

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4009  
ANSWERED ON:26.08.2011  
SERVICE TAX ON ACADEMIC INSTITUTES  
Argal Shri Ashok

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of service tax imposed on each category of academic institute by the Union Government;
- (b) whether complaints/suggestions have been received by the Government in this regard; and
- (c) if so, the details thereof and action taken thereon?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM)

- (a) Service Tax is levied on `Commercial Training or Coaching Service` vide Section 65(105)(zc) of the Finance Act, 1994 which defines the same as any service provided or to be provided to any person, by a commercial training or coaching centre in relation to commercial training or coaching and the terms `service provider` shall be construed accordingly. The Explanation to the said provisions states that "For the removal of doubts, it is hereby declared that the expression `commercial training or coaching centre` occurring in this sub-clause and in clauses (26), (27) and (90a) shall include any centre or institute, by whatever name called, where training or coaching is imparted for consideration, whether or not such centre or institute is registered as a trust or a society or similar other organisation under any law for the time being in force and carrying on its activity with or without profit motive and the expression `commercial training or coaching` shall be construed accordingly.
- (b) Suggestions/complaints are received for different categories of services including `Commercial Training and Coaching`.
- (c) No centralised database is maintained for such complaints / suggestions. These suggestions/complaints are examined and responded to appropriately.