

Dear Professional Colleague,

Clarifications regarding levy of GST on accommodation services, betting and gambling in casinos, horse racing, admission to cinema, homestays, printing, legal services etc has been made. Summary of few important updates are as under:

The Department of Revenue ***Vide Circular No. 27/01/2018- Central Tax dated January 05, 2018*** has issued various FAQ's for clarifying levibility of GST on accommodation services, betting and gambling in casinos, horse racing, admission to cinema, homestays, printing, legal services etc. The Important clarifications made are as under:-

Accommodation Services:

- GST rate would be determined according to declared tariff for the accommodation services, and GST rate so determined would be levied on the entire amount charged from the customer.
- Declared Tariff will be the Tariff declared anywhere, say on the websites through which business is being procured or printed on tariff card or displayed at the reception.
- In case different tariff is declared at different places, highest of such declared tariffs shall be the declared tariff for levy of GST.
- If Declared tariff changes between booking and actual usage, then Declared tariff at the time of supply would apply.
- Price/ declared tariff does not include taxes.
- Any person providing accommodation through an Electronic Commerce Operator having turnover less than threshold limit are not required to take registration.
- Room rent in hospitals are exempt.

Printing Services:

In case books are printed/ published/ sold on procuring copyright from the author or his legal heir, the supply of books shall be treated as supply of goods as long as the supplier owns the books and has the legal rights to sell those books on his own account.

Legal Services:

- In case of legal services including representational services provided by an advocate including a senior advocate to a business entity, GST is required to be paid by the recipient of the service under reverse charge mechanism, i.e. the business entity.

Read more at: <http://www.cbec.gov.in/resources/htdocs-cbec/gst/circularno-27-gst.pdf>

For more updates, please subscribe to our website <http://www.a2ztaxcorp.com/>

Hope the information will assist you in your Professional endeavours. In case of any query/ information, please do not hesitate to write back to us.

Thanks & Best Regards,

Bimal Jain

FCA, FCS, LLB, B.Com (Hons)

[Author of a book on Goods and Services Tax, titled, "THE GST READER \(GST made easy\)" \[4th Edition\]](#)

A2Z TAXCORP LLP

Tax and Law Practitioners

Delhi:

Flat No. 34B, Ground Floor,

Pocket – 1, Mayur Vihar Phase-1

Delhi – 110091 (India)

Tel: +91 11 22757595/ 42427056

Email: bimaljain@hotmail.com

Web: www.a2ztaxcorp.com

We can also be contacted at below mentioned address:

Bengaluru	Kolkata	Allahabad	Chandigarh
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