



**SERVICE TAX POLICY NO 1/2019**

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

1. EFFECTIVE FROM 1<sup>ST</sup> 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 1<sup>st</sup> 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.