

GIB/MH/Rotary Club/04.10.2019/AAR-395

Advance Ruling Category : Taxability

State : Maharashtra

Order No.: GIB/MH/Rotary Club/04.10.2019/AAR-395

Name of Entry :

M/s. Rotary Club of Mumbai Western Elite

Date : 04-10-2019

Breif Issue :

Facts & Issue Of The Case :

The applicant M/s. Rotary International is an International organization whose stated purpose is to bring together business and professional leaders in order to provide humanitarian service and to advance goodwill and peace around the world. It is a non-political and nonsectarian **organization** open to all people regardless of race, color, creed, religion, gender, or political preference.

The applicant, seeking an advance ruling in respect of :

The amount collected by Rotary club is towards convenience of members and pooled together for paying meeting expenses, communication expenses, RI per capita dues, subscription fees to the Rotarian or Rotary regional magazine, district per capita assessment and the same is deposited in single bank account. As there is no furtherance of business in this activity and neither any services are rendered nor are any goods being traded, whether the above transaction can be considered as supply of goods or services to its Members under GST'?

Applicant has stated that they receive fees from their members to meet their expenditure on meetings and communication, RI per capita dues, subscription fees to the Rotarian or Rotary regional magazine, district per capita dues, club annual dues, and any other Rotary or district per capita assessment. They hold Programs, Seminars and Institutes for Leadership Development and other forums and these programs are only for their members and, non-members, are not allowed to take part.

Decision of Advance Ruling Authority :

Decision :

We are therefore of the opinion, keeping the amended decision of the Appellate Authority in mind that, only membership fee recovered by them from their members, spent towards incurring various administrative expenses only will be exempted from GST.

With regard to the expenses other than the administrative expenses, this Authority has already held in similar cases of Rotary Club of Queens Necklace and Rotary Club of Nariman Point that the amount collected by the Rotary clubs are towards convenience of members and pooled together for paying various expenses and are leviable to GST. We do not find any grounds to deviate from the said decisions made by this Authority since in the facts of the subject case are very much similar to the facts of the case of [Rotary Club of Queens Necklace](#) and [Rotary Club of Nariman Point](#).

Thus, the said transaction by the applicant to its members is a supply of goods/services and is liable to GST.