

## **Collection of Entry Fee from visitors for Temple Hall Exempt under GST**

The AAR Rajasthan in the case of *In Re. Shri Digamber Jain Sidhkut Chaityalaya Temple Trust [Advance Ruling No. RAJ/AAR/2023-24/22 dated March 26, 2024]* ruled that, the entry fee collected from the visitors/devotees/pilgrim by the Applicant is covered under the charitable activities relating to the advancement of the religion and therefore, would not be taxable under the GST.

### **Facts:**

Shri Digamber Jain Sidhkut Chaityalaya Temple Trust (**“the Applicant”**) is a religious trust, registered under Section 12AA of the Income Tax Act, 1961 (**“the Income Tax Act”**) constituted for the purpose of worship and puja according to the Terapanth Sect of the Digambar Jain religion and to organise the various necessary religious ceremonies and proper upkeep and management of various Upkaranas (articles), Ratha etc.

The Applicant collects entry fee from the pilgrims/visitors/devotees who come for darshan of Temple Hall. The amount so collected is used for upkeep/maintenance of Temple Hall to fulfil other objects of the trust.

The Applicant has filed an application for advance ruling on whether the entry fee collected from visitors by the Applicant is a taxable supply under the GST Act.

### **Issue:**

Whether the Applicant is liable to pay GST on entry fee collected from the visitors who come for Darshan of Temple?

### **Held:**

The AAR, Rajasthan in the case of *Advance Ruling No. RAJ/AAR/2023-24/22* held as under:

- Observed that, the sewa service provided i.e. darshan/visit of Temple Hall by the Applicant is in the course or furtherance of the business. Hence, it would fall within the purview of supply and the amount received would form part of the consideration.
- Noted that, the Sr. No. 1 of Notification No. 12/2017-Central Tax (Rate) dated June 28, 2017 (**“the Exemption Rate Notification”**) exempts the Intra State Supply of services by an entity registered under Section 12AA of the Income Tax Act, 1961.
- Further Noted that, the reliance is placed upon the advance ruling rendered by AAR, Karnataka in the case of *In Re: M/s Sri Malai Mahadeshwara Swamy Kshetra Development Authority [KAR ADRG 29/2020 dated April 28, 2020]* wherein the amount collected for special darshan charges is exempt from levy of GST as per Entry No. 13(a) of the Exemption Rate Notification.
- Opined that, the Applicant is engaged in the service of darshan of Temple Hall and provides insights into the principles of Jainism and teachings of the Tirthankar to the visitors, which would be considered as advancement of the religion and the benefit of Entry No. 1 of the Exemption Rate Notification is available to them.
- Ruled that, the entry fee collected from the visitors/devotees/pilgrim by the Applicant is covered under the charitable activities relating to the advancement of the religion and therefore, would not be taxable under the GST.

**Relevant extract of the Exemption Rate Notification:**

**Entry No. 1 and Entry No. 13(a) of the Exemption Rate Notification**

<b>“Sl. No.</b>	<b>Chapter, Section, Heading, Group or Service Code (Tariff)</b>	<b>Description of Services</b>	<b>Rate (per cent.)</b>	<b>Condi on</b>

<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
<b>1</b>	<i>Chapter 99</i>	<i>Services by an entity registered under section 12AA or 12AB of the Income-tax Act, 1961 (43 of 1961) by way of charitable activities.</i>	<i>Nil</i>	<i>Nil</i>
<b>13</b>	<i>Heading 9963 or Heading 9972 or Heading 9995 or any other Heading of Section 9</i>	<i>Services by a person by way of-  (a) conduct of any religious ceremony;</i>	<i>Nil</i>	<i>Nil”</i>

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