12.09.2007) by Notification No. 39/2007-S.T dated 12.09.2007.

² Substituted(w.e.f.1.04.2011) by Notification No.3/2011-S.T., dated 1.03.2011.

³ Substituted (w.e.f.1.04.2011) by Notification No.3/2011-S.T., dated 1.03.2011.

⁴ Omitted(w.e.f.1.04.2011) by Notification No.3/2011-S.T., dated 1.03.2011.

⁵ Substituted(w.e.f.1.04.2011) by Notification No.3/2011-S.T., dated 1.03.2011.

⁶ Substituted(w.e.f.1.04.2012) by Notification No.3/2012-S.T., dated 17.03.2012.

⁷ Omitted (w.e.f. 01.07.2012) by Notification No. 36/2012-ST, dated 20.06.2012.

⁸ Inserted (w.e.f.1.04.2012) by Notification No.3/2012-S.T., dated 17.03.2012.

⁹ Substituted (w.e.f. 01.07.2012) by Notification No. 36/2012-ST, dated 20.06.2012.

¹⁰ Inserted (w.e.f. 01.3.2008) by Notification No. 04/2008-ST dated 01. 03.2008.

¹¹ Substituted (w.e.f. 01.04.2010) by Notification No. 01/2010-ST, dated 19.02.2010. Before this substitution, the proviso as inserted by Notification No.27/2006-S.T., dated 21.09.2006 (w.e.f.1.10.2006)

¹², substituted vide Notification No 16/2013-Service Tax dated 22.11.2013.

¹[(3) Where an assessee has issued an invoice, or received any payment, against a service to be provided which is not so provided by him either wholly or partially for any reason, ²[or where the amount of invoice is renegotiated due to deficient provision of service, or any terms contained in a contract] the assessee may take the credit of such excess service tax paid by him, if the assessee,

³[(a) has refunded the payment or part thereof, so received along with the service tax payable thereon for the service to be provided by him to the person from whom it was received;

(b) has issued a credit note for the value of the service tax not so provided to the person to whom such an invoice had been issued.]

⁴[(4) Where an assessee is, for any reason, unable to correctly estimate, on the date of deposit, the actual amount payable for any particular month or quarter, as the case may be, he may make a request in writing to the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise, as the case may be, giving reasons for payment of service tax on provisional basis and the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise, as the case may be, on receipt of such request, may allow payment of service tax on provisional basis on such value of taxable service as may be specified by him and the provisions of the Central Excise (No.2) Rules, 2001, relating to provisional assessment, except so far as they relate to execution of bond, shall, so far as may be, apply to such assessment.]

⁵[(4A) Notwithstanding anything contained in sub-rule (4), where an assessee has paid to the credit of Central Government any amount in excess of the amount required to be paid towards service tax liability for a month or quarter, as the case may be, the assessee may adjust such excess amount paid by him against his service tax liability for the succeeding month or quarter, as the case may be.

⁶[(4B) The adjustment of excess amount paid, under sub-rule (4A), shall be subject to the condition that the excess amount paid is on account of reasons not involving interpretation of law, taxability, ⁷{***} valuation or applicability of any exemption notification.]

⁸[4C).” Notwithstanding anything contained in sub-rules (4), (4A) and (4B), where the person liable to pay service tax in respect of service renting of immovable property, has paid to the credit of Central Government any amount in excess of the amount required to be paid towards service tax liability for a month or quarter, as the case may be, on account of non-availment of deduction of property tax paid in terms of notification No.29/2012-Service Tax, dated the 20th June, 2012, from the gross amount charged for renting of the immovable property for the said period at the time of payment of service tax, the assessee may adjust such excess amount paid by him against his service tax liability within one year from the date of payment of such property tax. The details of such adjustment shall be intimated to the Superintendent of Central Excise having jurisdiction over the service provider within a period of fifteen days from the date of such adjustment.]

(5) Where an assessee under sub-rule (4) requests for a provisional assessment he shall file a statement giving details of the difference between the service tax deposited and the service tax liable to be paid for each month in a memorandum in Form ST-3A accompanying the quarterly or half yearly return, as the case may be.

(6) Where the assessee submits a memorandum in Form ST-3A under sub-rule (5), it shall be lawful of the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise, as the case may be] to complete the assessment, wherever he deems it necessary, after calling such further documents or records as he may consider necessary and proper in the circumstances of the case.

Explanation. – For the purposes of this rule and rule 7, "Form TR-6" means a memorandum or challan referred to in rule 92 of the Treasury Rules of the Central Government.

¹ substituted w.e.f.1.4.11 by Notification No.3/2011-S.T. dated 1.03.2011.

² Inserted (w.e.f.1.04.2011) by Notification No.26/2011-S.T. dated 31.03.2011.

³ Substituted (w.e.f.1.04.2011) by Notification No.26/2011-S.T. dated 31.03.2011.

⁴ Substituted (w.e.f. 16.07.2001) by M.F. (D.R.) Notification No. 05/2001-ST, dated 09.07.2001.

⁵ Substituted by Notification No. 01/2007-ST, dated 01.03.2007.

⁶ Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

⁷ Omitted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

⁸ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

¹[(6A) Where an amount of service tax payable has been self-assessed under sub-section (1) of section 70 of the Act, but not paid, either in full or part, the same, shall be recoverable along with interest in the manner prescribed under section 87 of the Act.]

(7) The person liable for paying the service tax in relation ² [of booking of tickets for travel by air] provided by an air travel agent, shall have the option, to pay an amount calculated at the rate of ³[0.6%]of the basic fare in the case of domestic bookings, and at the rate of ⁴[1.2%]of the basic fare in the case of international bookings, of passage for travel by air, during any calendar month or quarter, as the case may be, towards the discharge of his service tax liability instead of paying service tax ⁵[at the rate of specified in ⁶ [Section 66B] of Chapter V of the Act] and the option, once exercised, shall apply uniformly in respect of all the bookings of passage for travel by air made by him and shall not be changed during a financial year under any circumstances.

Explanation - For the purposes of this sub-rule, the expression "basic fare" means that part of the air fare on which commission is normally paid to the air travel agent by the airline.

⁷[(7A) An insurer carrying on life insurance business shall have the option to pay tax:

(i) on the gross premium charged from a policy holder reduced by the amount allocated for investment, or savings on behalf of policy holder, if such amount is intimated to the policy holder at the time of providing of service;

(ii) ⁸ [in all other cases, 3 per cent. of the premium charged from policy holder in the first year and 1.5 per cent. of the premium charged from policy holder in the subsequent years;]

towards the discharge of his service tax liability instead of paying service tax at the rate specified in ⁹[section 66B] of Chapter V of the said Act :

Provided that such option shall not be available in cases where the entire premium paid by the policy holder is only towards risk cover in life insurance.”]

¹⁰[(7B). The person liable to pay service tax in relation to purchase or sale of foreign currency, including money changing, shall have the option to pay an amount calculated at the following rate towards discharge of his service tax liability instead of paying service tax at the rate specified in section 66B of Chapter V of the Act, namely:]

(a) ¹¹ [0.12 per cent. of the gross amount of currency exchanged for an amount up to rupees 100,000, subject to the minimum amount of ¹²[rupees 30] and;

(b) rupees ¹³[120 and 0.06 per cent. of the gross amount of currency exchanged for an amount of rupees exceeding rupees 100,000 and up to rupees 10,00,000; and

(c) rupees ¹⁴[660 and ¹⁵[0.012] per cent.] of the gross amount of currency exchanged for an amount of rupees exceeding 10, 00,000, subject to maximum amount of rupees ¹⁶[6000]:

Provided that the person providing the service shall exercise such option for a financial year and such option shall not be withdrawn during the remaining part of that financial year.

¹⁷[* * * * *]

¹ Inserted (w.e.f.1.4.11) by Notification No.3/2011-Service Tax dated 1.03.2011.

²Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

³ Substituted (w.e.f. 01.05.2006) for “0.5” by Notification No. 17/2006-ST, dated 25.04.2006.

⁴ Substituted (w.e.f. 01.05.2006) for “1.0” by Notification No. 17/2006-ST, dated 25.04.2006.

⁵ Inserted by Notification No. 11/2004-ST, dated 10.09.2004.

⁶ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

⁷Substituted (w.e.f.1.05.2011) by Notification No.35/2011-Service Tax dated 25.04.2011.

⁸ Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

⁹ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

¹⁰ Substituted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

¹¹ Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

¹² Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

¹³ Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

¹⁴ Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

¹⁵ Corrected by M.F.(D.R.)Corrigendum F.No.334/1/2012-TRU, dated 21.03.2012.

¹⁶ Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

¹⁷ Omitted (w.e.f.1.4.11) by Notification No.3/2011-Service Tax dated 1.03.2011.

¹[7C] The distributor or selling agent, liable to pay service tax for the taxable service of promotion, marketing, organizing or in any other manner assisting in organizing lottery, shall have the option to pay an amount at the rate specified in column (2) of the Table given below, subject to the conditions specified in the corresponding entry in column (3) of the said Table, instead of paying service tax at the rates specified in section 66B of Chapter V of the said Act :]

T A B L E

Sr.No.	Rate	Condition
(1)	(2)	(3)
1.	Rs. ² [7000] on every Rs.10 lakh (or part of Rs.10 lakh) of aggregate face value of lottery tickets printed by the organizing State for a draw	If the lottery or lottery scheme is one where the guaranteed prize payout is more than 80%
2.	Rs. ³ [11000] on every Rs. 10 lakh (or part of Rs. 10 lakh) of aggregate face value of lottery tickets printed by the organizing State for a draw	If the lottery or lottery scheme is one where the guaranteed prize payout is more than 80%

Provided that in case of online lottery, the aggregate face value of lottery tickets for the purpose of this sub-rule shall be taken as the aggregate value of tickets sold, and service tax shall be calculated in the manner specified in the said table :

Provided further that the distributor or selling agent shall exercise such option within a period of one month of the beginning of each financial year and such option shall not be withdrawn during the remaining part of the financial year :

Provided also that the distributor or selling agent shall exercise such option for financial year 2010-11, within a period of one month of the publication of this sub-rule in the Official Gazette or, in the case of new service provider, within one month of providing of ⁴[such service] and such option shall not be withdrawn during the remaining part of that financial year.

Explanation. - For the purpose of this sub-rule -

- (i) “distributor or selling agent” shall have the meaning assigned to them in clause © of the rule 2 of the Lottery (Regulation) Rule, 2010 notified by the Government of India in the Ministry of Home Affairs published in the Gazette of India, Part-II, Section, sub-section (i) vide number G.S.R.278(E) dated 1st April, 2010 and shall include distributor or selling agent authorized by the lottery organizing State.
- (ii) “draw” shall have the meaning assigned to it in clause (d) of the Rule 2 of the Lottery (Regulation) Rules, 2010 notified by the Government of India in the Ministry of Home Affairs published in the Gazette of India, Part-II, Section 3, Sub-section (i) vide number G.S.R.278(E) dated 1st April, 2010.
- (iii) “online lottery” shall have the meaning assigned to it in clause (e) of the rule 2 of the Lottery (Regulation) Rule, 2010 notified by the Government of India in the Ministry of Home Affairs published in the Gazette of India, Part-II, Section 3, Sub-section (i) vide number G.S.R. 278(E) dated 1st April, 2010.
- (iv) “organizing state” shall have the meaning assigned to it in clause (f) of the rule 2 of the Lottery (Regulation) Rules, 2010 notified by the Government of India in the Ministry of Home Affairs published in the Gazette of India, Part-II, Section 3, Sub-section (i) vide number G.S.R. 278(E) dated 1st April, 2010.]

⁵[(8) [* * * * *]
¹(9) [* * * * *]

¹ Substituted (w.e.f,1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

² Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

³ Substituted (w.e.f. 1.04.2012) by Notification No.3/2012-Service Tax dated 17.03.2012.

⁴ Substituted (w.e.f,1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

⁵ Omitted (w. e,f,19.04.2006) by Notification No.11/2006-S. T. dated 19/04/2006.

Rule ²[6A Export of Services. – (1) The provision of any service provided or agreed to be provided shall be treated as export of service when, -

- (a) The provider of service is located in the taxable territory,
 - (b) The recipient of the service is located outside India,
 - (c) The service is not a service specified in the section 66D of the Act,
 - (d) The place of provision of the service is outside India,
 - (e) The payment for such services has been received by the provider of service in convertible foreign exchange, and
 - (f) The provider of service and recipient of service are not merely establishments of a distinct person in accordance with item (b) of Explanation 3 of clause (44) of section 65B of the Act.
- (2) Where any service is exported, the Central Government may, by notification, grant rebate of service tax or duty paid on input services or inputs, as the case may be, used in providing such service and the rebate shall be allowed subject to such safeguards, conditions and limitations, as may be specified, by the Central Government, by notification.]

Rule ³[7. Returns – (1) Every assessee shall submit a half yearly return in Form 'ST-3' or 'ST-3A', as the case may be, along with a copy of the Form TR-6, in triplicate for the months covered in the half-yearly return.

(2) Every assessee shall submit the half yearly return by the 25th of the month following the particular half-year.

⁴[Provided that the Form 'ST-3' required to be submitted by the 25th day of October, 2012 shall cover the period between 1st April to 30th June, 2012 only.]

¹²[Provided further that the Form ST- 3 for the period between the 1st day of July 2012 to the 30th day of September 2012, shall be submitted by the 25th day of March, 2013";]

⁵[* * * *]

⁶[(3) Every assessee shall submit the half-yearly return electronically]

⁷[(4) The Central Board of Excise and Customs may, by an order extend the period referred to in sub- rule (2) by such period as deemed necessary under circumstances of special nature to be specified in such order.]

Rule ⁸[7A. Returns in case of taxable service provided by goods transport operators and clearing and forwarding agents: Notwithstanding anything contained in rule 7, an assessee, in case of service provided by –

- (a) goods transport operator for the period commencing on and from the 16th day of November, 1997 to 2nd day of June, 1998; and
- (b) clearing and forwarding agents for the period commencing on and from the 16th day of July, 1997 to 16th day of October, 1998,

shall furnish a return within a period of six months from the 13th day of May, 2003, in Form 'ST-3B' along with copy of Form TR-6 in triplicate, failing which the interest and penal consequences as provided in the Act shall follow.]

⁹[Rule 7B. Revision of Return. -- An assessee may submit a revised return, in Form ST-3, in triplicate, to correct a mistake or omission, within a period of ¹⁰[ninety days] from the date of submission of the return under rule 7.Z

Explanation.- Where an assessee submits a revised return, the 'relevant date' for the purpose of recovery of service tax, if any, under section 73 of the Act shall be the date of submission of such revised return.]

¹¹(7C). Amount to be paid for delay in furnishing the prescribed return.--- Where the return prescribed under rule 7 is furnished after the date prescribed for submission of such return, the person liable to furnish the said return shall pay to the credit of the Central Government, for the period of delay of-

¹ Omitted (w.e.f. 19.04.006) by Notification No. 10/2006-ST, dated 19.04.2006.

² Inserted (w.e.f.1.07.2012) by Notification No.36/2012-Service Tax dated 20/06/2012.

³ Substituted (w.e.f. 16.10.1998) by M.F. (D.R.) Notification No. 54/98-ST, dated 07.10.1998.

⁴ Inserted by Notification No. 47/2012-S.Tax dated 28.09.2012

⁵ . Omitted (w.e.f.1.10.2011) by Notification No.43/2011-S.T. dated 25/08/2011.

⁶ . Inserted (w.e.f.1.10.2011) by Notification No.43/2011-Service Tax dated 25/08/2011.

⁷ . Inserted by Notification No.48/2011-Service Tax dated 19/10/2011.

⁸ . Inserted by M.F.&C.A.(D.R.) Notification No. 04/2003-ST, dated 14.05.2003.

⁹ . Inserted by Notification No. 01/2007-ST, dated 01.03.2007.

¹⁰ . Substituted (w.e.f. 01.3.2008) for "sixty days" by Notification No. 04/2008-ST dated 01.03.2008.

¹¹ . Inserted by Notification No. 20/2007-ST dated 12-5-2007

12. Inserted vide Service Tax Amendment Rules, 2013, vide Notification No. 01/2013-Service Tax dated 22.02.2013

(i) fifteen days from the date prescribed for submission of such return, an amount of five hundred rupees;

(ii) beyond fifteen days but not later than thirty days from the date prescribed for submission of such return, an amount of one thousand rupees; and

(iii) beyond thirty days from the date prescribed for submission of such return an amount of one thousand rupees plus one hundred rupees for every day from the thirty first day till the date of furnishing the said return:

Provided that the total amount payable in terms of this rule, for delayed submission of return, shall not exceed the amount specified in section 70 of the Act:

Provided further that where the assessee has paid the amount as prescribed under this rule for delayed submission of return, the proceedings, if any, in respect of such delayed submission of return shall be deemed to be concluded.

¹[**Provided** also that where the gross amount of service tax payable is nil, the Central Excise officer may, on being satisfied that there is sufficient reason for not filing the return, reduce or waive the penalty.]

Explanation. - It is hereby declared that any pending proceedings under section 77 for delayed submission or non-submission of return that has been initiated before the date on which the Finance Bill, 2007 receives the assent of the President, shall also be deemed to be concluded if the amount specified for delay in furnishing the return is paid by the assessee within sixty days from the date of assent to the said Finance Bill.]

Rule 8. Form of Appeals to ²[Commissioner of Central Excise (Appeals)]. -- (1) An appeal under Section 85 of the Act to the ³[Commissioner of Central Excise (Appeals)] shall be in Form ST-4.

(2) The appeal shall be filed in duplicate and shall be accompanied by a copy of order appealed against.

Rule ⁴9. Form of appeals to Appellate Tribunal]- (1) An appeal under sub-section (1) of section 86 of the Act to the Appellate Tribunal shall be made in Form ST-5 in quadruplicate and shall be accompanied by a copy of the Order appealed against (one of which shall be a certified copy).

⁵[(2) An appeal under sub-section (2) of section 86 of the Act to the Appellate Tribunal shall be made in Form ST-7 in quadruplicate and shall be accompanied by a copy of the order of the Commissioner of Central Excise (one of which shall be a certified copy) and a copy of the order passed by the Central Board of Excise and Customs directing the Commissioner of Central Excise to apply to the Appellate Tribunal.

(2A) An appeal under sub-section (2A) of Section 86 of the Act to the Appellate Tribunal shall be made in form ST-7 in quadruplicate and shall be accompanied by a copy of the order of the Commissioner of Central Excise (Appeals) (one of which shall be a certified copy) and a copy of the order passed by the Commissioner of Central Excise directing the Assistant Commissioner of Central Excise or as the case may be, the Deputy Commissioner of Central Excise to apply to the Appellate Tribunal; and]

(3) A memorandum of cross-objections under sub-section (4) of section 86 of the Act, shall be made in form ST-6 in quadruplicate.]

Rule ⁶10. Procedure and facilities for large taxpayer.- Notwithstanding anything contained in these rules, the following shall apply to a large taxpayer,-

(1) A large taxpayer shall submit the returns, as prescribed under these rules, for each of the registered premises.

Explanation : A large taxpayer who has obtained a centralized registration under sub rule (2) of rule 4, shall submit a consolidated return for all such premises.

(2) A large taxpayer, on demand, may be required to make available the financial, stores and CENVAT credit records in electronic media, such as, compact disc or tape for the purposes of carrying out any scrutiny and verification, as may be necessary.

¹ Inserted (w.e.f. 01.3.2008) by Notification No. 04/2008-ST dated 01.03.2008.

² Substituted by M.F. (DR) order No. 04/1/95(ST), dated 25.07.1995.

³ Substituted by M.F. (DR) order No. 04/1/95(ST), dated 25.07.1995.

⁴ Substituted by M.F.(D.R.) Notification No. 08/96-ST, dated 26.11.1996.

⁵ Substituted (w.e.f. 16.07.2001) by M.F.(D.R.) Notification No. 05/2001-ST, dated 09.07.2001.

⁶ Inserted By Notification No. 28/2006-ST dated 30.09.2006

(3) A large taxpayer may, with intimation of at least thirty days in advance, opt out to be a large taxpayer from the first day of the following financial year.

(4) Any notice issued but not adjudged by any of the Central Excise officer administering the Act or rules made there under immediately before the date of grant of acceptance by the Chief Commissioner of Central Excise, Large Taxpayer Unit, shall be deemed to have been issued by Central Excise officers of the said unit.

(5) Provisions of these rules, in so far as they are not inconsistent with the provisions of this rule shall mutatis mutandis apply in case of a large taxpayer.]
