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# MANAGEMENT, MAINTENANCE OR REPAIR SERVICES

**ISSUE INVOLVED:** Whether growing grass, plants, regular mowing of lawns, pruning of shrubs (also called Green belt maintenance activity) taxable under service tax?

Previously the said services were covered under this head and are taxable. But now the following case excludes the activity from “management, maintenance or repair services”.

Activities of growing grass, plants, fruits, regular mowing of lawns, pruning of shrubs, cleaning of garden would not come within the ambit of ‘maintenance of immovable property’. Horticultural activity has been excluded from the definition of ‘cleaning activity’. – *CCE V. ANS Constructions (2009) 23 STT 113 (CESTAT) = (2010) 17 STR 549 (CESTAT – Delhi)*

Further as per Sec. 3 of Transfer of property Act, ‘Immovable property does not include standing timber, growing crops or grass.

**OPINION:** Based on the above case, it is clear the gardening activities not covered under service tax levy. Further if someone argues that it can be covered under “Cleaning service”, the stand will be no longer valid as Agriculture, Horticulture, Animal husbandry is specifically excluded from that head.

## TAXABILITY UNDER VAT:

Commodity Code	Description of goods	Sch	Part	Item No	Sub Item No	Rate of Tax
732	Fresh Plants/ Saplings	IV	B	32		0
733	Fresh Vegetables	IV	B	33		0
705	Grass	IV	B	5		0
707	Green Manure seeds excluding oil seeds	IV	B	7		0
2010	Bark of plants	I	B	10		5
364	Standing trees	I	C	63		14.5
2119	Tree lace all grades and qualities	I	B	119		5