

GIB/MH/FIVE STAR/18.04.18/AAR-127

Advance Ruling Category : Taxability

State : Maharashtra

Order No.: GIB/MH/FIVE STAR/18.04.18/AAR-127

Name of Entry :

M/s Five Star Shipping

Date : 18-04-2018

Product/ Service Involve :

Marine Consultancy service

Breif Issue :

A.1 Whether Marine Consultancy Service (“MCS”) provided to foreign ship owners constitutes "composite supply" with the principal supply of consultancy service?

A.2 Whether the place of supply of MCS (as a composite supply) will be determined in terms of Section 13(2)(a) of the Integrated Goods and Services Tax, 2017 (“IGST Act”), i.e. the ‘location of recipient of service’?

B.1 In the alternate, where services are provided to foreign ship owners distinctively as supply of consultancy service and support service with separate and demarcated fees for their consultancy service and for support service:

a. Whether consultancy service will qualify as business consultancy service in terms of the scheme of classification of services [Annexure to Notification 11/ 2017 – Central Tax (Rate), dated 28th June, 2017]?

b. Whether the place of supply of such consultancy service will be the ‘location of recipient of service’ in terms of Section 13(2)(a) of the IGST Act?

c. Whether support service qualifies as “intermediary service” in terms of Section 2(13) of the IGST Act? And, if ruled that the support service qualifies as an intermediary service, the place of supply of support service as intermediary service will be the ‘location of supplier of service’ in terms of Section 13(8)(b) of the IGST Act?

Decision of Advance Ruling Authority :

The Support services would qualify as "intermediary services" in term of section 2(13) of the IGST Act.