

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

Trade Notice No.7/2007 S. Tax

Dated: 18-4-2007.

**Subject: Service Tax – Communication of Notification  
No.15/2007-ST dt. 4-4-07- reg.**

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Ministry's Service Tax Notification No. 15/2007 dtd 4-3-07 issued vide F.No.354/180/2005-TRU dtd 4-4-2007 regarding Service Tax on Tour Operators is communicated herewith for information, guidance and necessary action.

The contents of this Trade Notice may be brought to the knowledge of all constituent members of the Trade Associations and Chamber of Commerce.

(Issued from C.No.IV/16/905/2007 S.Tax)

Sd./-  
(P.A.VIJAY)  
ASSISTANT COMMISSIONER (T).

To  
The Mailing list I / II / III

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Copy of Ministry's Service Tax Notification No.15/2007 dt. 4-4-07 issued vide F.No.354/180/2005-TRU is reproduced below.

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G.S.R. (E).- Whereas, the Central Government is satisfied that a practice was generally prevalent regarding levy of service tax (including non-levy thereof) under section 66 of the Finance Act, 1994 (32 of 1994) (hereinafter referred to as the Finance Act) on services provided by a tour operator providing services in relation to transport of passengers from one place to another (other than services provided in relation to package tour) operating under a contract carriage permit issued by the appropriate transport authority and that such services were liable to service tax under sub-clause (n) of clause 105 of section 65 of the Finance Act, which was not being levied according to the said practice during the period commencing from the 1st day of April 2000 and ending with the 4th day of February 2004;

Now, therefore, in exercise of the powers conferred by section 11C of the Central Excise Act 1944 (1 of 1944) read with section 83 of the Finance Act, the Central government hereby directs that the service tax payable on services provided by a tour operator providing services in relation to transport of passengers from one place to another (other than services provided in relation to package tour) operating under a contract carriage permit issued by the appropriate transport authority, as is in excess of the service tax calculated on a value which is equivalent to forty per cent. of the gross amount charged by such service provider for providing the said taxable service, shall not be required to be paid in respect of such taxable service on which the service tax was not being levied during the aforesaid period in accordance with the said practice.

[F. No. 354/180/2005-TRU]

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