M/s Crown Tours and Travels, Opposite Rajputana Shereton Hotel, Jaipur, Rajasthan 302006

Authority for Advance Ruling — Rajasthan

Advance Ruling No. RAJ/AAR/2019-20/25, Date of Ruling 26.11.2019 (F.N… Dated **26.11.2019**

Q Questions Before the Authority

- Whether the 'Ancillary Services' provided to various tour operators fall under Chapter heading 9985(i) (Supply of Tour Operator Service) or 9985(iii) (Support Services)?
- What is the applicable tax rate for ancillary services provided to various tour operators?

F Facts

The applicant runs a tour operator and support services business. A main tour operator sends service orders for ancillary services to be delivered within a packaged tour, including elephant rides at Amber Fort, guide and assistance charges, home host dinners, meals at local restaurants, a boat ride at Udaipur, a camel ride at Jaisalmer, and saree or turban tying. The applicant does not provide transportation or accommodation, and it raises one consolidated bill to the main tour operator rather than separate invoices for each service.

H Ruling

Classification of the ancillary services supplied to tour operators	****SAC 9985(iii) – Support Services****	Not tour operator services under 9985(i), because the applicant neither provides transportation or accommodation nor raises a gross consolidated tour bill.
Applicable tax rate for ancillary services supplied to tour operators	****18% (SGST 9% + CGST 9%)****	The rate follows from classification under 9985(iii); the order states that the rate applies to the ancillary services supplied to the various tour operators.

The authority held that the ancillary services are **Support Services under heading 9985(iii)** , not tour operator services under 9985(i). The applicable GST rate is **18% (SGST 9% plus CGST 9%)** .

R Reasoning

The authority read 'tour' using the dictionary meaning and the definition of 'tour operator' in Entry 23 of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017. It held that a tour operator must satisfy two conditions: the bill must be a consolidated one inclusive of accommodation and transportation charges, and input tax credit must not have been taken, save for tour operator services procured from another tour operator. The applicant met neither condition, since it provides no transportation or accommodation and raises no gross tour bill. Its services therefore cannot be treated as tour operator services and fall into the residual support services entry at 9%, giving the combined 18% rate. The order also refers to the parallel rates in the Rajasthan GST Act.

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

P Provisions Relied On

Section 97(2)(a) of the CGST/SGST Act, 2017 (admissibility of the question on classification)

Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017, Entry 23 (Heading 9985), items (i), (ii) and (iii), including the E…

Corresponding Rajasthan GST rate notification (referred to in the order; number not legible in the scan)

Sections 99 and 100 of the CGST/RGST Act, 2017 (appeal to the Appellate Authority within 30 days, as noted on the first pag…

! For the Practitioner

This ruling is useful for ground-handling and tour-service suppliers who supply sightseeing or activity services to tour operators without providing transport or accommodation. It settles that such suppliers cannot claim the 5% rate under 9985(i) and fall under 18% support services. It does not decide the position for suppliers that also provide transport or accommodation, or that raise a consolidated gross bill. It also does not address input tax credit consequences or the position of tour operators' own supplies.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> aar_order_no_25_crown_tours_and_travels.pdf

Prepared 14-11-2026.

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