

Place of Supply for Specific Services under GST (2026): Immovable Property, Events, Transport, Telecom and More

Description

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Quick summary

- Section 12(3) to (14) of the IGST Act carves out specific rules for certain services, overriding the general registered/unregistered-recipient rule for these categories alone.
- Services tied to immovable property - hotels, construction, event venues - are always placed at the property's own location, regardless of who the recipient is or where they are registered.
- Passenger transport, event admission and organisation, and on-board conveyance services each have their own location-based rule, distinct from the general rule.
- Telecom, banking and insurance services use a billing-address or recipient-on-record test rather than a physical location test.
- The special domestic goods-transportation rule under section 12(8) was omitted with effect from 1 October 2023 - domestic goods transport now follows the general rule (section 12(2)), not a separate goods-transportation-specific rule.

Our general rule guide covers section 12(2) - the default that applies to most services. This post covers the **specific rules** in sections 12(3) to (14) of the IGST Act, which override the general rule for particular categories of service.

New to terms such as "recipient on record" or "continuous journey"? See the technical terms explained in simple words further down.

Services related to immovable property

Under section 12(3), the place of supply is the **location of the immovable property (or boat/vessel) itself**, for:

- Services directly relating to immovable property - architects, interior decorators, surveyors, engineers, estate agents, construction and co-ordination work, and granting rights to use the property;
- Lodging accommodation by a hotel, inn, guest house, home stay, club, campsite, house boat or vessel;

- Accommodation in a property for a wedding, reception, or official, social, cultural, religious or business function; and
- Any service ancillary to the above.

This applies **regardless of who the recipient is or where they are registered**. If the property is outside India, the place of supply falls back to the recipient's own location. Where the property spans more than one State, the supply is split across those States in proportion to the value of services attributable to each.

Example: A company registered in Gujarat books hotel accommodation in Maharashtra for a business trip. Even though the recipient is a registered person, the place of supply is **Maharashtra** (the hotel's location), not Gujarat - so CGST and SGST apply, and the Gujarat company cannot set off Maharashtra's SGST credit against its own Gujarat SGST output liability.

Restaurant, catering and personal care services

Under section 12(4), the place of supply of restaurant and catering services, personal grooming, fitness, beauty treatment, and health services (including cosmetic and plastic surgery) is **where the service is actually performed** - not the recipient's registration address.

Training and performance appraisal

Under section 12(5): for a registered recipient, the recipient's own location; for an unregistered recipient, **where the service is actually performed**.

Event admission

Under section 12(6), admission to a cultural, artistic, sporting, scientific, educational or entertainment event, or an amusement park, is placed **where the event is actually held**, or where the park or venue is located - for anyone, registered or not.

Event organisation

Under section 12(7), **organising** such an event (as opposed to simply attending it) - including conferences, fairs, exhibitions, celebrations, and sponsorship of such events - follows a different test:

- To a registered recipient: their own location.
- To an unregistered recipient: where the event is actually held; if the event is held **outside India**, the recipient's own location instead.

Domestic goods transportation: no longer a special rule

Section 12(8) used to set a specific rule for transportation of goods within India. **This sub-section was omitted with effect from 1 October 2023**, confirmed on the CBIC Tax Information Portal. Domestic goods transportation now follows the **general rule** under section 12(2) - the recipient's location if registered, or the recipient's address on record (or the supplier's location) if unregistered - rather than a dedicated goods-transportation rule.

Passenger transportation

Under section 12(9): for a registered person, their own location; for an unregistered person, **where they board the conveyance** for a continuous journey. A **return journey is always treated as a separate journey**, even if both tickets are booked together.

Services on board a conveyance

Under section 12(10), services supplied on board a vessel, aircraft, train or motor vehicle are placed at the **location of the first scheduled point of departure** of that journey - not where the passenger is, or where the journey ends.

Telecommunication services

Under section 12(11), the rule depends on the type of service: a fixed line, leased circuit or dish connection is placed where the equipment is installed; a post-paid mobile or internet connection uses the recipient's **billing address on record**; a prepaid recharge sold through an agent uses the agent's own address, and one sold directly to the final subscriber uses where the payment was received or the voucher sold; recharges through internet banking or electronic payment use the recipient's address on record.

Banking, financial and insurance services

Under sections 12(12) and 12(13), both banking/financial services (including stock broking) and insurance services use the **recipient's address on the supplier's own records**, falling back to the **supplier's own location** if no such record exists. Insurance additionally distinguishes a registered recipient (always their own location) from an unregistered one (the address on record).

Advertisement services to the Government

Under section 12(14), where an advertisement is supplied to the Central Government, a State Government, a statutory body or a local authority, and the advertisement targets specific States or Union Territories named in the contract, the place of supply is **split across each of those States or Union Territories**, in proportion to the value attributable to each.

How CSM & Co LLP can help

Each of these specific rules overrides the general rule for its own narrow category, and getting the category wrong - treating an immovable-property service as a general service, for instance - means charging the wrong tax entirely. Please reach out to our team and we will be happy to assist with service classification under these specific rules.

Technical terms explained in simple words

Term	What it means
Recipient on record	The recipient's address or details the supplier has genuinely captured and kept in its own records, used as the place-of-supply test for several specific services.

Term	What it means
Continuous journey	A single uninterrupted journey for place-of-supply purposes; a return trip counts as a separate continuous journey even if booked at the same time.
Ancillary service	A service that supports or is closely connected to a main service, and is placed at the same location as that main service for GST purposes.
Billing address	The address a telecom or similar service provider has on file for sending bills to a customer - used as a place-of-supply anchor for post-paid connections.

Frequently asked questions

What is the place of supply for services directly related to immovable property?

The location of the immovable property (or boat/vessel) itself - under section 12(3) of the IGST Act. This covers architects, interior decorators, construction and co-ordination services, hotel and lodging accommodation, and venues for weddings or functions. If the property is outside India, the place of supply falls back to the recipient's location.

What is the place of supply for event admission versus event organisation?

Admission to an event (a concert, sporting event, amusement park) is always placed where the event is actually held, under section 12(6). Organising an event is different: for a registered recipient, it is the recipient's own location; for an unregistered recipient, it is where the event is held (or the recipient's location if the event is held outside India), under section 12(7).

What is the place of supply for passenger transportation?

For a registered person, their own location. For an unregistered person, the place where they board the conveyance for a continuous journey - under section 12(9). A return journey is always treated as a separate journey from the onward journey.

Does domestic goods transportation still have its own special place-of-supply rule?

No. Section 12(8), which used to set a specific rule for transportation of goods within India, was omitted with effect from 1 October 2023. Domestic goods transportation now follows the general rule under section 12(2) instead.

How is the place of supply fixed for telecom, banking and insurance services?

Not by physical location, but by a billing-address or recipient-on-record test. Telecom (section 12(11))

looks at where the connection is installed, the billing address, or where a prepaid recharge is sold, depending on the type of service. Banking and financial services (section 12(12)) and insurance (section 12(13)) use the recipient's address on the supplier's own records, falling back to the supplier's location if no such record exists.

What is the place of supply for advertisement services to the Government?

Where the advertisement is for the Central Government, a State Government, a statutory body or a local authority, and is meant for specific States or Union Territories named in the contract, the place of supply is split across each of those States or Union Territories, in proportion to the value attributable to each, under section 12(14).

Official sources

- CBIC Tax Information Portal – Section 12, IGST Act, 2017 (Place of supply of services where location of supplier and recipient is in India)
- GST Portal

Related reading

- GST on Waste and Scrap (2026): 2% TDS and Reverse Charge for Plastic, Tyre, E-waste and Used Cooking Oil
- GST on Services (2026): E-commerce Delivery and Transport, Electric Vehicle Rentals, Helicopter Seats and Foreign Shipping Lines
- Simplified GST Registration for E-commerce Sellers (2026): Rule 14B, ECO Consent and Warehouse as PPoB

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