Circular No. 84/03/2019-GST

F. No. 354/428/2018-TRU
Government of India
Ministry of Finance
Department of Revenue
Tax research Unit
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Room No. 146G, North Block,
New Delhi, the 1th January 2019

To,

The Principal Chief Commissioners/ Chief Commissioners/ Principal Commissioners/ Commissioner of Central Tax (All) /
The Principal Director Generals/ Director Generals (All)

Madam/Sir,

Subject: Clarification on issue of classification of service of printing of pictures covered under 998386– reg.

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It has been brought to the notice of the Board that the service of "printing of pictures" correctly covered under service code 998386 - "Photographic and videographic processing services" is being classified by trade under service code 998912 - "Printing and reproduction services of recorded media, on a fee or contract basis". The two service codes attract different GST rate of 18% and 12% respectively and therefore wrong classification may lead to short payment of GST.

2. The matter has been examined. According to Explanatory Notes to the scheme of classification of services, the service code "**998386 Photographic and videographic processing services,** *includes,* -
developing of negatives and the printing of pictures for others according to customer specifications such as enlargement of negatives or slides, black and white processing; colour printing of images from film or digital media; slide and negative duplicates, reprints, etc.; developing of film for both amateur photographers and commercial clients; preparing of photographic slides; copying of films; converting of photographs and films to other media"

3. Further, according to explanatory notes, the service code *998912 "Printing and reproduction services of recorded media, on a fee or contract basis*" clearly excludes, -
-colour printing of images from film or digital media, cf. 998386,
-audio and video production services, cf. 999613"

4. In view of the above, it is clarified that service of "printing of pictures" falls under service code "*998386: Photographic and videographic processing services"* and not

under "*998912: Printing and reproduction services of recorded media, on a fee or contract basis" of* the scheme of classification of service annexed to notification No. 11/2017-Central Tax(Rate) dated 28.06.2018. The service of printing of pictures attracts GST @ 18% falling under item (ii), against serial number 21 of the Table in notification No. 11/2017-Central Tax(Rate) dated 28.06.2017.

5. Difficulty if any, in the implementation of this circular may be brought to the notice of the Board.

Yours Faithfully,

Harsh Singh
Technical Officer (TRU)
Email: harshsingh.irs@gov.in

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