

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:18
ANSWERED ON:08.08.2012
SERVICE TAX ON REMITTANCES FROM ABROAD
Kumar Shri P.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government levy service tax on remittances from abroad;
- (b) if so, the details thereof;
- (c) whether any State Government has made any demand in the matter; and
- (d) if so, the details thereof and the reaction of the Union Government thereto?

Answer

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

- (a): No, there is no service tax on the amount of foreign currency remitted to India from abroad per se.
- (b): Not applicable in view of reply at (a) above.
- (c): A reference from Commissioner for NRI Affairs, Government of Goa has been received.
- (d): The reference sought cancellation of the reported levy of service tax on remittances to India from abroad. Central Board of Excise & Customs has issued clarification vide Circular No. 163/14/2012 – ST dated 10.07.2012 to clarify that there is no service tax on the amount of foreign currency remitted to India from overseas per se.