

## CGST CIRCULARS

CIRCULAR NO. 84/2019

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### **Clarification on issue of classification of service of printing of pictures covered under 998386.**

The service of “printing of pictures” correctly covered under service code 998386 - “Photographic and video-graphic processing services” is being classified by trade under service code 998912 - “Printing and reproduction services of recorded media, on a fee or contract basis”.

Service Code 998386 attracts 18% GST

Service Code 998912 attracts 12% GST

Therefore wrong classification may lead to short payment of GST.

According to Explanatory Notes to the scheme of classification of services, the service code “998386 Photographic and video-graphic 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

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”.

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.