



In order to implement the 49th GST Council meeting's recommendations, Government issued Notification 02/2023- Central Tax (Rate) dated 28.02.2023 amending the RCM provisions in relation to services provided by Courts and Tribunals.

Hitherto:

1. Business entity was liable to pay GST under RCM on any service provided by Central or State Government. However, such a RCM was not applicable on services by department of posts, services in relation to an aircraft or vessel and services in relation transport of goods or passengers;
2. Similarly, renting of immovable property services supplied by Central or State Government or Union Territory or Local authority to any registered person is subjected to GST under RCM.

Now, such a RCM is extended to services provided by Courts and Tribunals on the lines of the above services provided by Central or State Government. Thus, the specified recipient would be liable to pay GST under RCM on specified services provided by Tribunal and Courts. However, this entry needs to be analyzed in view of entry 2 under Schedule III to CGST Act, mandating the "services by any court or tribunal established under any law for the time being in force" as not amounting to supply.