

**GOVERNMENT OF ASSAM  
OFFICE OF THE PRINCIPAL COMMISSIONER OF STATE TAX  
CUM COMMISSIONER OF TAXES, ASSAM  
KAR BHAWAN :: DISPUR, GUWAHATI-6**

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**CIRCULAR NO. 104/2021-GST**

Dated Dispur the 21st June, 2021.

**Subject: Clarification regarding GST on supply of various services by Central and State Board (such as National Board of Examination)—reg.**

**No. CT/GST-15/2017/467.**— Certain representations have been received seeking clarification in respect of taxability of various services supplied by Centre and State Boards such as National Board of Examination (NBE). These services include entrance examination (on charging a fee) for admission to educational institution, input services for conducting such entrance examination for students, accreditation of educational institutions or professional so as to authorise them to provide their respective services. The issue was examined by GST Council in its 43rd meeting held on 28th May, 2021.

2. *Illustratively*, NBE provides services of conducting entrance examinations for admission to courses including Diplomat National Board (DNB) and Fellow of National Board (FNB), prescribes courses and curricula for PG medical studies, holds examinations and grant degrees, diplomas and other academic distinctions. It carries out all functions as are normally carried out by central or state educational boards and is thus a central educational board.
3. According to *explanation 3(iv)* of the notification No. 12/2017-(Rate) [FTX.56/2017/25 dated 29th June, 2017], “Central and State Educational Boards” are treated as Educational Institution for the limited purpose of providing services by way of conduct of examination to the students. Therefore, NBE is an ‘*Educational Institution*’ in so far as it provides services by way of conduct of examination, including any entrance examination, to the students.
  - 3.1 Following services supplied by an educational institution are exempt from GST vide sl. No. 66 of the notification No. 12/2017-(Rate) [FTX.56/2017/25 dated 29th June, 2017],  
*Services provided -*
    - (a) *by an educational institution to its students, faculty and staff;*
    - (aa) *by an educational institution by way of conduct of entrance examination against consideration in the form of entrance fee;*
  - 3.2 Similarly, services provided to an educational institution, relating to admission to, or conduct of examination is also exempt from GST [sl. No. 66 (b)(iv)- notification No. 12/2017-(Rate) {FTX.56/2017/25 dated 29th June, 2017}].



3.3 Educational institutions are defined at 2(y) of the said notification as follows-

*“(y) educational institution” means an institution providing services by way of, -*

- (i) pre-school education and education up to higher secondary school orequivalent;*
- (ii) education as a part of a curriculum for obtaining a qualification recognized by any law for the time being in force;*
- (iii) education as a part of an approved vocational education course;”;*

Further, clause (iv) of Explanation of said notification reads as below:

*“(iv) For removal of doubts, it is clarified that the Central and State Educational Boards shall be treated as Educational Institution for the limited purpose of providing services by way of conduct of examination to the students”*

3. Taking into account the above, the GST Council has recommended, to clarify as below:

- (i) GST is exempt on services provided by Central or State Boards (including the boards such as NBE) by way of conduct of examination for the students, including conduct of entrance examination for admission to educational institution [under S. No. 66 (aa) of notification No. 12/2017-(Rate) {FTX.56/2017/25 dated 29th June, 2017}]. Therefore, GST shall not apply to any fee or any amount charged by such Boards for conduct of such examinations including entrance examinations.
- (ii) GST is also exempt on input services relating to admission to, or conduct of examination, such as online testing service, result publication, printing of notification for examination, admit card and questions papers etc, when provided to such Boards [under S. No. 66 (b) (iv) of notification No. 12/2017-(Rate) {FTX.56/2017/25 dated 29th June, 2017}].
- (iii) GST at the rate of 18% applies to other services provided by such Boards, namely of providing accreditation to an institution or to a professional (accreditation fee or registration fee such as fee for FMGE screening test) so as to authorise them to provide their respective services.

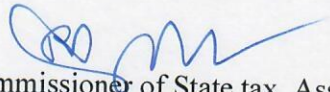
- 4. This Circular is clarificatory in nature and not meant for any interpretation of provisions of the Act and rules.
- 5. Difficulties, if any, in implementation of the above instructions may be brought to the notice of the Commissioner at an early date.
- 6. This Circular shall be deemed to have been issued on 17th June, 2021.

Sd/= Rakesh Agarwala, IAS.,  
Principal Commissioner of State tax, Assam,  
Dispur, Guwahati



Copy to :

1. The Commissioner & Secretary to the Government of Assam, Finance (Taxation) Department, Dispur, Guwahati-6 for favour of kind information.
2. The Commissioner of Central GST, Guwahati / Dibrugarh for information.
3. The Special Commissioner of State tax (All) / Additional Commissioner of State tax (All)/ Joint Commissioner of State tax (All) / Deputy Commissioner of State tax (All) / Assistant Commissioner of State tax (All) / Superintendent of State tax (All) for information and necessary action.
4. The Information Technology Officer, Office of the Commissioner of State tax, Assam for uploading it on the website of the Commissionerate for information of all concerned.

  
Principal Commissioner of State tax, Assam,  
Dispur, Guwahati