

From	Karvy Data Management Services Ltd.
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Subject	List of Goods & Services which falls under blocked credit as per Section 17(5) of CGST Act 2017
Category	GST Law
Reference	Section 17(5) of CGST Act 2017
Series	Karvy/GST/46

In GST regime Input Tax Credit plays a significant role in the hands of the taxpayers since it has a direct impact on the working capital of an entity.

For a taxpayer, it is essential to determine whether the tax paid on the inward supplies is eligible as Input Tax Credit (ITC) or shall fall within the ambit of ineligible ITC. Section 17(5) of CGST Act 2017 narrates scenarios wherein a taxpayer would not be entitled to claim ITC until and unless the mapped exceptions are qualified.

In this relevance, list of Goods & Services falling within the ambit of Blocked Credit as per Sec. 17(5) of CGST Act 2017 has been chalked out mapping the same with applicable HSN / SAC tariff heading below:

Sl. No.	Category of goods & services	Goods & Services HSN / SAC Chapter Heading	Exceptions where ITC is allowed
1	Motor Vehicles & Other Conveyances	87	<ul style="list-style-type: none"> • Further supply of such vehicles or conveyances; • Transportation of passengers or • Providing training on driving, navigating such vehicles or • Conveyances for transportation of goods;
2	Food & Beverages, Outdoor Catering, Beauty Treatment, Health Services Cosmetic, Plastic Surgery	99633 99972 99931, 99932, 99933, 99934, 99935	<ul style="list-style-type: none"> • Except where an inward supply of goods or services or both of a particular category is consumed by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply
3	Membership of a Club,	99972	–
4	Membership of a Health Centre	99972	–
5	Membership of a Fitness Centre;	99972	–

Sl. No.	Category of goods & services	Goods & Services HSN / SAC Chapter Heading	Exceptions where ITC is allowed
6	Rent-a-cab, Life Insurance & Health Insurance	996601 997132, 997133 997141, 997142	<ul style="list-style-type: none"> The Government notifies the services which are mandatory for an employer to provide to its employees under any law for the time being in force; or Such inward supply of goods or services or both of a particular category is used by a registered person for making an outward taxable supply of the same Category of goods or services or both or as part of a taxable composite or mixed supply.
7	Travel benefits extended to employees on vacation such as leave	NA	–
8	Travel benefits on home travel concession	NA	–
9	Works contract services when supplied for construction of an immovable property	9954	<ul style="list-style-type: none"> Except where it is an input service for further supply of works contract service and plant and machinery
10	Goods or services or both received by a taxable person for construction of an immovable property	9954	<ul style="list-style-type: none"> Except goods or services received on his own account including when such goods or services or both are used in the course or furtherance of business and plant and machinery
11	Goods or services or both on which tax has been paid under section 10 (i.e. under composition scheme)	NA	–
12	Goods or services or both received by a non-resident taxable person	NA	<ul style="list-style-type: none"> Except on goods imported by him
13	Goods or services or both used for personal consumption	NA	–
14	Goods lost	NA	–
15	Goods written off	NA	–
16	Goods destroyed	NA	–
17	Goods stolen	NA	–
18	Goods disposed of by way of gift or free samples	NA	–
19	Any tax paid in accordance with the provisions of sections 74, 129 and 130. (i.e. in fraud, misstatement, etc.)	NA	–

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In India, GST Team of KDMSL are located in following cities: Hyderabad, Mumbai, Bangalore, New Delhi and Kolkata. For more information about KDMSL service offerings, visit www.karvygst.com

Below are the co-ordinates of our representatives from GST Team across India:

Hyderabad: Mr. Vamsi Krishna Pothukuchi (8378976769) & Mr. Dipak Tiwary (9823741187)

Mumbai: Mr. Avdhesh Heda (9130561253)

Pune: Mr. Akhil Menon (7588658809)

Bangalore: Ms. Sonu Agarwal (8100009631)

New Delhi: Ms. Priyanka Mathur (9953563996) & Mr. Aakash Singhal (8700698951)

Kolkata: Ms. Ishika Agrawal (8820253344) & Mr. Vijay Kumar Gupta (9339355647)

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