To,
General Secretary
All India Ophthalmological society

Dear Sir,

Sub.: Legal Opinion in respect of the applicability Service Tax Provision to the Society.

Fact of the Society:

All India Ophthalmological society is a registered society under the society registration act of 1860. The objects of the Society are cultivation and promotion of the study and practice of ophthalmic sciences, research and man-power development with a view to render service to the community and to promote social contacts among ophthalmologists of the country. The Society organise Annual Conferences in different parts of the country. In these conferences a number of scientific programmes, Symposia, Seminars, Workshops, Refresher Courses, Wet Labs etc. - are conducted for the promotion and mutual exchange of knowledge in the field of Ophthalmic Science.

And to do all these activities the society has generated revenue in the mode of admission Fees, Life Membership Fees, Delegate Fees etc.

Now, the society is required me to give my opinion that whether service tax is levied on such admission fees, Life Membership Fees and Delegate Fees.

Legal Opinion on the above fact:

Please note that service provided by the society or association to its members are taxable under the service tax.

Please further note that in certain cases exemption is available to the association subject to the conditions specified in the serial no. 28 of notification no. 25/2012 ST.

Such Exemption is subject to the following conditions to be fulfilled:

Service by an incorporated body or. Non profit entity registered under any law of time being in force, to its members by way of reimbursement of charges or share of contribution,

a. As a trade union;
b. For the provision of carrying out any activity which is exempt from the levy of service tax.
Or
c. up to an amount of 5000/- per month per member for sourcing of goods or services from third person for the common use of its members in a housing society or residential complex.

From the above and on the basis of facts of your society, I opinion that your society is liable to charge service tax on the admission fees, Life Membership Fees and Delegate Fees since your society is trade union but the fees that it receives is not for the provision of carrying out any activity which is exempt from the levy of service tax.

And therefore I would suggest to comply with provision of service tax by charging service tax on admission fees, Life Membership Fees and Delegate Fees.

Thanking You:

Yours faithfully,

For, Nirav Patel and Associates
Chartered Accountants

CA Nirav Patel
(Partner)
M.No. 132409
F.R.No. 129824W