



CENTRAL WAREHOUSING CORPORATION
(A GOVT. OF INDIA UNDERTAKING)



By Speed Post / Email

No. CWC/FD-Taxation/ST (Gen)/12-13

5th April 2013

Service Tax Circular # 68

1. All the Regional Managers of CWC.
2. All the Executive Engineers in-charge of Construction Cells of CWC.
3. All the AGMs/Managers/(Sr.) Asstt. Managers (Accts.) in-charge of Finance & Accounts Wings of all Regional Office & Construction Cells of CWC.

Subject = Clarifications with regard to applicability of Service Tax on payment of establishment charges to custom staff under Reverse Charge Mechanism

The queries have been raised regarding applicability of service tax on the payment of establishment charges for custom staff posted at various CFS, ICD & Bonded Warehouse. The matter was discussed with Service Tax Consultant. Based on the same it is informed that custom, **being a government body does not provide any support service to the Corporation and is only discharging its statutory functions** and therefore, service tax under Reverse Charge Mechanism will not be applicable on the payment of establishment charges for custom staff posted at various CFS, ICD & Bonded Warehouse situated in all regions.

The receipt of this Circular may please be acknowledged and its Contents be brought to the notice of all concerned for their scrupulous compliance.

This issues with the approval of the GM (F&A).

(A S Gopalan)

Dy. General Manager (F&A)

Distribution to:

1. All Regional Managers of CWC.
2. All Executive Engineers in-charge of all the Construction Cells of CWC.
3. All AGMs/Managers/ (Sr.) Asstt. Managers in-charge of the Finance, Accounts & Internal Audit Wings of all ROs & CCs of CWC.

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Dakshini
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