

***Circular No.193/03/2016-Service Tax dated 18.05.2016***

***Services provided by a person represented on an arbitral tribunal to an arbitral tribunal shall be liable for service tax under reverse charge***

“Services provided by a person represented on an arbitral tribunal to an arbitral tribunal” was made taxable w.e.f 01.04.2016, in lieu of this there was some confusion as to whether such services shall now be taxable under forward charge or will it be liable under reverse charge. In view of the above, it is clarified that Service Tax liability for services provided by an arbitral tribunal (including the individual arbitrators of the tribunal) shall be on the service recipient if it is a business entity located in the taxable territory with a turnover exceeding Rs.10 lakhs in the preceding financial year.