

**OFFICE OF THE COMMISSIONER  
CENTRAL EXCISE & SERVICE TAX COMMISSIONERATE  
CHANDIGARH –I  
C.R BUILDING, PLOT No. 19, SECTOR 17-C, CHANDIGARH (160017)**

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व्यापार सूचना सं. 15/ST/2012 TRADE NOTICE NO. 15/ST/2012

**विषय/SUB: - Service Tax – Vocational Education/Training Course – regarding.**

1) उपर्युक्त विषय पर केन्द्रीय उत्पाद एवं सीमा शुल्क बोर्ड, राजस्व विभाग, वित्त मंत्रालय, भारत सरकार की फा.सं. **356/17/2012-TRU** से जारी परिपत्र सं. **164/15/2012-ST**, दिनांक **28.08.2012**, की प्रति व्यापार एवं क्षेत्रीय संगठन को सूचना एवं मार्गदर्शन हेतु इसके साथ संलग्न की जाती है। उक्त परिपत्र स्वतः स्पष्ट है

1) A copy of **Circular No. 164/15/2012-ST**, dated **28.08.2012**, from F. No. **356/17/2012-TRU** issued by the Central Board of Excise and Customs, Department of Revenue, Ministry of Finance, Government of India, on the above subject matter, is enclosed herewith for information and guidance for the trade and field formation. The said **Circular** is self – explanatory.

2) सभी व्यापार संघ/वाणिज्य मण्डल एवं क्षेत्रीय सलाहकार समिति/ लोक शिकायत निवारण समिति के सदस्यों से अनुरोध किया जाता है कि वे इस व्यापार सूचना की अंतर्वस्तु को अपने सदस्यों / संघटकों की सूचना एवं आवश्यक कार्यवाही हेतु उनके ध्यान में लाएँ / प्रचार करें।

2) All the Trade Associations / Chambers of Commerce and the members of the RAC/PGRC are requested to bring/publicize the contents of this Trade Notice amongst their Members/Constituents for their information and necessary action.

**संलग्नक** Encl. यथोपरि As above.

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**[S.J. SINGH]  
COMMISSIONER**

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

दिनांक Dated: **14/09/2012**

Trade Notice is being uploaded on our website [www.cexchd1.gov.in](http://www.cexchd1.gov.in)

Superintendent ( S.Tax )

**Circular No. 164/15/2012-ST**

F. No. 356/17 /2012 - TRU  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs  
(Tax Research Unit)

153, North Block,  
New Delhi, 28<sup>th</sup> August, 2012

To

Chief Commissioner of Customs and Central Excise / Central Excise & Service Tax  
(All)  
Director General of Service Tax /Central Excise Intelligence /Audit;  
Commissioner of Customs and Central Excise/ Central Excise and Service Tax/  
Service Tax (All)

Madam/Sir,

**Subject: service tax – vocational education/training course -- regarding.**

Clarification has been sought in respect of levy of service tax on certain vocational education/training/ skill development courses (VEC) offered by the Government (Central Government or State Government) or local authority themselves or by an entity independently established by the Government under the law, as a society or any other similar body.

2. The issue has been examined. When a VEC is offered by an institution of the Government or a local authority, question of service tax does not arise. In terms of section 66D (a), only specified services provided by the Government are liable to tax and VEC is excluded from the service tax.

3. When the VEC is offered by an institution, as an independent entity in the form of society or any other similar body, service tax treatment is determinable by the application of either sub-clause (ii) or (iii) of clause (I) of section 66D of the Finance Act, 1994. Sub-clause (ii) refers to “qualification recognized by any law” and sub-clause (iii) refers to “approved VEC”. In the context of VEC, qualification implies a Certificate, Diploma, Degree or any other similar Certificate. The words “recognized by any law” will include such courses as are approved or recognized by any entity established under a central or state law including delegated legislation, for the purpose of granting recognition to any education course including a VEC.

4. This Circular may be communicated to the field formations and service tax assesseees, through Public Notice/Trade Notice. Hindi version to follow.

Yours faithfully,

(S.Jayaprahasam)  
Technical Officer, TRU  
Tel/Fax: 011-23092037