For Export of Service, rebate of duties paid on inputs and service tax paid on input services are allowed under Notification 39/2012 ST Dt. 20.12.2012. In this notification, SB CESS has also been included. So SB CESS paid on input services, used for providing export of output services is now entitled for Rebate.

Notification 1/2016 ST Dt. 03.02.2016

SB CESS included in exemption notification for services provided to SEZ units / Developers also under Notification 12/2013 ST DT 01.07.2013

Notification 2/2016 ST Dt. 03.02.2016.

Reference to "place of removal" under notification 41/2012 ST Dt. 29.06.2012 providing for refund of service tax paid on services used for export of goods, has been removed. Now refund would be allowed for, "in the case of excisable goods, taxable services that have been used beyond factory or any other place or premises of production or manufacture of the said goods, for their expor".

SB CESS also factored in the refund quantum

Notification 3/2016 ST Dt. 03.02.2016

Cenvat Credit Rules, 2004 amended to the effect that Cenvat credit of any duties / taxes cannot be used to pay SB CESS on output services provided.

Definition of "input service" covers sales promotion. The term sales promotion is now explained to include "services by way of sale of dutiable goods on commission basis" to overcome the effect of the Hon'ble Gujarat High Court decision in the case of CCE VS Cadilla Healthcare Ltd - 2013 (30) STR 3 Guj.

Notification 2/2016 CE NT Dt. 03.02.2016

Copies of the Notifications.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]**

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
CENTRAL BOARD OF EXCISE & CUSTOMS
NEW DELHI**

**NOTIFICATION NO**

**03/2016-Service Tax, Dated: February 03, 2016**

In exercise of the powers conferred by rule 6A of the Service Tax Rules, 1994, the Central Government, hereby makes following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 39/2012 – Service Tax, dated the 20th June, 2012, published in the Gazette of India, Extraordinary, vide number G.S.R. 481(E), dated the 20th June, 2012, namely:-

In the said notification, in Explanation 1, after clause (c), the following clause shall be inserted, namely:-

"(d) Swachh Bharat Cess as levied under sub-section (2) of section 119 of the Finance Act, 2015 (20 of 2015)."

**[F. No. 332/18/2015-TRU ]**

**(K Kalimuthu)
Under Secretary to the Government of India**

**Note:** The principal notification was published in the gazette of India, Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide notification No. 39/2012 – ServiceTax, dated the 20th June, 2012 vide number G.S.R. 481(E), dated the 20th June, 2012.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]**

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
CENTRAL BOARD OF EXCISE & CUSTOMS
NEW DELHI**

**NOTIFICATION NO**

**02/2016-Service Tax, Dated: February 03, 2016**

In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), read with sub-section (5) of section 119 of the Finance Act, 2015 (20 of 2015), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2013 – Service Tax, dated the 1st July, 2013, published in the Gazette of India, Extraordinary, vide number G.S.R. 448(E), dated the 1st July, 2013, namely:-

In the said notification, in paragraph 3, in sub-paragraph (III), after clause (b), the following clause shall be inserted, namely:-

""(ba) the SEZ Unit or the Developer shall be entitled to -

i. refund of the Swachh Bharat Cess paid on the specified services on which ab-initio exemption is admissible but not claimed; and

ii. the refund of amount as determined by multiplying total service tax distributed to it in terms of clause (a) by effective rate of Swachh Bharat Cess and dividing the product by rate of service tax specified in section 66B of the Finance Act, 1994."".

**[F No. 332/18/2015-TRU ]**

**(K Kalimuthu)
Under Secretary to the Government of India**

**Note. -** The principal notification was published in the Gazette of India, Extraordinary, by notification No. 12/2013 – Service Tax, dated the 1st July, 2013, vide number G.S.R. 448 (E), dated the 1st July, 2013 and last amended by notification No. 7/2014 – Service Tax, dated the 11th July, 2014 vide number G.S.R. No. 476(E), dated the 11th July, 2014.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]**

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
CENTRAL BOARD OF EXCISE & CUSTOMS
NEW DELHI**

**NOTIFICATION NO**

**01/2016-Service Tax, Dated: February 03, 2016**

In exercise of the powers conferred by section 93A of the Finance Act, 1994 (32 of 1994), the Central Government, hereby makes following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 41/2012 – Service Tax, dated the 29th June, 2012, published in the Gazette of India, Extraordinary, vide number G.S.R. 519(E), dated the 29th June, 2012, namely:-

In the said notification,-

(a) in the Explanation,-

(I) In clause (A), for sub-clause (i), the following sub-clause shall be substituted, namely:-

"(i) in the case of excisable goods, taxable services that have been used beyond factory or any other place or premises of production or manufacture of the said goods, for their export;";

(II) clause (B) shall be omitted;

(b) in the Schedule of rates, in column (4),-

(i) for the figures "0.04", wherever they occur, the figures "0.05"shall be substituted;

(ii) for the figures "0.06", wherever they occur, the figures "0.07"shall be substituted;

(iii) for the figures "0.08", wherever they occur, the figures "0.09"shall be substituted;

(iv) for the figures "0.12", wherever they occur, the figures "0.14"shall be substituted;

(v) for the figures "0.18", wherever they occur, the figures "0.21"shall be substituted; and

(vi) for the figures "0.20", wherever they occur, the figures "0.23"shall be substituted.

**[F. No. 332/18/2015-TRU ]**

**(K Kalimuthu)
Under Secretary to the Government of India**

**Note:** The principal notification was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide notification No. 41/2012 – Service Tax, dated the 29th June, 2012 vide number G.S.R. 519(E), dated the 29th June, 2012.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]**

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
NEW DELHI**

**NOTIFICATION NO**

**02/2016- CX (N.T), Dated: February 03, 2016**

In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944) and section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely : –

1. (1) These rules may be called the CENVAT Credit (Second Amendment) Rules, 2016.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the CENVAT Credit Rules, 2004 (here-in-after referred to as the said rules), in rule 2, in clause (l), after sub-clause (C), the following Explanation shall be inserted, namely:-

*"Explanation.- For the purpose of this clause, sales promotion includes services by way of sale of dutiable goods on commission basis.".*

3. In the said rules, in rule 3, in sub-rule (4), after the sixth proviso, the following proviso shall be inserted, namely: –

*"Provided also that the CENVAT credit of any duty specified in sub-rule (1) shall not be utilised for payment of the Swachh Bharat Cess leviable under sub-section (2) of section 119 of the Finance Act, 2015 (20 of 2015):".*

**[F. No. 332/18/2015-TRU ]**

**(K Kalimuthu)
Under Secretary to the Government of India**

Note.- The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide*notification No. [**23/2004**](http://www.taxindiaonline.com/RC2/subCatDesc.php3?subCatDisp_Id=30&filename=notification/excise/2004/exnt04_23.htm) - Central Excise (N.T.), dated the 10th September, 2004 *vide*number G.S.R. 600(E), dated the 10th September, 2004 and last amended *vide*notification No. [**01/2016**](http://www.taxindiaonline.com/RC2/notDesc.php?MpoQSrPnM=MTkxMTQ=) - Central Excise (N.T.), dated the 1st February, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 132(E), dated the 1st February, 2016.