

Remaining 10% may be refunded after due verification of documents.

Refund of IGST-Export of goods after payment of IGST (Rule 96)

1. Where the exporter opts to pay IGST on export of goods, he shall be eligible for refund of IGST paid by him.

The shipping bill filed by an exporter of goods shall be deemed to be an application for refund of integrate tax paid on the goods exported out of India and such application shall be deemed to have been filed only when:-

- The person in charge of the conveyance carrying the exports goods duly files an exp manifest or an export report covering the number and the date of shipping bill or bill of export; and
- The applicant has furnished a valid return in Form GSTR-3 or Form GSTR-3B;

2. The details of the relevant export invoices in form GSTR-1 Shall be transmitted electronically to the system designated by the Customs.
3. Release of refund

Upon receipt of the information regarding the furnishing of a valid return Form GSTR-3B proper officer of customs .integrated tax paid in respect of each shipping bill or bill of export electronically credited to the bank.

4. The central Government may pay refund of the integrated tax to the Government of Bhutan on the exports to Bhutan for such class of goods as may be notified in this behalf and where such refund is paid to the Government of Bhutan, the exporter shall not be paid any refund of IGST.

27 Oct. 2017 exempted from IGST rule 43 of the GST Rules for claiming input tax credit affecting such exempt supply of services to Nepal and Bhutan

Circular No. 42/2017-Customer dated 7.11.2017

Exported in July would begin the analysis of the common errors that are hindering the disbursal of IGST refund, and decisions taken to address such errors are as follows:-

IGST refunds for the exports of goods in the month of July, 2017:

1. Incorrect SB number in GSTR 1

There are cases where the shipping bill number quoted in GSTR-1 either does not exist or it pertains to another exporter. The only way out is to amend the GSTR- 1 AND enter the correct shipping bill number.

2. Invoice number and IGST paid amount miss-match

The exporters may take care to ensure the details of invoice, such as invoice number IGST paid etc, under GSTR-1 and shipping bill match with each other.

3. Wrong Bank Account given to customs

Exporters may be advised that if account has not been validated PFMS, they must get their detail corrected in the EDI system.

Refund of IGST- Export of service after payment of IGST

While the exporter opts to pay IGST on export of services. He shall be eligible for refund for the IGST paid by him. The applicant shall file an application in Forms GST RFD-01 and give details of export of services in statement Annexure .

1. Applicant shall also give the details of BRC/FIRC, which is mandatory of claiming refund
2. Effective of service to Nepal or Bhutan
3. Effective from 27 Oct 2017 vide Notification No. 42/2017- Integrated tax supply of services having place of supply in Nepal and Bhutan

Restriction on claiming refund

As per Rule 96(10)*, the person claiming refund should not have received supplies on which the suppliers has availed the benefit of any or all following notification

- Notification No48/2017- CT dated 18 Oct, 2017 (I,e . deemed export) or
- Notification No . 40/2017- CT (Rate) dated 23 Oct 2017 (inter- state supply to exporter@0.01%GST) Or
- Notification No. 41/2017- IT (Rate) dated 23 Oct, 2017 (inter-state supply toexporter@0.01%GST),OR
- Notification No. 78/2017-Customs dated 13 Oct 2017 (exemption to specified goods imported or procured by EOU 's, STP Unit , EHTP unit etc. for specified purpose); or
- Notification No. 79/2017- Customs dated 13 Oct, 2017,

Documents required for processing of refund application:

(Circular No. 37/11/2018-GST dated 15 March 2018)

- Copy of Form RED-01A filed on common portal
- Copy of Statement 2 of Form RFD -01A
- Invoices with regard to input, input services and capital goods
- BRC/FIRC for export of services
- Undertaking/ Declaration in Form RFD-01A

Refund of input tax credit- Exports of goods/ service against Bond or Letter of Undertaking

(sec 16 of the IGST Act read with rule 96A(1) of the GST Rule)

Export of goods and/or services has been debtor as zero rated supplies, which means input tax credit may be availed in respect thereof, notwithstanding that such supply may be an exempt supply subject to the provision of sec 17(5) of the GST Act (I,e, on-creditable goods and/or services).

Furnishing of bond or letter of under taking at the time of export (Rule 96A)

Any registered person availing the option to supply goods or service or export without payment of intergraded tax shall furnish ,prior to export, a Bond or a letter of Undertaking (1) IN Form GST RFD-11 to the jurisdictional Commissioner, binding himself to pay that tax due along with the interest specified under sec 50(1) (i.e.18% p.a.) with a provide of

15 days after the expiry of three months from the date of issue of the invoice for export, if the goods are not expired out of India; or.

15 days after the expiry of 1 years, from the date of issue of the invoice for export, if them payment such service is not received by they exporter in convertible foreign exchange .

Making of exports before filing of LUT

(Circular No 37/11/2018-GST dated 15 march2018)

It is emphasized that the substantive benefits of zero rating may not be denied where it has been established that export in terms of the relevant provision has been made. the delay in furnishing of LUT in such classes may be condoned .

Bond v. Letter of undertaking

As per notification No 37/2017-CT dated 4 October 2017, all registered person who entered to supply goods or service for export without payment for integrated tax shall be eligible to furnish a Letter OFG Undertaking in place of a bond except those who have been prosecuted for any offence under the CGST Act or the IGST Act or, any of the existing laws in force in a case where the amount of tax evaded exceeds INR 250 Lakhs.

Export by the merchant Exports:

(Circular No 37/11/2018-GST dated 15 march 2018)

The exporter will be eligible to take credit of the tax @0.05%0.1% paid be him. It may be noted that the exporter of such goods can exports thje goods only under LUT/bond and cannot export on payment of integrated tax. In this connection, notification No3/2018-Central Tax dated 23january2018 may by referred.

Supplies to Merchant Exporter:

(Circular No37/11/2018-GST dated 15 March 2018)

Notification No 40/2017-CT(Rate) and No 41/2017-IT (Rate) both dated 23 Oct 2017 provide the supplies for exports at a concessional rate of 0.05% and 0.01% respectively, subject certain condition specified in the said notification.

The suppliers who supplies goods at the concessional rate, is also eligible for refund on account of inverted tax structure as per the provision of clause (ii) of the first provision to sec 54(3) of the CGST Act.

Furnish details of the export invoice

The details of the export invoice contained in Form GSTR-1 furnished on the common portal shall be electronically transmitted to the system designated by Customs.

Amendment through Table 9 of GSTR-1-Mismatch in data

(Circular No37/11/2018-GST dated 15 March 2018)

It has been reported that refund claims are not being processed on account of mismatch between data contained in From GSTR-1, From GSTR-3B and shipping bills/bills of export the facility of filing of Table 9 in From GSTR-1, and amendment table is already available. If a taxpayer as committed an error while entering the details of an invoice/shipping bill/bill of export in Table 6A or Table 6B of From GSTR-1, has can rectify the same in Table 9 of From GSTR-1.

It is advised that while processing refund claims on account of zero rated supplies, information contained in Table 9 of From GSTR-1 of the subsequent tax periods should be taken into cognizance, wherever applicable.

Filed formation are also advised to refer to Circular No 26/26/2017-GST dated 29 Dec.,2017, wherein the procedure for rectification of errors made while filing the returns in Form GSTR-3B has been provided.

Filing of application along with documents claim refund

- I. Applicant shall file an application in Form GST RFD-01, electronically, through the Common Portal and give details of export in statement 3 and 3A of Annexure 1.(Rule 89(1))
- II. The application shall be accompanied by the following documentary evidence to establish that a refund is due to the applicant:

Export of goods (Rule 89 (2)(b)):

- A statement containing numbers and date of shipping bills or bills of export,
- The number and date of relevant export invoice ;and
- Declaration in application in Form GST RFD-01(substituted w.e.f. 7 march 2018),, as under:

DECLARATIONS (second proviso to sec 54(3))

I hereby declare that the goods exported are not subject to any exp[ort duty . I also declare that I have not availed any drawback of control excise duty/service tax/ central tax on goods or service or both and that I have not claimed refund of the integrated tax paid on supplies in respect of which refund is claimed.

Signature

Name-

Designation/Status

Circular No. 37/11/2018-GST dated 15 March 2018

BR/FC for export of goods:

Realization of convertible foreign exchange is one of the conditions for export of service.

Export of services (Rule 89(2)(c)):

- A statement containing the number and date of invoices, and
- Relevant Bank Realization Certificates or Foreign Inward Remittance Certificates, as the cases may be.

Documents required for processing of refund applications:

- Copy of Form RFD-01A filed common portal
- Copy of Statement 3 of Form RFD-01A generated on common portal
- Copy of Statement 3 of Form RFD-01A
- Invoices with regard to input service
- BR/FC for export of service
- Undertaking/Declaration in Form RFD-01A

An acknowledgement for the receipts of the application for refund shall be issued in Form GST RFD-02.

Rule 96A of CGST Rules – Refund of integrated tax paid on export of goods or services under bond or Letter of Undertaking

(1) Any registered person supply goods or services for export without payment of IGST shall furnish, prior to export, a bond or a Letter of Undertaking in FORM GST RFD-11 to the jurisdictional Commissioner, binding himself to pay the tax due along with the interest within a period of —

- (a) fifteen days after the expiry of three months (*Inserted vide Notification No. 47/2017-Central Tax dt 18.10.2017*) from the date of issue of the invoice for export, if the goods are not exported out of India; or
- (b) fifteen days after the expiry of one year, from the date of issue of the invoice for export, if the payment of such services is not received by the exporter in convertible foreign exchange.

(2) The details of the export invoices contained in FORM GSTR-1 shall be electronically transmitted to the system designated by Customs

[Provided that where the date for furnishing the details of outward supplies in FORM GSTR-1 for a tax period has been extended the supplier shall furnish the information relating to exports as specified in Table 6A of FORM GSTR-1 after the return in FORM GSTR-3B has been furnished and the same shall be transmitted electronically by the common portal to the system designated by the Customs:

Provided further that the information in Table 6A furnished under the first proviso shall be auto-drafted in FORM GSTR-1 for the said tax period.] (*Inserted vide Notification No. 51/2017-Central tax dt 28.10.2017*)

(3) Where the goods are not exported within the time specified in sub-rule (1) and the registered person fails to pay the amount mentioned in the said sub-rule, the export as allowed under bond or Letter of Undertaking shall be withdrawn forthwith and the said amount shall be recovered from the registered person in accordance with the provisions of section 79.

(4) The export as allowed under bond or Letter of Undertaking withdrawn in terms of sub-rule (3) shall be restored immediately when the registered person pays the amount due.

(5) The Board, by way of notification, may specify the conditions and safeguards under which a Letter of Undertaking may be furnished in place of a bond. Vide Notification No 37/2017- Central Tax dated 4th Oct 2017 requirement of filling of bond has been dispensed with except in case of specified defaulting exporters.

(6) The provisions of sub rule (1) shall apply, mutatis mutandis, in respect of zero-rated supply of goods or services or both to a Special Economic Zone developer or a Special Economic Zone unit without payment of integrated tax."

Other Requirements

1. Filling of correct EGM is a must for treating shipping bill or bill of export as a refund of claim
2. Details of zero rated supply declared in Table 6A of return in form GSTR-1 are matched electronically with the corresponding details available in Customs System.
3. Valid Return in Form GSTR 3 or Form GSTR 3B-It is also another pre-condition for considering shipping bill/bill of export as claim for refund.

Refund in case of deemed export of goods

Deemed Export

Deemed Export means such supplies of goods as may be notified u/s 147 of the CGST Act. As per Sec 147 the Govt may on the recommendation of the council certain supply of goods as deemed export where Goods supplied do not leave India and Payment for such supplies is received either in Indian rupees or in convertible foreign exchange If such goods are manufactured in India.

The Govt vide Notification No 48/2017 Central Tax dated 18 Oct 2017 has notified following supplies as deemed export:

S.No	Description of supply
1	Supply of goods by a registered person against Advance Authorisation
2	Supply of capital goods by a registered person against Export Promotion Capital Goods Authorisation
3	Supply of goods by a registered person to Export Oriented Unit
4	Supply of gold by a bank or Public Sector Undertaking specified in the notification No. 50/2017-Customs, dated the 30th June, 2017 (as amended) against Advance Authorisation.

Filling of application along with documents to claim refund

Proviso to Rule 89(1), the application for refund shall be filled –

(a) the recipient of deemed export supplies; or

(b) the supplier of deemed export supplies in cases where the recipient does not avail of input tax credit on such supplies and furnishes an undertaking to the effect that the supplier may claim the refund] (Substituted vide [Notification No 47/2017-Central Tax](#) dated 18.10.2017 for "Provided also that in respect of supplies regarded as deemed exports, the application shall be filed by the recipient of deemed export supplies")

Applicant shall file an application in Form GST RFD-01 electronically through common portal

Rule 97A and Form GST RFD-01A for manual filling of application of refund have been inserted vide Notification No. 55-Central Tax dated 15th Nov 2017

DECLARATION [rule 89(2)(g)]

(For recipients of deemed export)

I hereby declare that the refund has been claimed only for those invoices which have been reported in statement of inward supplies filed in Form GSTR-2 for the tax period for which refund is being claimed and the amount does not exceed the amount of input tax credit availed in the valid return filed for the said tax period.

Signature

Name -

Designation / Status

As per Rule 89(2) (g) a statement containing the number and date of invoices along with such other evidence as may be notified in this behalf, in a case where the refund is on account of deemed exports.

Documents to be furnished as evidence to claim refund (Inserted vide Notification No 49/2017-Central Tax dated 18 Oct 2017

Table

S.No.	Evidence
(1)	(2)
1.	Acknowledgment by the jurisdictional Tax officer of the Advance Authorisation holder or Export Promotion Capital Goods Authorisation holder, as the case may be, that the said deemed export supplies have been received by the said Advance Authorisation or Export Promotion Capital Goods Authorisation holder, or a copy of the tax invoice under which such supplies have been made by the supplier, duly signed by the recipient Export Oriented Unit that said deemed export supplies have been received by it.
2.	An undertaking by the recipient of deemed export supplies that no input tax credit on such supplies has been availed of by him.
3.	An undertaking by the recipient of deemed export supplies that he shall not claim the refund in respect of such supplies and the supplier may claim the refund.

REFUND TO UNITED NATION ORGANISATIONS, EMBASSIES, DIPLOMATS, AND OTHER PERSONS NOTIFIED UNDER SEC 55

ENTITLEMENT OF CLAIMING REFUNDS

AS PER SEC 55 the central/state governments may, on the recommendation of the council, by notification, specify –

- any specialized agency of the united nations organization or any multilateral financial institution and organization notified under the united nations
- consulate; or
- Embassy of foreign countries; and
- Any other person or class of persons as may be specified in this behalf,

Submission of return [section 25(9) read with rule 82]

Every person who has been issued unique identity number (UIN) and claim refund of the taxes paid on his inward supplies, shall furnish the details of such inward supplies of taxable goods or services in form GSTR-11, along with application for such refund claim, either directly or through a facilitation center.

Components: details of inward supplies (invoices, debit/credit notes) received.

UIN holder shall file return in form GSTR-11 on quarterly basis; or otherwise as and when required or filed by proper officer;

GSTR-11 WILL BE POPULATED FROM GSTR-1. UIN holder will not be allowed to add or modify any details in form GST-11(INSTRUCTION to the form GSTR-11)

PROCEDURE OF CLAIMING REFUND [RULE 95]

1. An application for refund of tax and/or interest shall be made to the proper officer within 6 months from the last day of the quarter in which such supply was received.
2. the refund shall be submitted in form GST RFD-10 once in quarter. Electronically on the common portal.
3. It shall be filed along with a statement of the inward supplies of goods and/or services in form GSTR-11, prepaid on the basis of the statement of the output supplies furnished by the corresponding suppliers in form GSTR-1 ;

TIME LIMIT

An application for refund of tax and/or interest shall be made to the proper officer of the IGST/CGST/SGST within 6 months from the last day of the quarter in which such supply was received. [sec 54(2)]

Extension for Refund Application u/s 55 by Notified Agencies

Notification No. 20/2018 – Central Tax 28th March, 2018

Whereas, the facility for filing the claim of refunds under section 55 of the said Act has been made available on the common portal recently;

Now, therefore, in exercise of the powers conferred by section 148 of the said Act, the Central Government, on the recommendations of the Council, hereby notifies the specified persons as the class of persons who shall make an application for refund of tax paid by it on inward supplies of goods or

services or both, to the jurisdictional tax authority, in such form and manner as specified, before the expiry of eighteen months from the last date of the quarter in which such supply was received

Refund to casual or non-resident taxable person

[section 54(13) read with rule 89(1)]

Procedure of claiming refund

- (I) The application for refund by the casual/non-resident taxable person under sec 27(2) shall be made after adjusting the tax payable by the applicant out of the advance tax deposited by him at the time of registration or extension.
- (II) Applicant shall also file an application in form GST RFD-01, ELECTRONICALLY, through the common portal.
- (iii) further, a self-declaration or, as the case may be, certificate by the chartered accountant or the cost accountant,

Disposal of refund application

If on receipt of any such application, the proper officer is satisfied that the whole or part of the amount claimed as refund is refundable, he may make an order accordingly

the application for refund, other than claim for refund from electronic cash ledger, shall be forwarded to the proper officer who shall, within 15 days of filling of the said application, scrutinize the application for its completeness.

Where the application is found to be complete in term of provision of rule 89(2),(3) &(4), an acknowledgement in form GST RFD-02 shall be made available to the applicant through the common portal electronically clearly indicating the date of filing of the claim. The time period specified in sec 54(7)[60 days] shall be calculated from such date of filing.

Where the application relates to a claim for refund from the electronic cash ledger, an acknowledgement shall be issued in form GST RFD-02 CLEARLY indicating the date of filing of the claim for refund. The time period specified in sec 54(7) shall be calculated from such date of filing.

where any deficiency are noticed the proper officer shall communicate the deficiencies to the applicant in form GST RFD-03 through the common portal electronically, requiring him to file a fresh refund applicant after rectification of such deficiencies