

**Author:** Sushil Kumar Antal

## **GST on legal services provided by Individual Advocate, Senior Advocate and Partnership Firm of Advocates**



Navigate GST on legal services with clarity! Explore exemptions, tax liabilities under Forward and Reverse Charge Mechanism, and GST registration requirements. This comprehensive guide breaks down legal services' taxability, defines key terms, and provides insights for advocates and businesses. Stay informed and ensure compliance in the complex landscape of GST on legal services.

GST on legal services provided by Individual Advocate, Senior Advocate and Partnership Firm of Advocates- This article addresses the confusion among various advocates regarding the exemption notification, tax liability under Forward Charge Mechanism (FCM) or Reverse Charge Mechanism (RCM), and the need for GST registration. It explains the definition of legal services, their categorization into representational and non-representational services, and their taxability under the GST Law. The article also defines the terms "advocate" and "senior advocate," clarifies the difference between advocates and lawyers, and provides insights into the taxability of legal services under RCM. Additionally, it highlights the exemption available for certain legal services and discusses the requirement for GST registration based on turnover and the export of legal services.

Various Advocates (Practice in Civil, Criminal and/or Tax) are having confusion whether they are covered under any **Exemption Notification** [[Notification No.12/2017 – Central Tax \(Rate\) dated 28th June, 2017](#)] or they will have to pay the tax liability under **Forward Charge Mechanism ('FCM')** or **Reverse Charge Mechanism ('RCM')**. Not only this, they also confused whether they will have to obtain registration under GST under mandatory

provisions.

It is common in practice where Advocates provides different kind of services to their clients. They provide consultancy or advice or drafting work to/for their client in any matter. They also represent their clients before any Court, Tribunal or Authority in India. Moreover, it is also seen that they play crucial role as an Arbitrator or Mediator to arrive in settlement of the dispute between with other opposing party.

In view of the above, the basic question which comes into the mind is **“whether any kind of services provided by the Advocates to their clients is taxable or only selective services are taxable under GST Law?”** To give the answer of the above question in straight way is not an easy job. The taxability of legal services under GST law is much complicated.

**Question: What are Legal Services that has been defined under GST Law?**

**Answer:** Legal Service has been defined by the Government through their Notification. As per **Para 2(zm)** of [Notification No.12/2017 – Central Tax \(Rate\) dated 28th June, 2017](#)

***“Legal service means any service provided in relation to advice, consultancy or assistance in any branch of law, in any manner and includes representational services before any court, tribunal or authority;”***

By the above definition, it is needless to say that Legal Service would include rendering legal opinion, advice, consultancy, technical assistance in legal matter and appearance before court, tribunal and various judicial and quasi-judicial authorities for and on behalf of the clients.

To more explore, the Legal Service can be categories into two different categories one as

- Representational Service and
- Others Service (i.e. ‘Non-representational Services’ or service other than Representational Service)

It is also pertinent to mention that by go through the above definition, it is clear that it hardly any matter to provide the legal service (Representational as well as Non-representational) by Advocates or other Professionals like Chartered Accountant or Company Secretary. Means, Legal Service can be provided by Advocates or other Professionals to their clients. **But taxability will depend whether it is exempted or taxable or taxable under FCM or RCM.**



## GST ON LEGAL SERVICES

**Question: Whether legal services are taxable under the GST Law?**

**Answer:** If any service is covered under the definition of supply and is not exempted, it will be taxable under GST law. It is clear that **'Legal Services'** are covered under the definition of supply under Section 7 of the [Central Goods and Services Tax Act, 2017](#) (CGST Act, 2017). But whether it will be taxable under FCM or RCM depends on the Notifications issued by the Government in this regard.

Please note that Section 9 of the CGST Act, 2017 empowers the Government to issue Notification to covers Services or Goods or both under RCM (**where tax is to be paid by recipient**).

It is pertinent to note that the Government has used its power mentioned in Section 9 of the CGST Act, 2017 by issued a [Notification No.13/2017 – Central Tax \(Rate\) dated 28th June, 2017 \[RCM Notification\]](#) to bring Advocate Services under RCM.

**Question: Is there any exemption to legal services under the GST Law?**

**Answer:** The Government has issued a [Notification No. 12/2017 – Central Tax \(Rate\) dated 28th June, 2017 \[Exemption Notification\]](#) regarding exemption of various services. **Entry No. 45** of the said Exemption Notification is concerned with exemption to **'Legal Service'**.

<b>Sl. No.</b>	<b>Chapter, Section, Heading, Group or Service Code (Tariff)</b>	<b>Description of Services</b>	<b>Rate (per Condition cent.)</b>
45	Heading 9982		



**TaxGuru**<sup>®</sup>  
Complete tax solution

**TaxGuru**  
Complete Tax Solution  
<https://taxguru.in>

---

or *Heading*  
9991

TaxGuru.in