

GIB/KN/MATRIX/30.09.2019/AAR-231

Advance Ruling Category : Exemption

State : Karnataka

Order No.: GIB/KN/MATRIX/30.09.2019/AAR-231

Name of Entry :

Matrix Imaging Solutions India pvt ltd

Date : 30-09-2019

Breif Issue :

Issue & Fact of the Case:

Whether they, being a health care service provider, are exempted from tax or not?

Applicant has entered into a contract with the contractee (hospital) for providing diagnostic services in their premises for the patients referred to by the hospital. patients are liable to pay charges on that account to the Hospital and the applicant has nothing to do with it once the payment is done to the Hospital as per their schedule of charges, applicant carry out the diagnostic tests on the patients. The service thus provided is to the contractee and not to the patients.

As per sec 2(93) of the CGST Act,2017, recipient' of supply of goods or services or both, means:

a. where a consideration is payable for the supply of goods or services or both, the person who is liable to pay that consideration

b. where no consideration is payable for the supply of goods, the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available

c. where no consideration is payable for the supply of a service, the person to whom the service is rendered.

As per Entry No. 74(Heading 9993) of the N/N 12/2017-CT(Rate) dated 28.06.2017 Services by way of-

a. health care services by a clinical establishment, an authorized medical practitioner or paramedics

b. services provided by way of transportation of a patient in an ambulance, other than those specified in (a) above are exempt.

Health care services, is defined in clause (zg) of paragraph 2 in N/N 12/2017-CT(Rate) dated 28.06.2017 health care services” means any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognized system of medicines in India and includes services by way of transportation of the patient to and from a clinical establishment, but does not include hair transplant or cosmetic or plastic surgery, except undertaken to restore or to reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma.”

Decision of Advance Ruling Authority :

Decision:

The diagnostic services provided by the applicant to hospitals and other establishment are covered under notification 12/2017- central tax rate hence exempted from GST.