

Muniasamy Abinaya

Authority for Advance Ruling — Tamil Nadu

Advance Ruling No. 27/AAR/2023 Dated: 25.08.2023

Q Questions Before the Authority

- Does GST is applicable for the activity proposed to be undertaken by the applicant by way of transport of staff and students of school as school bus operator, by school bus / van?
- If GST is applicable, what is the percentage of GST to be charged to parents and school for arranging their staff to pick up and drop?

F Facts

The applicant is an unregistered individual (proprietorship) proposing to provide pick-up and drop transport services exclusively to students and staff of schools. The applicant intends to enter into agreements with schools, with bus/van permits held in the name of the respective schools. Payments for these services will be collected directly from parents or the schools.

H Ruling

Applicability of GST	Exempted	Subject to the service being provided to an educational institution as defined in the notification
Percentage of GST	Not applicable	The question does not arise as the service is exempt

The Authority ruled that the proposed activity of transporting students and staff of educational institutions is exempt from GST. Consequently, the question regarding the applicable percentage of GST does not arise.

R Reasoning

The Authority relied on **Serial No. 66(b) of Notification No. 12/2017-Central Tax (Rate)**, which exempts transportation services provided to an educational institution. The term educational institution is defined in paragraph 2(y) of the same notification to include institutions providing education up to higher secondary school. The Authority concluded that the applicant's proposed service qualifies for this exemption provided the service is rendered to an educational institution and necessary permits are obtained under the Tamilnadu Motor Vehicles (Regulation and Control of School Buses) Special Rules 2012.

P Provisions Relied On

Section 97(2) of the CGST Act, 2017

Serial No. 66(b) of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017

Paragraph 2(y) of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017

Tamilnadu Motor Vehicles (Regulation and Control of School Buses) Special Rules 2012



For the Practitioner

This ruling confirms that transport services provided to educational institutions for students and staff are **exempt from GST**. It provides clarity for school bus operators, provided they strictly limit their services to educational institutions and comply with relevant motor vehicle regulations. It does not address scenarios where the service is provided to entities other than educational institutions or for purposes outside the scope of the notification.

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 -> 27_muniyasamy_abinaya.pdf

Prepared 16-10-2026.

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