

Notification	New Delhi, the 1 st March, 2007
No. 10/2007-Service Tax	10 Phalgun, 1928 (Saka)

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts taxable services provided by an entrepreneur located within the premises of a Technology Business Incubator (TBI) or Science and Technology Entrepreneurship Park (STEP) recognized by the National Science and Technology Entrepreneurship Development Board (NSTEDB) of the Department of Science and Technology Government of India from the whole of the service tax leviable thereon under section 66 of the said Finance Act subject to the condition following conditions, namely:-

1. The exemption contained in this notification shall apply subject to the following conditions, namely:-

- (i) the entrepreneur enters into an agreement with the TBI or the STEP as an incubatee, to enable himself to develop and produce hi-tech and innovative products; and
- (ii) the total business turnover of such entrepreneur does not exceed fifty lakh rupees during the current or previous financial year;

Provided that the exemption contained in this notification shall apply for a period of three years from the date on which such entrepreneur enters into an agreement with the TBI or the STEP.

Explanation:- The exemption for taxable services under this notification shall not be available for any taxable services provided or to be provided immediately after the total business turnover of the entrepreneur exceeds fifty lakh rupees during a given financial year.

2. This notification shall come into force on the 1st day of April 2007.

[F. No. 334/1/2007-TRU]

(R. Sriram)
Deputy Secretary to the Government of India