

**Customer Advisory**

**Service Tax on Prepaid Ocean Freight – IMPORT**

January 20, 2017

Dear Valued Customer,

Vide its Notification 01/2017-Service Tax dated 12-01-2017, the Government of India has announced withdrawal of exemption from service tax on prepaid import ocean freight with effect from January 22, 2017.

This will mean invoicing with effect from 22-01-2017 for Prepaid Import Ocean Freight and ancillary Ocean Charges will attract service tax @ 4.5%

OOCL will invoice the Service tax @ 4.5% on the Prepaid Import Ocean Freight and ancillary Ocean Charges at Origin (from shipper) to cover this additional requirement.

OOCL reserves the right to collect this service tax in India from the consignee if the shipper advises that such tax should be on 'collect' basis. This will be collected prior to release of Delivery Order.

Kindly contact our Sales or Customer Service representatives if you have further questions regarding the subject.

OOCL Contact list:

<http://www.oocl.com/india/eng/localinformation/localcontacts/Pages/default.aspx>

**OOCL (INDIA) PRIVATE LIMITED**

ICC Chambers, 5<sup>th</sup> Floor, Saki Vihar Road, Opp. Santogen Silk Mills, Powai, Mumbai 400 072

Tel: (022) 6651 1100 [www.oocl.com](http://www.oocl.com)

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