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Newsflash: GST - Manual filing and processing of refund claims in respect of zero-rated supplies

CBEC Circular no. 17/17/2017 - GST, dated 15 November 2017

Background

Due to the non-availability of the refund module on the common GST portal, the GST Council has recommended the applications/documents/forms pertaining to refund claims on account of zero-rated supplies to be filed and processed manually till further orders are issued.

In this regard, notification no. 55/2017- Central Tax dated 15 November, 2017 has been issued to notify rule and relevant forms. Further, **circular no. 17/17/2017-GST** dated 15 November, 2017 has also been issued to lay down conditions and procedure for the same.

We have summarized these procedures in our newsflash.

1.0 Filing of Refund Claims

Sl. No.	Category of Refund	Process of Filing
1.	Refund of IGST paid on export of goods	No separate application is required as shipping bill itself will be treated as application for refund. Further, the application shall be deemed to have been filed only when export manifest or export report is filed and the applicant has furnished a valid return in Form GSTR -3 or Form GSTR -3B as the case may be.
2.	Refund of IGST paid on export of services / zero rated supplies to SEZ units or SEZ developers	FORM GST RFD-01A is required to be filed on common portal and a print out of the said form need to be filed manually with the jurisdictional GST officer (only at one place - Centre or State) along with relevant documentary evidences, wherever applicable.
3.	Refund of unutilized input tax credit due to the accumulation of credit of tax paid on inputs or input services used in making zero-rated supplies of goods or services or both	FORM GST RFD-01A needs to be filed on the common portal and the amount of credit claimed as refund would be debited in the electronic credit ledger. The proof of debit i.e. (ARN- Acknowledgement Receipt Number) needs to be mentioned in FORM GST RFD- 01A . The said form need to be submitted before the jurisdictional GST officer along with necessary documentary evidences, wherever applicable.

3.0 Submission of application to authority

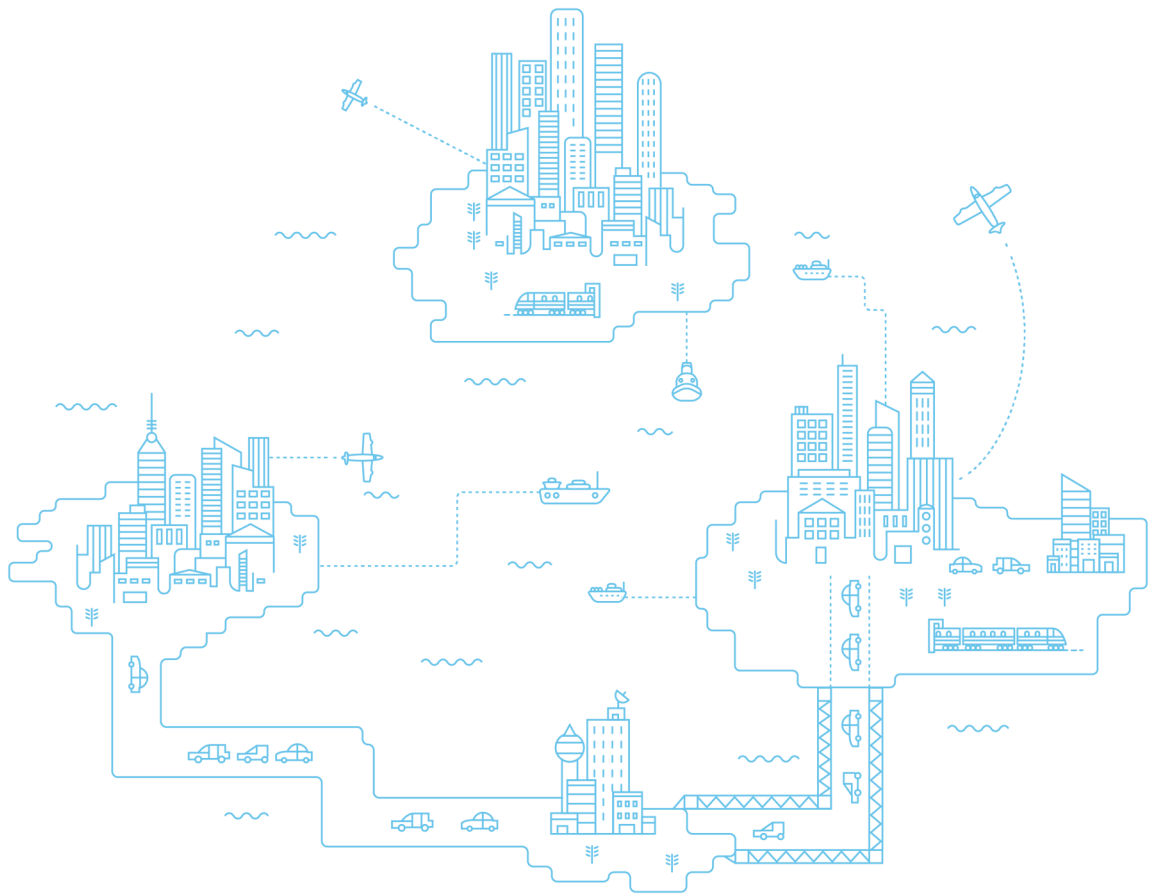
- The registered person needs to file the refund claim with the jurisdictional tax authority to which the taxpayer has been assigned as per the administrative order issued in this regard. In case such an order has not been issued in the State, the registered person is at liberty to apply for refund before the Central Tax Authority or State Tax Authority till the administrative mechanism for assigning of taxpayers to respective authority is implemented. However, if application is filed with only one authority, an undertaking is required to be submitted stating that the claim for sanction of refund has been made to only one of the authorities
- The date of submission of application for which acknowledgement has been given will be considered as the date for ensuring whether the refund application has been sanctioned within the stipulated time period.
- Provisional refund shall be granted separately for each head CT / ST / UT / IT/ Cess within 7 days of acknowledgement in **FORM GST RFD-04**.

3.0 Rejection of refund

After the refund claim is processed and where any amount claimed as refund is rejected under order sanction refund, either fully or partly, the amount debited, to the extent of rejection, shall be re-credited to the electronic credit ledger by an order made in **FORM GST PMT-03**. The amount would be credited by the proper officer using **FORM GST RFD-01B**.

4.0 Payment of sanctioned refund

The refund application for various taxes i.e. CT / ST / UT / IT/ Cess can be filed with any one of the tax authorities and shall be processed by the said authority, however the payment of the sanctioned refund amount shall be made only by the respective tax authority of the Centre or State government.



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This newsflash is general in nature. In this newsflash, we have summarized CBEC Circular No. 17/17/2017 - GST dated 15 November 2017 . It may be noted that nothing contained in this newsflash should be regarded as our opinion and facts of each case will need to be analyzed to ascertain applicability or otherwise of the said notification and appropriate professional advice should be sought for applicability of legal provisions based on specific facts. We are not responsible for any liability arising from any statements or errors contained in this newsflash.

24 November 2017