

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

No. SA1/793(3)/2018-FW

O/o the Managing Director,
Finance Wing, RTC House,
Vijayawada- 560010.
Date: 08-05-2018.

ACCOUNTS CIRCULAR NO.02/2018-19, DATED – 08-05-2018

Sub:- **SERVICE TAX**- Levy of Service Tax on Immovable Property- Reg.

- Ref:- 1. Accounts Circular No. 07/2008 dated 01-10-2008.
2. Lr.No.SA (HO-10) SER.TAX/2008-AW, dated 27-01-2009.
3. OPD Letter No. even, dated 11-03-2009.
4. Joint Accounts & OPD Circular No. 11/2009, dated 02-04-2009.
5. Accounts Circular No.01/2014/dt. 21.04.2014.

The following clarifications are issued with regard to the payment/collection of Service Tax/Goods and Services tax on various rental agreements entered into by APSRTC:

1. On the rental agreements entered into between 01-07-2012 and 21-04-2014, Service Tax/ Goods and Services Tax shall be borne by APSRTC only till the end of the original agreement period, if the agreement is silent on the payment of Service Tax.
2. In the case of tenders called after 21-04-2014, Service Tax/Goods and Services Tax shall be borne by the Licencee only as clearly stated in the Circular 5th cited above.
3. On all rental agreements extended on nomination basis beyond 21-04-2014, the applicable Service Tax/Goods and Services tax shall be collected extra on the Licence fee for the extended period.
4. From now onwards, all rental agreements shall invariably specify that Goods and Services Tax shall be collected extra on the Licence fee payable by the Licencee.

The above instructions have to be scrupulously followed to comply with the statutory requirements.


VICE CHAIRMAN &
MANAGING DIRECTOR

To

All Officers of Corporation for information and n/action.
RAO, AG, APSRTC for information please.