

OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE: TRICHY.
NO.1, WILLIAMS ROAD, CONTONMENT, TRICHY-620 001.

General Circular No.4/2007 S. Tax

Dated: 10-5-2007.

Sub: Exemption to resident welfare association vide notification
No.8/2007 –ST dt. 1-3-2007 – regarding.

Copy of Ministry's Service Tax letter issued vide F.No.137/68/2007-CX.4 dt. 8-5-2007 on the above subject is reproduced below for information, guidance and necessary action.

(Issued under C.No.IV/16/943/2006-STC)

Sd./-
(M.G.THAMIZHVALAVAN)
JOINT COMMISSIONER (T).

To
The Mailing List –III.

Copy of Service Tax letter F.No.137/68/2007-CX.4 dt. 8-5-2007 regarding Exemption to resident welfare association vide notification no.8/2007-ST is reproduced below.

A number of representations have been received from Co-operative Group Housing Societies who are providing taxable services under section 65(105)(zzze) seeking whether a resident welfare association registered as a co-operative society with the Registrar of Co-operative Societies is entitled for the benefit of service tax exemption under notification No.8/2007-Service Tax, dated 01.03.2007 or not.

2. A resident welfare association, even if it is registered as a co-operative society with Registrar of Co-operative Societies, is eligible to avail exemption from levy of service tax vide notification No.8/2007-Service Tax, dated 01.03.2007 provided the following conditions are satisfied, namely:-

- (1) The exemption is available for the services specified under section 65(105)(zzze) of the Finance Act, 1994 and provided or to be provided by the association to its members.
- (2) The sole criterion for membership of the resident welfare association is the residential status of a person in a residential complex or locality i.e., membership of the association is restricted only to the residents of the complex or locality.
- (3) The value of total consideration received from an individual member by the association for providing the services should not exceed Rs.3,000/- per month.

3. This issues with the approval of Member (Budget).

Yours faithfully,

(G.G. Pai)
Under Secretary to the Government of India