

Commissionerate of CT and GST, Odisha (At Cuttack)
(Finance Department, Government of Odisha)

NO. POL-56/3/2017-Policy 9160 /CT, Dated 21 / 06 /2018

To

Director (Finance)
Odisha Forest Development Corporation
Bhubaneswar

Sub: Clarification on GST rate applicable on services rendered by way of plantation activities

Ref: Your letter no.10175/Dt.28.05.2018

Sir,

I am directed to clarify the issue raised in your letter referred to above as below.

Query: - Entities such as NPTC, MCL, NHAI, etc place funds with OFDC for carrying out plantation activities including compensatory afforestation activities. Whether such plantation service provided to such entities by OFDC is taxable under GST and, if yes, at what rate (OFDC is registered under GST laws).

Clarification: - The services provided by OFDC as mentioned above is classified, as given below, under the Scheme of Classification of Services.

Section -9985 (Support services)

Heading-99859 (Other Support Services)

Service Code-998597- (Landscape care and maintenance services) which includes highway greenery (roads, train lines and tramlines, waterways, ports) and plants for protection against noise, wind, erosion, visibility and dazzling.

The services classified under the Service Code **998597** are neither exempted nor 'NIL' rated in the OGST Act & CGST Act. Therefore, services rendered by OFDC to different entities like NTPC, MCL, NHAI, etc. by way of plantation and plantation maintenance activities, including compensatory afforestation activities, are chargeable to GST @18% (CGST 9% + SGST 9%).

For further clarity, it is also hereby clarified that services classified under Service Code "998614-Support services to forestry and logging" are also neither exempted nor 'NIL' rated under GST Acts. Only a small segment of services (relating to agricultural operation) classified under the **Section 9986** are exempted and 'NIL' rated under GST Acts. The relevant portion of the '**Scheme of Classification of Services** ' is enclosed herewith for your reference.

This is issued with the approval of the Commissioner of CT & GST.

Yours faithfully



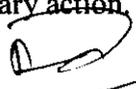
Additional Commissioner CT & GST
(Policy)

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Memo No. 9161 /CT.,

Dated. 21.06.18

Copy to the Heads of CT & GST Territorial Ranges (All)/ CT & GST Circles (All)/
CT & GST Enforcement Ranges (All) for information and necessary action.


18-6-18
**Additional Commissioner CT & GST
(Policy)**

- i. organization and management of trade shows and trade fairs and provision of assistance and support services, including components such as advice and consultancy services with respect to all aspects of the organization of trade shows and trade fairs including defining objectives, financing, e.g., through sponsorship, exhibitions, loans and registration fees, estimating income and expenditure budgets and other financial matters;
- ii. assistance in choosing and locating space, venue research, feasibility and negotiation; marketing and public relations for the trade show or trade fair; organization or provision of secretariat and office facilities and staff for trade show or trade fair registration, administration, documentation handling, translation of documents etc.;
- iii. organization or supply of other on-site services; supply of registration processing systems, electronic information and design; supply and setting up of equipment such as audiovisual equipment associated with the organization of the event; organization or provision of accommodation booking services that include negotiating group discounts, on-site transportation services, food and beverage arrangements

Note: Payment for these services can be through fees assessed to organizers and exhibitors, as well as entry fees for visitors.

998597 Landscape care and maintenance services

This service code includes planting, care and maintenance services of parks and gardens for private and public housing; public and semi-public buildings (schools, hospitals, administrative buildings, church buildings etc.); municipal grounds (parks, green areas, cemeteries etc.); highway greenery (roads, train lines and tramlines, waterways, ports); industrial and commercial buildings; greenery for buildings (roof gardens, façade greenery, indoor gardens); sports grounds, play grounds and other recreational parks (sports grounds, play grounds, lawns for sunbathing, golf courses); stationary and flowing water (basins, alternating wet areas, ponds, swimming pools, ditches, watercourses, plant sewage systems); plants for protection against noise, wind, erosion, visibility and dazzling

998598 Other information services

This service code includes telephone-based information services, information search services, news clipping services, press clipping services etc.

This service code does not include telephone call centre services, cf. 998593

998599 Other support services n.e.c.

This service code includes business brokerage and appraisal services other than for real estate; business services of intermediaries and brokers; specialist advice other than for real estate, insurance and engineering (specialist services in art, specialist services for courts of law, etc.); services by agencies and agents on behalf of individuals seeking engagements in motion pictures, theatrical

productions, modelling or other entertainment or sports attractions; placement of books, plays, artwork, photographs, etc., with publishers, producers, etc.; issue of reduced-price coupons and gift stamps; management services for copyrights and their revenues (except from films); management services for rights to industrial property (patents, licences, trademarks, franchises, etc.); auctioning services other than in connection with legal procedures; reading of electric, gas and water meters; data preparation services; specialized stenotype services such as court reporting; public stenography services; other business support services not elsewhere classified

This service code does not include:

- maintenance of electricity, gas and water meters, cf. 996911, 996912, 996921
- services related to advertising and sales promotion, cf. 99836
- management services for motion picture rights, cf. 999614
- art facilities operation services, cf. 999623
- management services for artistic rights, cf. 999629
- sports events organization services, cf. 999651

9986 Support services to agriculture, hunting, forestry, fishing, mining and utilities

99861 Support services to agriculture, hunting, forestry, and fishing

998611 Support services to crop production

This service code includes

- i. services to improve the propagation quality of the seed, including treatment of genetically modified seeds; removal of non-seed materials, undersized, mechanically or insect-damaged and immature seeds; removal of seed moisture to a safe level for seed storage; drying, cleaning, grading and treating of seeds to be marketed;
- ii. post-harvest crop services such as preparation of crops for primary markets, cotton ginning services;
- iii. Other support services to crop production like tilling of fields preparatory to planting; planting, cultivation and fertilization of crops; spraying, including from the air;
- iv. pest control for agriculture; trimming of fruit trees and vines; transplanting and thinning of crops; harvesting;
- v. provision of agricultural machinery with crew and operators; operation of irrigation systems for agricultural purposes;
- vi. other services necessary for agricultural production; Crop production services on inputs owned by others like operation of a crop production unit on a fee or contract basis

This service code does not include:

- formation and clearance of agricultural land, cf. 995432
- services provided by agronomists and agricultural economists, cf. 998311
- other pest control services, cf. 998531
- water distribution services through mains (on a fee or contract basis), cf. 998633

998612 Animal husbandry services

This service code includes sheep shearing and care and management of herds of farm animals; artificial insemination of farm animals; grading of eggs; cleaning of agricultural premises (hen houses, piggeries, etc.); accommodation services for pets (kennels); grooming and tattooing services for pets; training of pet animals; Farm animal husbandry services on inputs owned by others like operation of a farm animal production unit on a fee or contract basis

This service code does not include:

- services provided by agronomists and agricultural economists, cf. 998311
- veterinary services for pets and other animals, cf. 99835
- training of guard dogs cf. 998529
- recreational riding services, cf. 999652
- training of sport and entertainment animals cf. 999662

998613 Support services to hunting

This service code includes services involving operation of a hunting unit on a fee or contract basis; culling of wildlife

998614 Support services to forestry and logging

This service code includes services involving operation of a forestry or logging unit on a fee or contract basis; forest tree nursery services; services related to forestry production, such as transplanting, replanting, thinning, forestry inventories, timber evaluation, fire protection; services related to logging, such as felling, cutting, debarking, transport of logs within the forest

This service code does not include:

- planting, pruning or thinning of trees and bushes as part of landscaping, cf. 998597

998615 Support services to fishing

This service code includes services involving operation of a fishing unit on a fee or contract basis; operation of an aquaculture unit on a fee or contract basis; other support services related to fishery, fish hatcheries and fish farms

998619 Other support services related to agriculture, hunting, forestry and fishing

This service code includes other support services related to agriculture, hunting, forestry and fishing, n.e.c.

99862 Support services to mining

998621 Support services to oil and gas extraction

This service code includes derrick erection, repair and dismantling services; well casing, cementing, pumping, plugging and abandoning of wells; test drilling and exploration services in connection with petroleum and gas extraction; specialized fire extinguishing services; operation of oil or gas extraction unit on a fee or contract basis

This service code does not include:

- geological, geophysical and related prospecting and consulting services, cf. 998341

998622 Support services to other mining n.e.c.

This service code includes draining and pumping of mines; overburden removal and other development and preparation services of mineral properties and sites, including tunneling, except for oil and gas extraction; test drilling services in connection with mining operations, except for oil and gas extraction; operation of other mining units on a fee or contract basis

This service code does not include:

- mineral exploration and evaluation services, cf. 998343
- geophysical services, cf. 998341

99863 Support and operation services to electricity, gas and water distribution

998631 Support services to electricity transmission and distribution

This service code includes support services to electricity transmission and distribution services.

998632 Support services to gas distribution

This service code includes support services to gas distribution services.

998633 Support services to water distribution services

This service code includes support services to water distribution services and does not include:

- transport of water by trucks (without distribution), cf. 996511
- operation of irrigation systems for agricultural purposes, cf. 998611

998634 Support services to distribution services of steam, hot water and air-conditioning supply

This service code includes support services to distribution services of steam, hot water and air-conditioning supply through mains.