

## **CIRCULAR**

Sub: Levy of Services of 10.2% on Air Freight Charges on Exports

This is to inform that Department of Revenue, Ministry of Finance, Govt. of India through notification no. 29/2005-service tax dated 15.07.2005 has exempted the taxable service, referred to in sub clause (zzn) of clause ((105) of section 65 of the Finance Act, provided to any person, by an aircraft operator, in relation to transport of export goods by aircraft, from the whole of the service tax leviable thereon under section 66 of the said Finance Act.

In accordance to the provisions, the Govt. has since granted exemption from service tax in respect of services provided by Air Cargo Operators in relation to transport of export goods.