

GOVERNMENT OF NAGALAND
OFFICE OF THE COMMISSIONER OF STATE TAXES
NAGALAND: DIMAPUR

Dated Dimapur, the 20th October, 2017

CIRCULAR-09/11/2017-GST

Ref-CBIC Circular No.11/11/2017-GST dated 20-10-2017

Subject: **Clarification on taxability of printing contracts**

Requests have been received to clarify whether supply of books, pamphlets, brochures, envelopes, annual reports, leaflets, cartons, boxes etc., printed with design, logo, name, address or other contents supplied by the recipient of such supplies, would constitute supply of goods falling under Chapter 48 or 49 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) or supply of services falling under heading 9989 of the scheme of classification of services annexed to notification F.NO.FIN/REV-3/GST/1/08(Pt-1)"N".

2. In the above context, it is clarified that supply of books, pamphlets, brochures, envelopes, annual reports, leaflets, cartons, boxes etc. printed with logo, design, name, address or other contents supplied by the recipient of such printed goods, are composite supplies and the question, whether such supplies constitute supply of goods or services would be determined on the basis of what constitutes the principal supply.

3. Principal supply has been defined in Section 2 (90) of the Nagaland Goods and Services Tax Act as supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary.

4. In the case of printing of books, pamphlets, brochures, annual reports, and the like, where only content is supplied by the publisher or the person who owns the usage rights to the intangible inputs while the physical inputs including paper used for printing belong to the printer, supply of printing [of the content supplied by the recipient of supply] is the principal supply and therefore such supplies would constitute supply of service falling under heading 9989 of the scheme of classification of services.

5. In case of supply of printed envelopes, letter cards, printed boxes, tissues, napkins, wall paper etc. falling under Chapter 48 or 49, printed with design, logo etc. supplied by the recipient

of goods but made using physical inputs including paper belonging to the printer, predominant supply is that of goods and the supply of printing of the content [supplied by the recipient of supply] is ancillary to the principal supply of goods and therefore such supplies would constitute supply of goods falling under respective headings of Chapter 48 or 49 of the Customs Tariff.

4. This Circular is clarificatory in nature and not meant for any interpretation of provisions of the Act and Rules.

5. Difficulty if any, in the implementation of the circular should be brought to the notice of the Commissioner at an early date.

Sd/-

(Y. MHATHUNG MURRY)

Commissioner of State Taxes

Nagaland: Dimapur

Dated Dimapur, the 20th October, 2017

NO.CT/LEG/CR-GST/36/17/70

Copy to:-

1. The Finance Commissioner to the Government of Nagaland Finance Department (Revenue Branch) for information.
2. All Additional Commissioner of State Taxes/ Joint Commissioner of State Taxes, Nagaland, Dimapur for information and necessary action.
3. All Deputy Commissioner of State Taxes/ Superintendent of State Taxes/Inspectors of State Taxes, Nagaland for information and necessary action.
4. Programme Officer for uploading it in the Official Website for information to all concerned.
5. Guard file.

Handwritten signature and date: 20/10/17

Commissioner of State Taxes

Nagaland: Dimapur