



**OFFICE OF THE COMMISSIONER
CENTRAL EXCISE & SERVICE TAX COMMISSIONERATE
CHANDIGARH –I**

PLOT No. 19, SECTOR 17-C, CHANDIGARH

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व्यापार सूचना सं. 10/2012 TRADE NOTICE NO. 10/2012

विषय/SUB: - Service Tax collected from any person to be deposited with Central Government before availing Cenvat Credit – Reg.

It is brought to the notice of all the members of Trade and Industry that large scale evasion of service tax by service providers providing Security Agency Service and Manpower Supply Agency Service have come to light in this Commissionerate where the Service Providers have collected Service Tax from the Service Recipients but they have not deposited the service tax in to the account of the Central Government as required under sub section (1) of Section 73A of Chapter V of the Finance Act, 1994 read as,

“73A. Service Tax collected from any person to be deposited with Central Government:-

(1) Any person who is liable to pay service tax under the provisions of this Chapter or the rules made thereunder, and has collected any amount in excess of the service tax assessed or determined and paid on any taxable service under the provisions of this Chapter or the rules made thereunder from the recipient of taxable service in any manner as representing service tax, shall forthwith pay the amount so collected to the credit of the Central Government.”

As per proviso sub-rule (6) of Rule 9 of CENVAT Credit Rules, 2004, read as under,

“(6) The manufacturer of final products or the provider of output service shall maintain proper records for the receipt and

consumption of the input services in which the relevant information regarding the value, tax paid, CENVAT credit taken and utilized, the person from whom the input service has been procured is recorded and the burden of proof regarding the admissibility of the CENVAT credit shall lie upon the manufacturer or provider of output service taking such credit. “

All the trade associations/chambers of commerce and the members of the RAC(Regional Advisory Committee)/PGRC (Public Grievance Redressal Committee) and field formations are advised to take reasonable steps to ensure that Service Tax has been paid by the input service provider before final manufacturer/service provider utilizes the Cenvat Credit.

This Trade Notice is also available at our office website www.cexchd1.gov.in.

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13.07.2012

[S.J. SINGH]

COMMISSIONER

संलग्नक Encl. यथोपरि As above.

फा.सं. F.No.V (Misc.)30/STC/Trade Notice/10/2010/Pt

Dated:13/07/2012

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13.07.2012

(R.L. Meena)
Superintendent (Tech.)

