



SERVICE TAX POLICY NO 1/2019

SERVICE TAX POLICY ON THE FOUR SERVICES WHICH IMPLEMENTATION WAS PREVIOUSLY POSTPONED.

1. EFFECTIVE FROM 1ST SEPTEMBER 2019, THE FOLLOWING SERVICES ARE NO LONGER PRESCRIBED AS TAXABLE SERVICE UNDER THE FIRST SCHEDULE, OF THE SERVICE TAX REGULATIONS 2018:
 - (a) Logistics Management Services
 - (b) Tourism Management Services
 - (c) Amusement Park Services
 - (d) Cleaning Services operated via Coin Operated Laundry Machine (COLM)

2. SERVICE TAX TREATMENT FOR THE FOLLOWING SERVICE
 - (a) **Management services by freight forwarder** (logistic management)
 - (b) **Management services for inbound tour packages by travel agent**
 - (c) **Amusement Park Services**
 - (d) **Cleaning Services** operated via Coin Operated Laundry Machine (COLM)

ARE AS FOLLOWS:

- 2.1 **For the period from 01 January 2019 until 31 August 2019**
Services in (2) (a) to (d) are exempted from service tax under Section 34 (3) of the Service Tax Act 2018

- 2.2 **Adjustment of service tax being exempted are as follows:**
 - (i) The service provider shall issue the invoice without service tax if the **service has been provided but the invoice** which relates to the service **has not been issued**
 - (ii) The service provider shall issue credit note which relates to the invoice if the **invoice** for the service **has been issued** but the **payment has not been made by the customer,**

- 2.3 Any service tax collected from customers beginning 1st January 2019 **must be remitted to RMCD** in accordance with Section 26 of the Service Tax Act 2018.

- 2.4 **No service tax refund** is allowed for any person who has paid service tax.