

**GOVERNMENT OF TAMIL NADU  
COMMERCIAL TAXES DEPARTMENT**

**OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES  
EZHILAGAM, CHENNAI – 600 005**

**PRESENT: DR. T.V. SOMANATHAN, I.A.S.,  
ADDITIONAL CHIEF SECRETARY /  
COMMISSIONER OF STATE TAX**

**Circular No.100/2019-TNGST  
(PP6/35622/2019)**

**dated: 20.12.2019**

<b>Sub:</b>	<b>Clarification on scope of the notification entry at item (id), related to job work, under heading 9988 of Notification No. II(2)/CTR/532(d-14)/2017, dated 29<sup>th</sup> June, 2017 -reg.</b>
<b>Ref:</b>	Circular No 126/45/2019-GST, dated 22.11.2019 issued by the Department of Revenue, Ministry of Finance, Government of India, New Delhi.

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Doubts have been raised with regard to scope of the notification entry at item (id) under heading 9988 of TN Notification No. II(2)/CTR/532(d-14)/2017, dated 29.6.2017 [Issue No. 202] inserted with effect from 01-10-2019 to implement the recommendation of the GST Council to reduce rate of GST on all job work services, which earlier attracted 18 % rate, to 12%. It has been stated that the entry at item (id) under heading 9988 of TN Notification No. II(2)/CTR/532(d-14)/2017, dated 29.6.2017 [Issue No. 202] inserted with effect from 01-10-2019, prescribes 12% GST rate for all services by way of job work. This makes the entry at item (iv) which covers "manufacturing services on physical inputs owned by others" with GST rate of 18%, redundant.

2. The matter has been examined. The entries at items (id) and (iv) under heading 9988 read as under:

(3)	(4)	(5)
(id) Services by way of job work other than (i), (ia), (ib) and (ic) above;	6	-
(iv) Manufacturing services on physical inputs (goods) owned by others, other than (i), (ia), (ib), (ic), (id), (ii), (iia) and	9	-

(iii) above.		
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3. Job work has been defined in TNGST Act as under.

*"Job work means any treatment or processing undertaken by a person on goods belonging to another **registered** person and the expression 'job worker' shall be construed accordingly."*

4. In view of the above, it may be seen that there is a clear demarcation between scope of the entries at item (id) and item (iv) under heading 9988 of TN Notification No.II(2)/CTR/532(d-14)/2017, dated 29.6.2017 [Issue No. 202] as amended subsequently. Entry at item (id) covers only job work services as defined in section 2 (68) of TNGST Act, 2017, that is, services by way of treatment or processing undertaken by a person on goods belonging to another **registered** person. On the other hand, the entry at item (iv) specifically excludes the services covered by entry at item (id), and therefore, covers only such services which are carried out on physical inputs (goods) which are owned by persons other than those registered under the TNGST Act.

Sd/- T.V.Somanathan  
Commissioner of State Tax  
Tamil Nadu

To,  
All the Joint Commissioners (ST) (Territorial) in the State including LTU

**Copy to:-**

1. Principal Secretary to Government, CT & R Department, Chennai 600 009
2. All Additional Commissioners, O/o the CCT, Ezhilagam, Chennai 600 005
3. The Joint Commissioner (CS) to host in the departmental website
4. The Director, CT Staff Training Institute, Chennai
5. The Secretary, TNSTAT, Chennai 104
6. All the Joint Commissioners (ST) (Intelligence) in the State
7. All Deputy Commissioners (ST) in the State including Intelligence
8. All the Heads of Assessment Circles

**//forwarded / by / order//**

  
**Assistant Commissioner**