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Title: Need to extend the period of exemption of service tax on Sheep Insurance Scheme in Andhra Pradesh upto 31.12.2012.

DR. MANDA JAGANNATH (NAGARKURNOOL): The Government of Andhra Pradesh had introduced sheep insurance scheme during the year 2006-07 for the benefit of the poor sheep rearers covering unavoidable risks as most of the sheep rearers belonged to weaker sections of the society i.e. scheduled castes, Scheduled Tribes and Backward class Communities.

The exemption of service tax on this essential and beneficial scheme has enormous positive impact for covering maximum number of sheep rearers to unwanted economic losses. With the exemption of service tax, the sheep rearers will be relieved of the burden of payment of an additional amount of service tax on premium.

The Government of Andhra Pradesh had been representing for the extension of period of exemption of service tax on sheep insurance from 31.12.2009 to 31.12.2012 for the benefit of the poor sheep rearer in the State which the Government of India had earlier given the exemption till 31.12.2009.

Under the above explained circumstances through you Madam, I request the Ministry of Finance, Government of India to consider the matter and issue necessary orders for extension of period of exemption of service tax as requested by Government of Andhra Pradesh up to 31.12.2012.