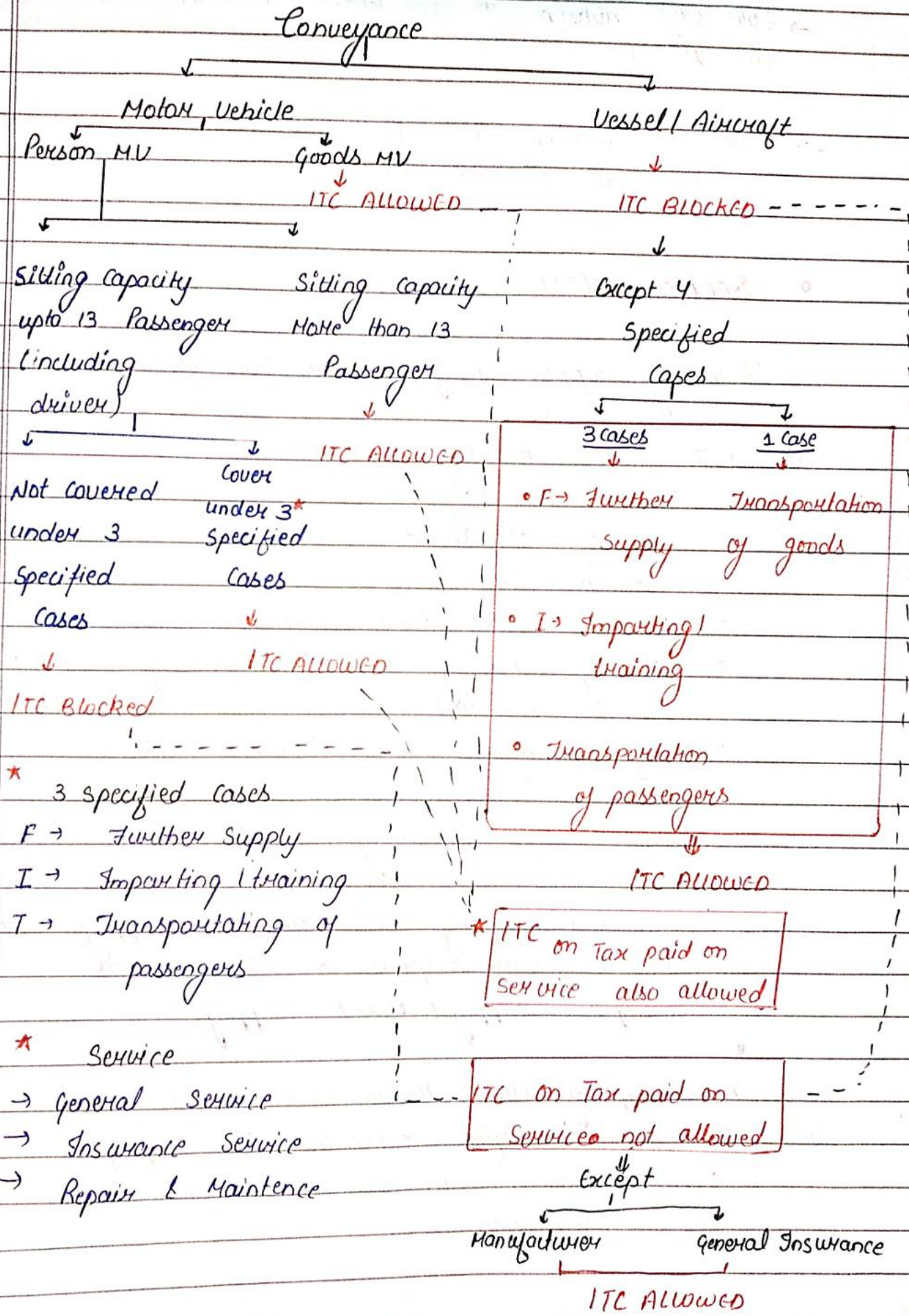


Section 17(5) : Analysis of Section 17(5)(a)/(aa)/(ab)



* 3 specified cases
 F -> Further Supply
 I -> Imparting training
 T -> Transportation of passengers

* ITC on Tax paid on Service also allowed

* Service
 -> General Service
 -> Insurance Service
 -> Repair & Maintenance

ITC on Tax paid on Service not allowed

except
 Manufacturer General Insurance
 ITC ALLOWED

CRUX

→ जहाँ-जहाँ MUVIA का ITC मिलेगा, वहाँ-वहाँ उसकी Service का भी ITC मिलेगा।

→ जहाँ-जहाँ MUVIA का ITC नहीं मिलेगा, वहाँ-वहाँ उसकी Service का भी ITC नहीं मिलेगा।

• Section 17(5)(b)

Following supply of goods or services on both -

- (i)
- Food and Beverages
 - outdoor catering
 - Beauty Treatment
 - Health Service
 - Cosmetics and Plastic Surgery.
 - Leasing, Renting or Hiring of MUVIA except referred in clause (a) or (aa)
 - Life Insurance and Health Insurance.

ITC allowed in following cases:-

1. If inward supply and outward supply are same.
2. Provide such goods or services as Composite supply / Mixed supply.

3.

- (ii) Membership of club, Health and fitness centre
- (iii) Travel Benefits extended to employees on vacation such as leave ^(or) home travel concession.

Proviso to Section 17(5)(b) i.e. complete clause (b):

ITC in respect of such goods or services or both shall be available, where it is **obligation** for an employer to provide the same to its **employees** **under** **by law**.

- Goods or services or both on which Tax has been paid, u/s 10.
- Goods or services or both received by a Non-Resident Taxable person **except on goods imported by him**
- Goods or services or both used for personal consumption.
- Goods lost, stolen, destroyed, written off or disposed off by way of gift or free samples.
- Any tax paid in accordance with the provisions of Section 74, 129 and 130 (**वैट ऑन टॉक्स**)
- Goods or services provided for CSR activity.

(i) (J)

WORK CONTRACT & CONSTRUCTION CONTRACT

Construction of
Land and Building

Construction of
Plant & Machinery

- Re-construction
- Renovation
- Addition
- Repair, etc...

- Addition
- Renovation
- Repair
- Alteration, etc...

Expenditure
Capitalised

Expenditure
Not Capitalised

ITC Allowed
(whether exp.
capitalised or
NOT)

ITC BLOCKED

ITC Allowed

Plant & Machinery does not include

- Land & Building and civil structure
- Telecommunication Towers
- Pipelines laid outside the Factory premises.

So, consider Land and Building
and will be allowed if
expenditure Not Capitalised