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SUB SECTION (i)]

Government of India
Ministry of Finance
Department of Revenue

Notification No.1/2011 – Service Tax

New Delhi, the 1st March, 2011

G.S.R. (E).- In exercise of the powers conferred by sections 93 and 94 of the Finance Act, 1994 (32 of 1994), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following rules further to amend the Works Contract (Composition Scheme for Payment of Service Tax) Rules, 2007, namely :-

1. (1) These rules may be called the Works Contract (Composition Scheme for Payment of Service Tax) Amendment Rules, 2011.
(2) They shall come into force on the date of publication in the official gazette.
2. In the Works Contract (Composition Scheme for Payment of Service Tax) Rules, 2007, in rule 3, after sub-rule (2), the following sub-rule (2A) shall be inserted, namely:-
“(2A) The CENVAT credit of tax paid on taxable services as referred to under sub-clauses (zzd), (zzq) and (zzzh) of clause (105) of section 65 of the Finance Act, 1994, shall be available only to the extent of 40% of the service tax paid when such tax has been paid on the full value of the service after availing CENVAT credit on inputs.”.

[F. No. 334/3/2011-TRU]


(SAMAR NANDA)

Under Secretary to the Government of India

Note.- The principal rules were notified vide notification no. 32/2007-Service Tax, dated the 22nd May, 2007, published in the Gazette of India, Extraordinary vide number G.S.R. 378(E), dated the 22nd May, 2007 and last amended vide notification No.23/2009-Service Tax, dated the 7th July, 2009, vide number G.S.R. 495 (E), dated the 7th July, 2009.