



## INDIAN RAILWAY WELFARE ORGANISATION भारतीय रेल कल्याण संगठन

Railway Offices Complex, Shivaji Bridge (Minto Bridge), Behind Shankar Market, New  
Delhi-110001

No. AGM(F)/Accounts/2010-11/

Dated : 22-11-2010

Mr./Mrs

Scheme No.  
Pr. No

Sub: Application of Service Tax on Construction Services

With effect from 1.7.2010, Service Tax has been made applicable on Construction Services under the amended provision of Service Tax related to construction service u/s 65(105)(zzq) of the Finance Act 2010.

Accordingly, all allottees are required to pay additional amount of Service Tax at the rate of 2.575 % on the amount of instalments remitted by them on or after 1.7.2010. Since Service Tax is mainly applicable on the amount of instalments and not on other charges like, Maintenance Fund, Depreciation Reserve Fund and interest on Delayed Payment etc., the allottees are requested henceforth to furnish complete details of payments being made for basic instalment and other payments (Maintenance Fund, Depreciation Reserve Fund , Interest on delayed payment and /or Service Tax) Separately in the challan to be submitted along with cheque /Demand Draft.

In order to facilitate the allottees, the instalments received upto/to be received upto 30-11-2010 will be treated inclusive of Service Tax. The deficit so worked out in the amount of instalment paid upto 30.11.2010 shall be intimated separately and the amount so worked out will have to be deposited immediately after that. For instalments to be received on or after 30.11.2010 allottees shall be required to remit Service Tax at the rate of 2.575 % of the instalment amount in addition to the normal instalment.

Since this is a computer generated letter signature of issuing officer is not required.

Thanking You,

For Managing Director