

**GOVERNMENT OF TAMIL NADU**  
**COMMERCIAL TAXES DEPARTMENT**  
**OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES**  
**EZHILAGAM, CHENNAI- 600 005**  
**PRESENT: Thiru M.A. SIDDIQUE I.A.S ,**  
**PRINCIPAL SECRETARY/ COMMISSIONER OF STATE TAX**

**Circular No:3/2021 – TNGST**  
**(PP6/35622/2020)**

**Date:27.01.2021**

Sub:	Applicability of GST on ambulance services provided to Government by private service providers under the National Health Mission (NHM) – Reg.
Ref:	Circular no 51/25/2018-GST, dated 31-07-2018 issued by Tax Research Unit, Department of Revenue, Ministry of Finance , Government of India, New Delhi

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Attention invited to the Circular No. 210/2/2018- Service Tax, dated 30th May, 2018 issued by the Central Board of Indirect Taxes and Customs (Service Tax Wing), Department of Revenue, Ministry of Finance, and Government of India. 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 Sl. 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 Sl. No.2 of notification No. 25/2012 dated 20.06.2012 has been carried forward under GST in the identical form vide Sl. No. 74 of G.O. Ms.No.73, dated 29.06.2017. 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 Sl. No. 3 and 3A of G.O. Ms.No.73, dated 29.06.2017. The said exemption entries under Service Tax and GST notification read as under.

Service Tax	GST
<p>SI. No. 2:            (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>SI. No. 74:            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>Si. No. 25(a):            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 up gradation</p>	<p>SI. No. 3:            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>SI. No. 3A: 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 entrusted to a</p>

	Panchayat under article 243G of the Constitution or in relation to any function entrusted to a Municipality under article 243W of the Constitution.
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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 G.O. Ms.No.73, dated 29.06.2017 vide Sl.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-

a. Si. No. 3 of G.O. Ms.No.73, dated 29.06.2017 if it is a pure service and not a composite supply involving supply of any goods, and

b. Si. No. 3A of G.O. Ms.No.73, dated 29.06.2017 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.

Sd/- M.A.Siddique  
Commissioner of State Tax  
Tamil Nadu

**To**

All the Joint Commissioners (ST) (Territorial) in the state including LTU

**Copy to:**

1. The 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, Commercial Tax Staff Training Institute, Chennai-6
5. The Secretary, TNSTAT, Chennai 600 104.
6. All the Joint Commissioners (ST) (Intelligence) in the state
7. All the Deputy Commissioners (ST) in the State including intelligence
8. All the heads of assessment circles
9. Stock file.

//forwarded/by order//

  
Assistant Commissioner