

SERVICE TAX

HIGHLIGHTS OF THE UNION BUDGET 2013

- Service Tax rate remains unchanged.
- Amnesty Scheme for Non-Fillers and Stop Fillers:
One time amnesty is provided by way of WAIVER OF INTEREST & PENALTY AND PROSECUTION PROCEEDINGS to disclose true liability for the period of October 2007 to December 2012 to pay the tax dues.
- Abatement in respect of construction of a complex, building, civil structures etc., is being reduced from the existing 75% to 70% for construction other than residential properties having a carpet area upto 2000 square feet or where the amount charged is less than Rs. 1 crore.
- All restaurants having air-conditioning or central air-heating facility liable to service tax.
- Exemptions in relation to transportation of goods by various modes (road, railways & vessels) aligned.
- Service tax exemption on the following has been withdrawn:
 - Vehicle parking to general public.
 - Aircraft repair or maintenance services provided to government, a local authority or governmental authority.
 - Renting of immovable property and auxiliary education services provided by educational institution.