

**GOVERNMENT OF WEST BENGAL  
DIRECTORATE OF COMMERCIAL TAXES  
14, BELIAGHATA ROAD, KOLKATA-700015**

**TRADE CIRCULAR No. 37/2018 (Circular No. 51/25/2018-GST)**

**DATED: 17.09.2018**

**Subject: Applicability of GST on ambulance services provided to Government by private service providers under the National Health Mission (NHM)**

Your attention is invited to the Circular No. 210/2/2018- Service Tax, dated 30<sup>th</sup> May, 2018. The said Circular has been issued in the context of service tax exemption contained in notification No. 25/2012- Service Tax dated 20.06.2012 at SI. No. 2 and 25(a). The Circular states, *inter alia*, that the service of transportation in ambulance provided by State Governments and private service providers (PSPs) to patients are exempt under notification No. 25/2012- Service Tax dated 20.06.2012 and that ambulance service provided by PSPs to State Governments under National Health Mission is a service provided to Government by way of public health and hence exempted under notification No. 25/2012- Service Tax dated 20.06.2012.

2. The service tax exemption at SI. No. 2 of notification No. 25/2012 dated 20.06.2012 (R) has been carried forward under GST in the identical form vide SI. No. 74 of notification No. 1136-F.T. [12/2017- ST (R)] dated 28.06.2017. The service tax exemption at serial No. 25(a) of notification No. 25/2012 dated 20.06.2012 has also been substantially, although not in the same form, continued under GST vide SI. No. 3 and 3A of the notification No.1136-F.T. [12/2017- ST (R)] dated 28.06.2017. The said exemption entries under Service Tax and GST notification read as under: –

<b>Service Tax</b>	<b>GST</b>
<p><u>SI.No.2:</u> (i) Health care services by a clinical establishment, an authorized medical practitioner or para-medics; (ii) Services provided by way of transportation of a patient in an ambulance, other than those specified in (i)above.</p>	<p><u>SI. No. 74:</u> Services by way of- (a) health care services by a clinical establishment, an authorized medical practitioner or para-medics; (b) services provided by way of transportation of a patient in an ambulance, other than those specified in (a)above. ****</p>

<p><u>Sl. No. 25(a)</u> Services provided to Government, a local authority or a governmental authority by way of water supply, public health, sanitation conservancy, solid waste management or slum improvement and upgradation</p>	<p><u>Sl. No. 3</u> Pure services (excluding works contract service or other composite supplies involving supply of any goods) provided to the Central Government, State Government or Union territory or local authority or a Governmental authority or a Government Entity by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution or in relation to any function entrusted to a Municipality under article 243W of the Constitution.</p> <p><u>Sl. No. 3A</u> Composite supply of goods and services in which the value of supply of goods constitutes not more than 25 per cent, of the value of the said composite supply provided to the Central Government, State Government or Union territory or local authority or a Governmental authority or a Government Entity by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution or in relation to any function entrusted to a Municipality under article 243W of the Constitution.</p>
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3. Functions of 'Health and sanitation' is entrusted to Panchayats under Article 243G of The Constitution of India read with Eleventh Schedule. Function of 'Public health' is entrusted to Municipalities under Article 243W of the Constitution read with Twelfth schedule to the Constitution. Thus ambulance services are an activity in relation to the functions entrusted to Panchayats and Municipalities under Articles 243G and 243W of the Constitution.

4. In view of the above, it is clarified that the clarification contained in the Circular No. 210/2/2018- Service Tax dated 30th May, 2018 with regard to the services provided by Government and PSPs by way of transportation of patients in an ambulance is applicable for the purpose of GST also, as the said services are specifically exempt under notification No. 1136-F.T. [12/2017- ST (R)] dated 28.06.2017 vide SI. No. 74.

5. As regards the service provided by PSPs to the State Governments by way of Transportation of patients on behalf of the State Governments against consideration in the form of fee or otherwise charged from the State Government, it is clarified that the same would be exempt under-
- SI. No. 3 of notification No. 1136-F.T. [12/2017- ST (R)] dated 28.06.2017 if it is a pure service and not a composite supply involving supply of any goods, and
  - SI.No.3A of notification No. 1136-F.T. [12/2017- ST (R)] dated 28.06.2017 if it is a composite supply of goods and services in which the value of supply of goods constitutes not more than 25 per cent of the value of the said composite supply.
6. Difficulty if any, in the implementation of this circular may be brought to the notice of the Commissioner.
7. This Circular shall be deemed to have come into force with effect from 31.07.2018.

Sd/-  
(Smaraki Mahapatra)  
Commissioner,  
State Tax, West Bengal

Memo. 397 CT/PRO  
3C/PRO/2018

Date: 18.09.2018

Copy forwarded to the Additional CST/ISD for information and for uploading it on the official website of the Directorate for information of all concerned.

Sd/-  
(Adesh Kumar)  
Special CST & PRO